

**Notes from 3 Sept. 2015 Neighborhood Meeting  
on the 1000 block E. Washington Proposal from Stone House Development**

This is the first presentation of the proposal to the neighborhood.

Alder Zellers, convener of the meeting, welcomed attendees and introduced TLNA President Patty Prime and TLNA Development Committee Chair Patrick Heck.

Neighborhood feedback and input on the proposal will be handled by a TLNA steering committee that will form out of this meeting. Patrick Heck will coordinate that process. Ledell also introduced Heather Stouder from the city Planning Department who will assist TLNA and the developer in evaluating the proposal.

Alder Zellers presented a list of approvals that the proposal will need to obtain from the City, including:

- A Certified Survey Map may need to be approved by Plan Commission because the property will be divided differently than the current configuration.
- Urban Design Commission review and approval will be required because it is a new development in Urban Design District No. 8 and the project will need to be in compliance with UDD8 Ordinance.
- Conditional Use Permits will need to be granted by Plan Commission for having dwelling units in a mixed-use building, for having building height over 5 stories, for having a structure over 68' tall, for the number of stories being over 5 (8 allowed + 2 potential bonus stories) and for retail space in a Traditional Employment District. A Conditional Use Permit will also be required should a restaurant/bar be included, as well as approval by the Alcohol License Review Commission.
- Plan Commission will also have to approve the demolition of the existing structures.
- The Plan Commission will also consider the proposal's alignment with the Tenney-Lapham Neighborhood Plan and the East Washington Avenue Capitol Corridor Gateway Plan.
- Any TIF request will go to the Board of Estimates, the Common Council and the Joint Review Board, which is made up of representatives from all taxing jurisdictions that would be deferring receipt of taxes they would have received. A new Tax Incremental District (TID) would have to be created or nearby TID 36 would have to be amended to include the property.

Ledell mentioned that ordinances can and have been changed for certain aspects of a development, e.g., 14% of a block was allowed to exceed maximum height. According to UDD 8 requirements, on E. Mifflin, the maximum allowable number of stories is 3 with a requirement for additional floors not to exceed a 30% slope from the top of the street level facade to the top of the additional stories. Required setbacks are 5-20' on E. Mifflin, 15' on E. Washington and 5-10' on N. Ingersoll and N. Brearly.

Heather Stouder from the Planning Department added that if the developers apply for funds from the City's Affordable Housing Fund as expected, that request would go through a city review process.

Alder Zellers turned the meeting over to Patty Prime who facilitated the presentation, questions and answers.

First, Helen Bradbury and Rich Arnesen of Stone House Development presented details of the proposal (see accompanying presentation slides).

Helen indicated that Stone House had been developing projects since 1996.

Stone House specializes in mixed-income, multi-family rental units. Some examples of past projects are downtown's Madison Mark (50% of apartments are affordable housing with some commercial space on the first floor – 12 stories on top), E. Johnson's City Row (100% affordable apartments) and E. Wilson's Park Central (100% affordable apartments). Helen noted that all units with exterior doors at Park Central and City Row are to townhouse style units.

A slide with very rough building sizes – like Lego blocks – was shown just to give an idea as to the size of the various components. Helen reminded all that it is very early in process and that the buildings will not look like this – they are just to give an idea of massing.

This proposal includes a 10-story apartment tower with about 130 market rate units; they hope to add an 11<sup>th</sup> floor that would have only a community room. There would be a 350-stall, 3-story parking ramp in the middle. The affordable component is workforce housing of about 65 units on E. Mifflin and N. Brearly. The tower would include ground-floor retail space and office space on the 2<sup>nd</sup> and 3<sup>rd</sup> floors.

They hope to obtain neighborhood and city approval ASAP because the schedule is driven by deadlines related to funding for the affordable housing component is the end of January 2016. They will need to be far along with the TIF request and zoning permissions by the end of January too.

The green area on the massing slide (along Ingersoll side) is Phase II of the project and will not be discussed tonight other than to mention that they are negotiating with Car X concerning their moving into Phase I of the project. Car X would remain as is until their new space in Phase I space is complete which would then allow them to move. Again, that is still in negotiation.

It was noted that the E. Mifflin side of the development will have no car entrances or exits. Cars will primarily enter the garage from either Brearly or Ingersoll with the possibility for E. Washington entering/exiting at the Car X location. It is TBD as to whether or not cars coming to/from E. Washington would be able to enter/exit the garage.

There would be 3-stories on E. Mifflin and the northern half of N. Brearly. A 4<sup>th</sup> story with a stepback that meets UDD-8 requirements would be atop those 3 floors. The back half of the 4th story would be larger, allowing for another row of apartments behind, on top of the parking deck. Office and retail parking will be in the parking ramp and accessed from Brearly or Ingersoll. Garbage dumpster access would be on the Brearly side. There would be no new curb cut on E. Washington, but they may ask the City to allow Car X's existing curb cut to be shifted.

65 total units in the affordable building:

- 10 market rate units
- 9 3-bdrm 2-story units at 30% of Dane County Mean Income (CMI)
- 21 units at 50% of CMI
- 25 units at 60% of CMI

Household income would have to be at or below the CMI levels above in order to rent.

The 9 30% CMI units would have separate entrances and stoops, giving a townhouse feel – they are geared towards families at risk of being homeless. The Road Home, a local non-profit, would provide referral and ongoing services for the families in those units. The Road Home will have an office in the building and one full-time social worker for the 9 families. The other units in the affordable building will be a mix of efficiency, 1-bedroom and 2-bedroom units.

The tower will include about 10,000 sq ft of ground floor retail space (could be a coffee shop and similar types of businesses), 20,000-25,000 sq ft of office space on 2 floors, for a total of 40,000-50,000 sq ft. The tower apartments will be a mix of efficiency, 1-bedroom and 2-bedroom units, all at market rate.

There will a green space area on top of the parking ramp. That will be accessible by the 4th floor units of the affordable building and by the office space.

A slide was show with approximate rents for several market rate apartment projects in Madison and for the proposed affordable housing units. Income levels for the various CMI levels were show (see presentation slides).

The project would adhere to the East Washington Capitol Corridor Gateway Plan and the TLNA Neighborhood Plan. The Neighborhood Plan envisioned townhouse-style residential units if the Madison Dairy ever shut down (it was still active when the Plan was written), but that is not feasible at this time.

The southern half of the parcel in UDD-8 (4b) will allow up to 8 stories with 2 bonus stories if certain criteria are met. The proposal would meet the bonus requirement by having 15% of the dwelling units at or below 60% CMI and because it has shared structured parking. The proposed 11<sup>th</sup>-floor community room may require an ordinance change, but that is TBD.

Overall, they feel that their proposal is very good because the property is currently blighted and vacant. They are local developers, their proposal is consistent with plans, land use is consistent with the neighborhood plan. They currently have hundreds of people on waiting lists for their properties; they've never had a vacancy.

They showed a shadowing study slide – the buildings shadow footprint would not touch the pool area or garden of Lapham School.

Attendees then asked questions of the developers.

It was asked if ground reclamation is necessary – they said they didn't anticipate that the soil remediation was a big problem because the entire project is above ground. If any remediation is necessary, they will take care of it.

Bob Shaw asked if the Red Caboose Day Care was included in the proposal because there was discussion of their inclusion in the previous proposal version. They said that Red Caboose is still interested, but their inclusion would be in Phase II if it happened.

Marsha Cannon asked if traffic would come in and out of both sides on Ingersoll and Brearly. Rich said yes, but that it was not likely that the Car X driveway would be a major access point. They still need to work with Traffic Engineering on these issues.

Kevin Luedcke said he was happy to see the developers back with a new proposal – he's especially happy with the affordable housing components. He said that car traffic on the E. Mifflin bike boulevard has increased a lot, so he hopes that as they work on E. Washington access. He would like to see Traffic Engineering address traffic calming on E. Mifflin. He thinks the developers and Gebhardt Development need to do address this because they are controlling entire blocks.

Richard Linster asked about the proposed density of the project. They said that Phase I is 2.5 acres and there could be as many as 200 units.

Seth Nowak asked if there would be anything below grade. They answered that there would be nothing below grade, not even mechanicals.

Bob Klebba commended Helen and Rich on making the affordable housing component work. He asked how much will it cost us in TIF dollars. Helen said that is TBD and the answer will come when they get further along.

Kristin Tomaszewski asked if the 11<sup>th</sup> floor community room would be accessible by others. They said that TLNA could use it, but generally it would be for residents. They might be able to allow usage on a case-by-case basis. During the day, office tenants would likely be using it.

It was asked if the TIF request is tied to the parking structure and to the apartments too. Helen said that the TIF funds can be requested for the structured parking and for the

affordable housing.

It was mentioned that the shadowing studies show the bike boulevard shaded in the winter mornings – this has already created a dangerous situation on E. Mifflin because of snow/ice in the shadows of the other tall buildings.

Peter Cannon made a general comment – we are creating an incredibly massive amount of rental properties. He thinks for high-density rental units built in the last 30 years there is a very high chance that they will end up being in lousy shape eventually. Heather Stouder said that she's not in the mix of the housing studies, but Matt Wachter and his group at the City have shown that 90% of the people moving to Madison are renting. There has been a dramatic shift in recent years in that well over 50% of the community is now renting. The broad citywide view is that we need more rental units and the market can eventually equalize.

Seth Nowak asked what the lifespan of the building would be. Rich said that it is a concrete framed building, so even if 30 years from now it needs interior renovation, the structure itself will be okay. Seth asked about the environmental impact of this building from a perspective of 50 years from now. Rich said that the rooftops could very well have solar power installations – prices are good for solar arrays now. The garage ramp rooftop is not ideal due to shading from the tower; it will be mostly hardscape and greenscape. They want to do LED lighting in common areas. He added that this housing is much more environmentally friendly than 200 garden-style apartments in suburbs.

Bob Klebba said that the 8am and 4pm wintertime shadowing studies are deceiving – maybe they could do 9am and 3pm when the sun is up. Rich reiterated that there is virtually no shading impact on Lapham School. Bob also asked where the car traffic will enter/exit on Ingersoll. Helen said the driveway would be across from the 3<sup>rd</sup> house from corner on Ingersoll - not opposite Curtis Court.

Marsha Cannon asked about parking fees for the ramp. Rich answered that the residents will be charged for parking and the ramp would have controlled access. It can be used for the public too, e.g., for an event at Breese Stevens, but parkers would pay.

Patty Prime mentioned that other recent apartment developments in Tenney-Lapham are not allowed to obtain street parking permits. Helen said they would do the same - no street parking permits for residents on street.

Rebecca Cuninghame said that the proposed 10-story height of the tower seems high in the residential area. She was thinking 6 stories was the maximum and more appropriate.

It was asked how far the tower will go back from E. Washington. They answered that it will cover about 30% of the parcel – on the E. Washington side – so the shadowing is not a big deal.

Richard Linster applauded their commitment to affordable housing. He said that the

majority of residents are renters in this area and he understands the concerns about creating this density of rentals. Helen said that they are committed. The new affordable units are as residential as it can get. She said that it is not feasible to get low-density housing on E. Washington because the city won't allow it. Their commitment to the project is for at least 30 years. They will be the property managers (currently they manage 1200 units in state of WI).

Kevin Luedcke asked if they will also manage the property's commercial components. Helen said they will.

David Waugh asked if they already had some commercial tenants lined up – he's interested in how many jobs will be created. Rich said that they have 3 or 4 tenants lined up. David said that he would like to see some apartments geared towards those who are less likely to move often – less turnover – could be people who are selling homes to downsize. Helen said that they are well aware of this trend.

Patty Prime asked about meeting transportation needs, e.g., bike facilities and parking, Community Car, etc. Helen said they are planning on a car sharing spot and plentiful bike storage. Rich said that the city promotes the bike parking.

Marsha Cannon asked about accessibility of the apartments. They answered that at a minimum 10% will be highly accessible, but all units will be ADA accessible. They usually go above and beyond the accessibility requirements in order to get financing,

John Belknap said that building a 10-story tower will take digging, so they will have some soil issues. Rich said that, as with City Row, they will truck all excavated soil to a special landfill if necessary.

Kevin Luedcke asked about pile driving and if they would avoid pile driving during the school year so as not to bother Lapham School. Rich said yes, there will be pile driving. They hope to do demolition in February/March, so pile driving could start in April/May – there would be some overlap with the school year.

Marsha Canon asked if they were open to using bird-friendly glass. They said that the office space will be primarily glass and the apartments could be maybe 35% glass surface, but they open to the idea of bird-friendly glass. Marsha will send them info.

David Waugh asked about the retail components. Because there is so much residential, he worries about bar time and people waling to vehicles – there should be a 10 or 11pm cap on business hours. Rich said they do not anticipate having something open unit bar time and there is not likely to be a nightclub.

John Belknap asked if they are buying the entire block, both the Phase I and Phase II areas. Helen said yes, but that even though Phase II is planned for some future time, they will not build speculative office buildings so can't guarantee when.

Cheryl Balazs asked if the setbacks around building edges will be green. Rich answered they would be mostly green, but there could be some indoor/outdoor usage for restaurant where the window/wall system could open up to the outdoor area.

Seth Nowak asked if there could be some sort of trees and grass on the Phase II area until it is built. There could be a lot of heat impact on losing the trees in the existing parking area near Ingersoll. He hopes they can have green elements in the eventual Phase II to counteract the heat impact.

John Belknap reminded all that the Burr Jones family originally donated the Phase II area to the City as parkland. It was envisioned as play space for Lapham School. In the 70s when Lapham School and the neighborhood were less desirable, the City sold it to a company for a cheap price. That company then sold it to Madison Dairy.

Jeff Reinke asked about the height allowance along E. Washington and how the 2 bonus stories are determined. Helen said that there are 2 columns of criteria and one must be met from each column – they have done that. Ledell mentioned that on E. Washington a 5-story façade is allowed with a 15' setback to the upper stories.

Evan Wedell asked about the project's environmental aspects. Are they willing to go through the LEED process? Wouldn't this then give more points in getting any city permissions? Helen said that platinum or silver LEED status will get you points and they will discuss it. Rich added that LEED is really more for commercial buildings. They have achieved LEED status a lot and they will try, but in affordable housing, it is all about whether or not there is some funding source. Evan says that in Berkeley, CA, LEED status does exist for affordable housing projects. Rich says it is expensive. Evan added that there are national resources to get expertise.

It was asked if the TLNA Steering Committee will have input on the retail tenants? Yes, the Steering Committee can have input, but Helen said that no one has signed on yet.

Evan Wedell asked about the condo market. Rich said that he thinks there is a market for small-scale condo developments, but banks still won't loan money to developers for condo developments.

Ledell and Patty Prime reiterated that Patrick Heck would be forming the TLNA Steering Committee for the project. Patrick said he would be contacting everyone who signed up via email.

Attendees and the developers were thanked for their attendance and good input.