



Board of Directors

Scott B. Thornton, President	Troy Pickl
Michael Jacob, Vice President	Maria Sadowski
Cheryl Diaby, Treasurer	Julie Spears
Bess Hambleton, Secretary	Jeffrey Voltz
Lindsey Lee	Anne Walker

September 30, 2010

Members of the Plan Commission,
City of Madison

Re: "Co-op friendly" Zoning Code

Dear Commission Members,

The Marquette Neighborhood Association Board of Directors would like to express support for the "co-op friendly" zoning code as proposed by Mr. David Sparer on behalf of various Madison area housing cooperatives.

The Marquette neighborhood is home to at least five housing cooperatives. Given the steady increase in housing prices, housing cooperatives offer an affordable and sustainable alternative to traditional renting or owning. Housing cooperatives also often substantially rehabilitate and maintain our older housing stock in a way some private landlords do not.

Housing cooperatives are valuable assets to our neighborhood and we would be receptive to new co-ops being established here.

Sincerely,

Scott B. Thornton, President
On behalf of the Board of Directors
Marquette Neighborhood Association

cc: MNA Board
Marsha Rummel
David Sparer

The Marquette Neighborhood Association is a public charity under section 501(c)(3) of the Internal Revenue Code.

WORLDWIDE COMMERCIAL REAL ESTATE SERVICES

Brian Wolff
Vice President

Brokerage Services
Licensed Appraiser

September 21, 2010

Dear Plan Commission Members:

I am writing to provide information about real estate buying and selling, based upon my years of experience selling investment properties. My comments are related to multi-family residential property sales.

It is almost universally true that when ever a buyer makes an Offer to Purchase they include language which makes their duty to complete the purchase contingent upon certain items. Typically contingencies are included for inspection of the property and for obtaining the necessary financing. In most commercial contexts, the buyers have their financing more or less settled before even making an offer. While the obligation to actually complete the transaction is contingent upon these things, everyone knows that it will take no more than roughly one month to remove these contingencies. Almost every Offer includes a deadline by which the Buyer must remove these contingencies or lose the right to buy the property. Commercial buyers and sellers expect to see these contingencies in any Offer and expect that the deadline for resolving the contingency factors would be roughly one month.

When a multi-unit residential property in Madison is up for sale, if it is in decent shape, and offered at a price in a moderate range, it is common that there will be multiple offers made. The seller will typically be negotiating and choosing between competing offers from various buyers.

If one Offer contains a contingency requiring approval of a "conditional use" by the City, which will take several months to complete and which might not be approved, that Offer will have a very significant negotiating disadvantage compared with the typical offer that has only a month long contingency for inspection and financing. A buyer required to include a conditional use approval contingency in every Offer can not expect to succeed in being the chosen buyer of a decent property, due to the competition with many other potential buyers who have no need to include such an unfavorable contingency in their offers.

Respectfully submitted,



Brian Wolff
Vice President

CBRE
CB RICHARD ELLIS

10 E. Doty Street, 4th Floor
Madison, WI 53703

608 663 5445 Tel
608 663 5438 Fax
608 513 9653 Cell

brian.wolff@cbre.com
www.cbre.com

ALTERNATE PROPOSAL TO
TIM GRUBER'S COMPROMISE SUGGESTIONS

1. The conditions for permitted and for conditional use currently proposed by Gruber for SR-C3, would also apply to TR-C3 and TR-C4. However, a conversion of a Single Family home would always require a conditional use approval.
2. Permitted use in these same districts would exist for buildings (other than single family homes) with current number of occupants up to 15 individuals. Over 15, or for a single family home, a conditional use approval is required.
3. For the SR-V1, SR-V2, TR-V1, TR-V2, NMX, TSS and CC-T, permitted use would exist for buildings with current number of occupants up to 20 individuals. Over 20, conditional use approval is required.
4. For TR-U1 and TR-U2, permitted use would exist for buildings with current number of occupants up to 25 individuals. Over 25, conditional use approval is required. Also, converting a sorority, fraternity, or lodging house, is a permitted use, with occupancy set by building code.

Changes compared to Gruber's proposal:

- Permits coop housing in TR-C3 and TR-C4 – unlike Coop proposal, Gruber's proposal flat out prohibits it in these districts. However, conversion of any single family home would always require a conditional use approval.
- Permits coop housing to take over and operate existing currently permitted, sororities, fraternities or lodging houses. (That is currently permitted under the existing code right now. This just keeps that point the same as now.)
- Changed the method of determining permitted versus conditional to “number of occupants,” rather than “number of units.” With number of units as the criteria, a 5 unit building where every unit was a one bedroom (total occupancy then set at 5 people) would not qualify for permitted conversion, but a 3 unit building where every unit had 4 bedrooms (total occupancy then set at 12 people) would qualify for permitted conversion. Using the number of people, rather than the number of units, simply works better at getting at the issue of concern, total occupancy.