Notes from 2 Feb. 2017 TLNA Steering Committee Meeting for Houden Development Proposal for 700 block (southside) E. Johnson Festival Foods Conference Room

TLNA Development Committee Chair Patrick Heck brought the meeting to order and attendees introduced themselves:

City of Madison:

Ledell Zellers (District 2 Alder), Jessica Vaughn (Planning Division of the Department of Planning and Community and Economic), Matt Tucker (Zoning Administrator) Development Team: Chris Houden (property owner), Melissa Huggins (Urban Assets), Tom Miller (Kahler Slater, architect), Pat McCabe (Palisades Property) TLNA Council members: Patty Prime, Patrick Heck, Richard Linster, Mark Bennett, Karla Handel, Keith Wessel Neighbors and Interested Parties:

Evelyn Atkinson, Liz Avenius, Bob Hemauer, Tim Meisenheimer, Brian Schildroth, Joe Davis, Greg Stroupe, Chris Oddo, Josh Day, Megan Hellenbrand, Susan Melum, Joe Lusson, Matt Coogan, Brian Haltinner, Lori Wessel,

Patrick discussed the charge of the Steering Committee – the idea is to have a collaborative process in which the hopes and wishes of the neighborhood are explored, positives and negatives about the development proposal are discussed, and eventually results in a project that is a winwin for all involved (developer, City and neighborhood). Typically the Committee will issue summary findings to TLNA Council, but can choose to make a stronger recommendation instead. Based on the Committee findings and any further recommendations, TLNA Council then supports, takes a neutral stance on, or opposes the proposal, but also includes a set of conditions that the City should consider if the proposal moves forward.

Patrick added that typically the Committee chooses not to vote or establish fixed membership since many neighbors cannot attend all meetings. It isn't particularly representative to let only those who attend a particular meeting vote while those who might have attended all other meetings cannot vote. Patrick also asked if there was anyone present with a conflicts of interest, other than the development team. One attendee said he was a realtor who could benefit from the process.

Patrick then reviewed a bulleted list of neighbor input from the Jan. 10 neighborhood meeting, separated into these general categories – Housing, Commercial, Design, and General Input:

Housing

• Needs to be affordable (8 mentions)

Commercial

- More commercial is a plus increases walk-ability and bike-ability
- New businesses could face challenges (current ones have and do face challenges)
- Likes current shops and their mix wants more like that (2 mentions)
- Worried that commercial rents will go up and price out the creative class

<u>Design</u>

- Needs a lot of open/green space (3 mentions)
- Likes City Row-type style for architecture
- Mixing old and new is a plus (2 mentions)
- Need to vary the façade, shouldn't be monolithic (3 mentions)
- Take some architectural risks
- Views of the project need to be good from all sides
- Street-level open space for the shops to help activate the street

General Input

- Density should fit the Neighborhood and Comprehensive Plans
- We've made too many Plan exceptions
- Neighbor needs to be adaptable
- Neighborhood can grow and retain character at the same time
- Developer should put forth a plan with the existing zoning
- Keep parking ratios low to discourage car ownership
- Street parking situation will get worse
- Developer should underground the utility lines
- Neighborhood is under pressure and we need to maintain character
- Mixed-use is a plus it brings vitality

Patrick mentioned that the Tenney-Lapham Neighborhood Plan has specific mentions of the 700 block of E. Johnson Street, as shown by the development team at the neighborhood meeting. He added that there are also other sections of the Plan that discussing the Gorham, Johnson, Dayton and Mifflin corridors, specifically about retaining neighborhood character, discussion of avoiding most teardowns and filling in missing teeth.

Tom Miller, project architect, then discussed their process since the Jan. 10 neighborhood meeting. He said they'd met with City Planning staff and have been thinking about the input from the neighborhood meeting, developing new ideas. He reviewed the Jan. 10 slides (see TLNA Development webpages) about tying together the isthmus (city within a city concept) and connecting the two existing Neighborhood Mixed Use districts on E. Johnson. They want to make the two existing business areas on E. Johnson contiguous by connecting them.

Their first idea was that the project could be similar to City Row, but that would mean taking out all 11 properties. They rejected that, but did get some good ideas about open space – he showed a slide with City Row's footprint on the 11 properties on E. Johnson. They decided it was probably too massive in scale and didn't fit the character of adjacent buildings. Their second idea was the same, but putting a commercial space on the corner at N. Livingston – this would extend the continuity of retail further down E. Johnson, but they still felt the building mass probably wouldn't fit E Johnson.

Current Proposal (Note that the proposal concepts are subject to change)

Their third and latest idea combines some aspects of these two. They would save three houses on the Livingston end (save the large 3-flat at the corner, move one from further down the block to the gap 3-flat's side, and keep the next one). Three new buildings would be more of the scale of what will be restored. Their fear is how to do that without looking out of place. Some neighbors like City Row, but some think it wasn't very creative or forward looking. They want some retail mid-block too. Their idea is to emphasize that it will be 6 different buildings, but they will make it look like more (see slides on TLNA website). 751 E. Johnson is the 3-flat at the corner – they would convert the first floor to retail – they want an interesting business – not a Subway. They

want perhaps something kitschy, interesting, e.g., custom jewelry. 745 is the 2nd house from Livingston and has a gabled roof like many others near there and would be saved. 751 actually has a gabled roof too, but you can't see it in the images because of the angle and because the building is tall. 727 E. Johnson is the one they want to move between 751 and 745.

They want to use native plantings for landscaping in the streetscapes, public right of ways, and courtyards, as well as include features such as fire pits and social spaces there. Neighbors want to be able to look into the back of the development and it will look good – they also know it needs to look good in the winter.

They don't want new retail to compete with existing neighborhood businesses – they are looking for local vendors. Tom worked on the brick and mortar store for Context on King Street. They think that and the Kitchen Store on King Street are good examples of local businesses. They will have a high ratio of bike parking; want to have Zipcar in the underground garage; high ratios of bike parking; perhaps an electric car charging station, and maybe a fitness center for residents (perhaps leased by a vendor) which could also be an asset for neighborhood if the right vendor is found. They want a green roof on the portions of the parking level that don't have a building on top. They will have solar-powered pathway lighting.

They don't think a brownstone look is appropriate – doesn't fit in with the neighborhood. They don't want a suburban look. Tom showed pictures of various types of styles.

City Planning staff suggested to them that the architecture should compliment the surrounding Queen Anne style of many neighborhood homes. They hope to have about 10% of the units as 3-bedroom and would also have studios and 1- and 2-bedroom units. There would be 80-90 units total. They are exploring State and City programs for an affordable housing component. Tom showed a slide with some of the neighborhood input from Jan. 10, including the desires for affordability and street activation.

The parking level has room for about 130 parking stalls, but that is before using some of those areas for bike parking, a car washing station, a pet grooming station, car charging station, car sharing, etc. Despite that, they still expect the parking to residential unit ratio to be greater than 1:1. Patty Prime asked how far the parking structure would stick out of the ground. Tom said about 3.5 feet. Ledell Zellers asked how far the back of the 3 new buildings would be from the property line. Tom said it depended on which zoning category is pursued, but could be 10 feet or more. Josh Day asked if the new buildings would be 3 or 4 stories. Tom said 3, but that the gabled roofs could potentially have loft bedrooms in them. He added that they would be similar in scale to the restored homes.

Schedule

Tom said their current schedule is to present to TLNA Council at their March 9 monthly meeting; make their land use application submittal to the City on March 22; go before the Plan Commission on May 22; go before City Council for the zoning change on June 6, and break ground in July.

Richard Linster asked about their desire for an accelerated neighborhood process. He likes much of what they have shown, but wonders why they wasted time on the first 1 or 2 plans that seem to have been dismissed for obvious reasons. He also said that the Neighborhood Plan and TLNA have sought to fill in missing teeth, but Houden is saying that they want to replace toothaches – there is some different nomenclature there. He asked if they could show what is currently there,

the number of units, number of bedrooms, and density, plus show before and after numbers for all of those. Linster added that RPG (see RPG development proposal on TLNA Development webpages) is providing some similar pressure nearby. The neighborhood would like to look at some of the existing properties to know their condition – are they really beyond repair? He knows that Patty Prime toured some Houden properties on Iota Court, so we want to see these properties too.

Tom answered that they designed their process around the leasing schedule, i.e., they want the project to be finished in time for August 14 of the following year (2018). They looked at their first options because it was an exploration – they had a lot of discussions and looked at lots of examples of matching the neighborhood architecture from lots of other cities where it is done well. Chris Houden added that in the current 11 properties there are 35 units (apartments) with 62 bedrooms. He added that 70 dwelling units per acre is what is planned. The plan is also for roughly 2.5 times the number of current units, doubling the bedroom count – there would be 85-90 units, including the restored homes.

Brian Schildroth said that he is underwhelmed by the retail component of their proposal (2 new retail locations). Chris Houden said that the corner at Livingston originally was thought to be retail; they would have been taking down the building though. City Planning staff said using the corner for retail was preferable. He thinks the first floor of the existing 3-flat is useable retail – it will be kind of affordable and neat. Chris reiterated that they like the city within a city concept and building retail across the isthmus. Ledell said that her impression from the neighborhood meeting was that many were thinking more retail than they are proposing. Is there an explanation for why not more retail? Tom Miller said he thought he heard that the neighbors didn't want to overwhelm the current businesses, so they intermixed the two new retail locations. If they could do more retail, they probably wouldn't have front stoops as they do now - those would be more imposing as opposed to engaging. There are zoning considerations too, which impacts how many buildings they will consider, and how much retail needs to be in the new buildings to comply to new zoning. He adds again that there is some concern that too much new retail would compete with existing retail.

Bob Hemauer said he was surprised there were only 2 new retail units being proposed. He asked about the sizes – about 12k to 15k square feet each. He also asked about a ballpark estimate for rent for those commercial spaces, wondering who can afford to move in. Is it \$15 or \$25 per square foot? Those determine character and who can move in. Tom answered that they haven't done those types of financial estimates yet.

Another attendee expressed her surprise about the lack of retail; she pictured a strolling, shopping block and thinks that it won't be like that if there is so little new retail. It was mentioned that Willy Street has some big gaps in retail presence, particularly to the west end and those shops are harder to walk to. Another attendee agreed - a couple more shops are needed – maybe four or five total.

Joe Lusson added that a happy medium is possible between all retail and not enough. He likes the idea of having first floor retail in existing buildings because the rent is more reasonable. He agrees that a lone shop in the middle of this project is destined to fail without other retail nearby. Joe loves that they are restoring the three multi-flats, but he thinks 4 or 5 could be saved. He wants more character preserved, particularly on the N. Livingston half of the block where there is a nice restored home across E. Johnson and several well-preserved homes on N. Livingston behind 751 Johnson. N. Livingston is becoming sort of a pedestrian gateway to E. Johnson from

the E. Washington developments and is looking good. He isn't in favor of the parking level entrance/exit being on Livingston – that impacts the Livingston homes and the air-handling units are noisy. It would be better if the cars were coming and going on Johnson like at City Row. He also thinks front porches with street access to units is a big City Row success; he doesn't think people will use the front space as currently proposed, but they could tweak it so individual units have private-feeling stoops. He also thinks they need to shrink some of the new buildings they propose – the effect of City Row on its backyard neighbors on Gorham is looming – the neighbors' backyard views were ruined. Tom said they are still working on setbacks.

City Zoning Administrator Matt Tucker said that it could be that a 20' setback in the rear will be required, but one of the lots is much deeper. Current city ordinances allow the setback to be measured from that parcel's back boundary, so the buildings could be much closer to the rest of the lot line (once the 11 parcels are combined). Patty Prime agrees that the buildings being so close to the lot line is a problem and that she doesn't care what the ordinance says; what is important is how it feels to the neighborhood. Matt added that there is also a 45-degree angle setback requirement for a building's bulk, so above the 2nd story it would be setback further. The plinth that the parking structure sits on adds more complication – the plinth can project into the setback if it is totally underground. This one is not proposed to be totally underground, but it is a potential factor.

Richard Linster asked for a clarification on the number of demolitions they are requesting. Tom said 8. Linster asked if they could move the homes if, after inspected, they appear to be salvageable. Tom says they would be open to relocating homes if someone will move them, but they do not plan to do it themselves.

Mark Bennett echoed the comments about the proposal needing more retail – the streetscape needs full-scale involvement. He also thinks they should lower their parking ratio because high parking ratios provide more incentive to bringing in more cars. Also, the construction costs and rents could more affordable if they build less underground parking. Tom agreed that it was a good point – parking is very expensive to build. Mark suggested that they should not refer to studios as affordable housing – they are just smaller rather than truly affordable. Mark was excited about the idea of having varying streetscape and architecture along E. Johnson, but he hasn't seen the architects do that. He also thinks the parking structure beneath will still make it look the same long block because of the long, continuous wall in front of all the units; he also thinks the building needs to come to the street level somehow.

Matt Coogan said that overall he thinks the proposal looks very good - better than some others brought to TLNA steering committees. He does like variation and agrees with Mark Bennett's comment about varying the façade/uses. He thinks the parking level needs to be better hidden like City Row – you don't really see their parking level. It was asked if Houden would be asking the City for TIF funding for the parking level. Melissa Huggins said that no, there was no TIF involved in the proposal.

Ledell asked about the mid-block commercial space and if its entrance would be up on the parking level plinth like the apartment entrances. Will customers have to go up stairs to get in? Tom Miller said yes, it looks like maybe 7 stairs or so. Patrick Heck mentioned that he is aware of nowhere on Johnson or Willy Street that customers have to walk up to get in a shop or restaurant. Someone mentioned that Umami on Willy is up from the sidewalk.

Joe Davis said he likes Joe Lusson's notion about the retail components - they should shoot for

the middle in terms of the number of retail locations. In the Jan. 10 meeting he did not hear support for a solid line of retail. He also thinks we should protect the past, but there comes a point when if it not cost effective to rehab old homes, then saving three of them is enough. It is more than he thought would get saved. He agreed with some others that there has been turnover in Johnson Street retail, so he wouldn't want too many new locations.

An attendee said that he has worked on capitol square for a decade, but 3 months ago moved to Nichols station because he wanted to live in an interesting fun neighborhood and be close to work. He also moved because he wanted interesting, nearby retail; to be able to walk and have a destination – shops/retail/whatever brings people. He thinks the proposal seems disingenuous; if they really want to purse just apartments, they should say so. He thinks the ground floor of the middle new building could be all retail to achieve a balance.

Tim Meisenheimer says he was excited about the retail component after the Jan. 10 meeting, but he thinks the proposal is a disaster. The raised wall (plinth) is like a suburban development on Gammon Road. The three new buildings are too closely together and should be a different style - don't put it in Tenney-Lapham. The plaza-type area should be at ground level, not on top of the parking level. Melissa asked if he meant the architecture should vary from building to building – Tim said yes. He added that conforming to how the neighborhood now exists is not how cities developed in the past; buildings were built at many different times and that is what gave neighborhoods character. We are chasing after something that didn't ever exist if we want new buildings to all look like the same. He thinks the 3 new buildings should be 6 smaller buildings, some with retail and some without.

Brian asked if the new buildings' green space would be open space for residents or would it be public. Tom answered that it was for the residents.

Another attendee added that she agrees with earlier comments – it needs a little more commercial. She likes the corner retail idea at Livingston, but said that they've created 6 corners in the 3 new buildings that could potentially all be retail spaces. She agrees that varying architecture would help. They could have pocket parks as you approach the street and commercial entities could use these.

Joe Lusson likes what people are saying. Mixed-use to him means retail below and apartments above. He opposed City Row when it was proposed, but now he likes it despite it being tall. He thinks the parking level plinth plus the gables will result in more like 4 stories, not 3. He does think City Row does blend in, but this project could also blend in while having something different. He does think City Row's porches are key – they attract more families. He described several nearby young families that have also moved into the neighborhood recently, so he wants a lot of 3-bedroom units. He also thinks that if they reduce the size of the underground parking level, there would be room for larger, more mature trees. He adds that the neighborhood has been very concerned about tearing down good houses - we don't like to see houses torn down just because you can or because you ran them into the ground – we need to the insides of them before agreeing that they aren't salvageable. We might need to restore more of them. He reminded all that old houses have been restored with the City's Small Cap TIF program and are now owneroccupied. He asked again about the possibility of having the cars enter/exit on Johnson. Tom Miller said he would talk to Traffic Engineering about this. Tom added that he would like to relocate all the houses, but the 3 they are proposing to save have the most potential. 727 Johnson has higher quality on the inside despite the outside being ordinary; that is why they have chosen that one to move to the gap.

Keith Wessel agrees with what Joe Lusson said – he wants more restoration. He and his wife have restored older rental homes. They have found that if you invest in old buildings, it does pay. They are landlords for these types of restored properties.

It was asked if they plan to pursue any green energy certification. Tom said they haven't talked about it yet. How about solar energy, LEED certification, etc. – those would all be an asset to the neighborhood. Tom said pursuing LEED certification is not likely due to the cost, but they will look at other programs.

Tom and Melissa said that they appreciated all the input and would be weighing it as the proposal evolves. They are anxious to follow their schedule, so anticipate they will have proposal revisions at the next steering committee meeting.

The meeting then drew to a close with a next steering committee date set for Wednesday, Feb. 15. Patrick will email everyone with details and publish the date/time on the TLNA listserv. Attendees were thanked for their good input.

A post-meeting note:

TLNA President Patty Prime sent the email below after the meeting:

I'm not sure I was clear enough when making my point last night. The rear setback is too small. However, that really doesn't convey the impact of the entire building. It's too big, too massive. Like the Butler St. proposal, it fills the entire property to the extent that zoning allows. I just don't find that acceptable.

I'd rather see any number of alternatives, but those alternatives ought to include real green space, like back yards that can be enjoyed not only by the tenants, but also as open space as viewed from the Dayton St. neighbors (whether they are tenants or owners).