TLNA Steering Committee Meeting Notes for RPG Proposal for 200 block N. Blount 700 block E. Johnson Streets 31 March 2016, Constellation Community Room, 10 N. Livingston

Attendees:

City: Alder Ledell Zellers

- **Development Team:** Michael Matty (Renaissance Property Group), Chris Oddo (Insite Consulting Architects)
- Tenney-Lapham Neighborhood Association: Patty Prime, Patrick Heck, Bob Klebba, Richard Linster
- Neighbors/Interested Parties: Joe Lusson, David Waugh, Karla Handel, Beth Kubly, Matt Coogan

TLNA Development Committee Chair Patrick Heck welcomed all and introductions were made. Patrick went over the charge of the committee – it is meant to be a collaborative process with "hopes and wishes" for neighborhood expressed and both positive and negative aspects of the proposal reviewed. It should be an interactive discussion between all stakeholders with the final outcome being a win-win for all involved.

Traditionally, TLNA steering committees issue summary findings to TLNA Council rather than voting, but the committee can choose to issue stronger findings if they so desire. It is difficult to establish who is a voting member of a steering committee due to variable attendance, etc. Typically, after TLNA Council receives a committee's report, the Council does vote to recommend, recommend with conditions, register a neutral stance, or reject a proposal.

Michael Matty of Renaissance Property Group and Chris Oddo of Insite Consulting Architects discussed their proposed schedule for the revised project. The project proposal was first presented to the neighborhood in May 2015 and they have since revised it. Their proposed schedule, in reverse order:

- Construction start: 8/16/2016 after current tenants' leases expire on 8/14/2016. They could be digging earlier in the locations at which some existing houses on the property could be moved.
- Common Council would need to vote on any rezoning request prior to permits being issued. That vote would take place after the Plan Commission approves any Conditional Uses and rezoning.
- UDC might be required to review.
- Submittal to the City Would need to be at least a 30-day period between submittal and the beginning of the City process.

Prior to presenting the revised proposal, project architect Chris Oddo mentioned that he has lived in Tenney-Lapham for 24 years; his kids went to Lapham School, O'Keefe, Marquette and through East High. He understands why this part of the neighborhood should have a human-friendly feel. Their project is pro-mass mass transit, pro-bike, and they hope to support car sharing. They listened to comments from last year's neighborhood meeting and now have included commercial space on the ground floor along E. Johnson. They have live/work opportunities. The project will provide accessible rental rates yet achieve financial success. The project is now 3 stories, down from the 4 stories from last year's proposal.

They have two options for the committee to consider – one with 62 apartments and one with 60 apartments. The options aren't significantly different and regardless of which option proceeds, there will be two 3-story unattached buildings – one on Johnson and one on Blount – and the building footprints for either option are about the same. They have reduced the number of parking spaces from 52 to 34, with all the parking now being below the Blount St. building. The Johnson St. building would have a basement, while the Blount St. building would have parking, so they would both be 3 floors with probably less than 3 feet of the basement/parking above ground due to the water table.

Option 1 includes 24 apartments in the micro-unit building as well as commercial space fronting E. Johnson on the 1st floor. There would be 4 micro-unit apartments behind the commercial space and 10 micro-unit apartments on both the 2nd and 3rd floors. The Blount St. building would have 12 apartments and a building manager space on the 1st floor with 13 apartments on both the 2nd and 3rd floors.

Option 2 includes 21 apartments in the micro-unit building, as well as larger commercial space fronting E. Johnson on the 1st floor. There would be 1 accessible micro-unit apartment and building manager space behind the commercial space and 10 micro-units on both the 2nd and 3rd floors. The Blount St. building would have 13 apartments on all 3 floors. Most thought that Option 2 was a better fit (only Option 2 is shown in the online slides).

Chris said that they have exceeded the City's bike storage requirements for the project.

They are considering moving some or all of the existing homes to new locations rather than demolishing them.

There was a discussion of potential zoning changes for the proposal site. Michael Matty said that they had discussed possible zoning categories for the Blount St. building site with Matt Tucker and Jay Wendt from the City (Matt Tucker is the City's zoning administrator and Jay Wendt is also with the Dept. of Planning and Development).

Michael said that the current NMX zoning for the Caribou/Laundromat building was a possibility if they could extend that zoning to the east to include the two Johnson St. properties. Currently, the entire proposal site is TR- V2 (Traditional Residential – Varied 2). Michael said that Matt Tucker and Jay Wendt mentioned that UMX, a less restrictive zoning category, was also a possibility. Alder Zellers indicated that she thought a small chunk of the block becoming UMX was atypical, so that would need to be confirmed. Regardless, Michael thinks NMX will work given what they want to pursue for the Johnson St. building.

The current TR-V2 will also not work for the Blount St. building. They are hoping to have that portion rezoned to TR-U2 (Traditional Residential – Urban 2). Joe Lusson asked about the density allowed for in the desired TR-U2 category, but zoning usually doesn't specify density. For this site, the Tenney-Lapham Neighborhood plan recommends 16 to 25 units/acre. Bob Klebba asked what the square footage was of the properties – Chris said that the Blount St area was 23,500 and the Johnson St area was 7,900 for a total of 31,400 square feet.

There would be 55 bike parking spots in the garage under the Blount St. building and 25 more in the basement of the micro-unit building. The garbage dumpster for the micro-unit building would be on the exterior, but enclosed, between the Caribou and the micro-unit building. There is already a curb cut there on E. Johnson, so a garbage truck could pull off of E. Johnson to load garbage, or park on Johnson and roll the dumpster – TBD.

RPG will meet the Fire Dept. fire aerial access requirements on Blount, but not on Dayton or Johnson, so they will pay to have the utility lines buried on Dayton and Blount. They are willing to do this and have already talked with MG&E, Charter, etc. Some inactive wires will likely stay on the poles after the services are undergrounded because removal is not always pursued. Patty Prime asked if they will have any tree access issue with the Fire Department. Ledell said that with 3 stories or less they might not have issues, but they will be required to meet with the Fire Department so those types of things will be addressed.

A discussion of setbacks followed. They are proposing a 4' setback on Blount, approximately in line with Das Kronenberg's setback on the next block. The Laundromat is 1-2' off the sidewalk, so that is similar too. TR-U2 setback requirement is 15' in the front. They would like to have an 8' setback in the front, thereby shifting the building towards Blount and allowing an additional 7' feet of setback in the rear. That would make 22' between the rear of the Blount St. building and Hazel's home on E. Dayton, more than required but would not crowd that home as much.

On a corner, zoning code allows them to designate the Dayton façade as the front, which then would make Blount and the border with Hazel's property both side yards. Setbacks required on Dayton would then be 15' with 10' on Hazel's property line and Blount. They can meet those requirements, but would like to push the Blount St. setback to 8' so there is more room between Hazel's and the building. Ledell asked if they would then pursue a Planned Development because it would be atypical to get a zoning variance from the setback requirements. Michael said they will get more feedback from the City on setbacks and variances.

Bob Klebba pointed out that the existing houses are setback further that the proposal, so they can't say they are mimicking the existing setbacks by decreasing them. Karla Handel said she was concerned about the precedent of changing the zoning to accommodate this proposal. David said he thinks the existing streetscape is good with the current setbacks. The front windows of the new building would be up against the street – those are living space windows and privacy would be invaded. David wants to see how the building will look in a 3-D rendering from the other side of Blount St.

Karla Handel asked for clarification of their plan to move some of the existing houses. Michael said that if they can build the project, they will commit to moving the house at 711/713 E. Johnson to a vacant lot at 734 E. Dayton. Karla asked why that house in particular – Michael answered that it was in relatively good shape, but was also narrow enough to fit on the proposed lot. Michael does not own the proposed lot, but the owner (Josh Day) is willing to let Michael place the house there.

Matt Coogan asked Michael why they don't just tear down the houses, including this one. Michael said he wants to reuse them when possible and if some are demolished, he will recycle as much as possible. Michael said that the City told him they expect 30,000 new residents in the next 5 years – there is a need for denser housing. He also wants to move the two multi-flats closest to the Laundromat on N. Blount. They would be moved to a lot at 2269 E. Washington where he hopes to create a condo plat with 7 units from these two houses. It was asked if he would consider putting them on the site of condemned Ray Peterson houses, so keeping the homes in the neighborhood. Michael said it is not economically viable to do it there. He also said that a renovation of the Blount St. homes in their current locations would cost a lot of money; he can't do that.

Michael then floated the idea of putting an additional floor of units on the proposed Blount St. building with 50% of those added units as affordable housing. He would self-fund the affordable units – no subsidies needed. Ledell asked at what income level would residents need to be below in

order to rent those affordable units. Michael said that was TBD, but it could be 6 or 7 units.

Michael then said that he can only commit now to moving the E. Johnson house – the two on Blount can't be moved unless he is allowed to put a 4th floor on the proposed Blount St. building with 50% affordable units. Ledell asked how many years he would commit to retaining the affordable units as affordable – typically it is 20 or 30 years. Michael said that since he was getting private financing, it would likely be a 7-year commitment. Patty asked if the proposed 4th floor had a stepback required from the lower floors – Michael said he wasn't certain yet. Patty pointed out that if due to a stepback requirement, perhaps only 10 units could fit on the 4th floor, so 50% of 10 would be 5 affordable units, not the 6 or 7 units Michael mentioned. Michael added that if he does build a 4th floor, the project will be more expensive per square foot because it will need an elevator and other requirements.

Ledell mentioned that there is also a residential stepback requirement on the side of buildings adjacent to housing, so that might need to be considered.

Chris Oddo reminded everyone that Michael will also offer the homes for free to anyone that wants to pay to have them moved somewhere. Michael said there is someone who might take the 3rd house on Blount down from the Laundromat. If that works out, Michael will pay the \$35-40k to move that one. Moving the E. Johnson house is going to cost about \$100k because it includes foundation digging, surveying, temporarily moving power lines for the move, new utility hookups, etc.

Chris then presented streetscape renderings (see presentation slides for one example). He hand drew many of the images, but used google to estimate sizes. Beth Kubly asked how high above the Caribou the Blount Street building would be when looking from Blount. Chris showed renderings from several angles with semi-transparent images of the new buildings overlaid with the existing structures for scale (not shown in online slides). Joe Lusson suggested that the size of the horse barn on Blount across from the proposed Blount St. building looked too large. Chris said that the computer model was responsible if it didn't look reasonable.

The bedroom breakdown was then discussed. The Blount St. building would be 1- and 2-bedroom units with three 3-bedroom units (one on each floor). There would be no efficiencies in that building. The Johnson St. building's apartments would be all micro-units that would be 10' x 30'. Ledell asked how a micro-unit relates to an efficiency. Michael said that in The Hub on State St. they are even smaller at 278 sq. ft. He said that city staff recognizes those as 1-bdrm units.

Patty Prime asked about the exterior design of the micro-unit building – she has some recollection that maybe UDC didn't like what they proposed. Michael said that they hadn't yet been to UDC, so no. It was agreed that at the 2015 neighborhood meeting on the earlier version of their proposal, some didn't like the idea floated for a contemporary exterior. Patrick Heck asked if they would indeed have a live/work component in the micro-unit building as they did in the first version. No, they are not including public workspace(s) in the revised proposal. They are open to ideas for the exterior.

Chris detailed the exterior of the proposed Blount St. building – it would be traditional with a courtyard; it would maintain human scale and add warmth by using brick and landscaping. They want to echo older brick apartment buildings like those in Chicago neighborhoods – Addison, Wrigleyville, etc. Patrick asked about the functionality of the Dayton St. exit if it were to be the front of the building. Chris said it was likely to an emergency exit only. Michael added that the courtyard proposed for Blount is where residents would meet neighbors, check their mailboxes, enjoy outdoor seating, etc. – if they promote other entrances the tenants will miss people. David

Waugh asked if they tried having the courtyard on Dayton – they said the building would have to be an odd L-shaped structure. David said that he would like to see more direct entryways to first floor units, like City Row. Michael said he prefers a central area (the courtyard) where people can meet and gather. Joe Lusson asked about the courtyard's dimensions. Chris said it is 35' to 38' wide and 45' deep. Patrick asked if external bike parking would be allowed in the courtyard and if not, where it would be. Chris said that depending on the size of Blount St. setback, it could be in the setback area. There will be about 5 steps that lead from the Blount St. sidewalk to the courtyard. Once they do test borings to determine exactly where the water table is, they will be able to say how far out of the ground the parking level will stick – they estimate about 2'8" now.

Patrick asked how they have determined the appropriate number of bike parking spaces given that the micro-unit building has no car parking. Have they considered that many of the tenants they hope to appeal to could have multiple bikes (winter, road, etc.)? Will 25 parking spots be enough for 21 micro-units? Michael said that micro-units will have the ability to hang a bike in each unit and there will be plenty of storage in the basements – they can expand that bike storage if needed. They hope to have a bike washing station in the basement and a bench for bike repairs.

The May 28, 2015, letter to RPG from City Planning was discussed. That letter listed several hurdles for the first version of the proposal, including that the proposal did not meet any zoning categories, that the proposed density and demolitions didn't follow the T-L Neighborhood plan, and that infill in this area didn't follow the Plan's recommendations.

Patrick read a note from Helen Bradbury from Stone House Development in which she clarified that RPG was not a developer of City Row as indicated in a letter from Michael Matty. Michael responded that RPG was named as one of the developers in the Planned Unit Development (PUD) that was approved by the City.

Neighbors then gave input and discussed their opinions of the proposal.

Patty Prime first asked if the commercial space on E. Johnson would be built for one or two businesses. Michael said it would have the capability of being either for one or two.

Bob Klebba spoke about when they have guests at their B&B - they always talk about the history of the neighborhood - the 4th lake ridge and how the well-heeled residents lived higher up and poorer people were down lower, but that there was always a mixing of the communities. The historic African-American community is also on E. Dayton and the 5-6 homes they want to demolish/tear down are in view of these historic homes. They won't be able to point out these features to future visitors; the historical mixing will be gone – we lose the history of the integrated neighborhood. His other issue is density – he estimates that the proposal is 111 units/acre, while the T-L Neighborhood plan recommends 16-25 units/acre; quadruple or more from what we wanted in the Neighborhood Plan. What we have now is perfectly functional housing with lower density - daylight between living spaces, especially along Blount and Dayton. We would also lose the carriage house. Michael asks if he is referring to the barn – yes. Bob says we will lose history. Chris adds that the proposed density is about 83 per acre, not the 111 per acre that Bob calculated. Bob says that it is still 3-4 times the Plan's recommended density. Joe Lusson adds that it would be higher if the affordable units are considered.

Joe said he is still in same spot as a year ago. The buildings and proposal are fine, but are placed in the wrong spot. This happens a lot and he appreciates the revisions and their coming back to TLNA, but he agrees with Bob that taking down the 4 to 6 houses is inappropriate on this block - just what City Planning said. This site is well away from the E. Washington development area and in the core

of historic, friendly, human-scale Madison. The houses on Blount especially look strong and could be affordable to other owners with the usage of the small cap TIF program. They have porches, plenty of air, and sunlight. When the City says we should preserve such houses, it doesn't mean to move them willy-nilly to other areas or lots. City Planning's letter references the Neighborhood Plan - maintaining the character and feel of the neighborhood and keeping these types of houses in the area. While he thinks City Row is fine, if the neighborhood becomes all like City Row, we would lose the feel of the neighborhood. He also thinks that moving all these homes is highly unlikely - finding someone to take ones like those that RPG doesn't move has proven to be difficult in other projects. He does think the Johnson St. businesses would like company, so if RPG moves the one Johnson St. house and builds the micro-unit building, he could possibly support that. He adds that a commitment to keep units affordable for only 7 years is not really affordable housing; there is affordable housing on the site now and we should keep it.

David Waugh said that the letter from City Planning should be carefully considered; he thinks the letter was partially saying to RPG that they shouldn't waste our time. What has changed since that letter? Who are they talking to that indicates the letter is no longer valid? Michael answered that they have added commercial space and made the development smaller – they listened. David added that the City letter said that the houses need to stay. Chris Oddo said that what has changed is the evaluation of the houses and the entire block. David said that whether or not someone at the City has reevaluated is what is important, not if the development team has reevaluated. Do they think that the City is going to come back and say go somewhere else for this project? Michael said that no matter what, you guys will be against it. He is looking out for the long-term benefit of the city - housing stock in Madison does turn over and this part of that. He adds that the current 2- and 3- bedroom apartments in these houses are affordable and the 2- and 3-bdrm units in the new project will have the same rents. He has found places for these homes, both in and out of the neighborhood.

Beth Kubly says that her concern is development creep. She thinks the developments on E. Washington are good, but in a perfectly intact neighborhood we shouldn't be putting in new developments. Other people will come in and buy houses in order to tear them down for other developments. She wants to keep these houses – development creep will end up destroying the neighborhood. David Waugh added that other rental houses that need work won't get improved and kept up if people only want to sell to developers – the teardown potential is so great that owners will do little maintenance and repair. If this happens, then we lose even more – we need to preserve historic and affordable housing.

Matt Coogan says that he owns his home next door to a Ray Peterson house. Peterson had no regard for those houses and they are not candidates for development because they are standalone. Some landlords don't keep up their properties regardless of development potential. He likes the proposed development and thinks the Blount St homes are near the end of their useful lives. The proposed project is relatively low density and he likes the commercial space on Johnson. He appreciates that RPG has taken into consideration some earlier concerns. He thinks these 4-5 houses will never convert to owner-occupied. Patrick asked Matt if he would mind if the entire 700 block of homes and apartments were to be demolished and replaced. Matt said he wouldn't mind it; he thinks those structures are beyond their useful life.

Michael adds that the homes are not for sale so whether or not the small cap TIF program is useable is not relevant. He questioned how many have used the small cap TIF program and said that if someone got \$90k from the small cap TIF program, it isn't enough. The smaller blue house at the corner of Dayton and Blount is worth about \$270k, the others a lot more. They are valued by their gross income, so they are worth a lot making \$90k from the TIF program not that helpful.

Karla Handel says that she agrees with Bob, Joe and David – she doesn't like the loss of the existing houses. She doesn't mind the proposed Johnson St. building, but she doesn't want to lose the houses there either. She now has a monstrous building now looming over her E. Mifflin backyard (the McGrath project at E. Washington and N. Few) and is not happy. That project was better received because it was replacing blighted properties on E. Washington, but the huge building is very imposing. She thinks these homes are not blighted and should be kept.

Patty Prime says that she also does not like the loss of existing Blount St. houses, but likes the Johnson St. portion of the proposal if the existing businesses would be happy with it. She appreciates RPG discussing affordable housing, but adding a 4th floor to include affordable housing makes the building too large. The McGrath proposal was originally 4 stories and consensus was that it was too big for the adjacent neighborhood. She likely won't vote due to being TLNA President, but these are things to keep in mind.

Richard Linster granted that RPG has tried to improve the proposal. However, he doesn't think they can go far enough to get the kind of approval they need and thinks they actually know that. The points in the City's letter have not been addressed. This project is a vivisection of a living thing and will be a cancer that will destroy the neighborhood.

Joe Lusson says that he doesn't want to see another meeting that starts with a 3-story version and then they present it including 5 units of affordable housing. It would be a waste of time; it is smoke and mirrors, and disingenuous. Michael asks that we all stay positive. Chris Oddo added that the affordable component is just an option.

Patrick asks where do we go now? Patty says that the initial presentation of the proposal to TLNA Council last year saw no vote, so the developers shouldn't read too much into the fairly positive reception they got there. The Council was two-thirds brand new members back then and they had no context in which to consider the proposal. There was no background info on zoning, the Neighborhood Plan, etc. Ledell agrees – there needs to be a lot of context when looking at development proposals. Richard added that their presenting at TLNA Council last year, prior to a neighborhood meeting, did not follow protocol and he hopes TLNA does not do that again because it puts TLNA Council in a position to react to a proposal with no context.

All agree that another steering committee meeting is not called for at this time due to the conflicting opinions of the committee and the developer. RPG agrees to get clarification on their zoning strategy and to let TLNA know what their plan is. Patrick will communicate with the TLNA Council and the neighborhood via the listserv to solicit additional opinions and to let people know how the steering committee meeting went.