PLANNING DIVISION STAFF REPORT

September 23, 2024

PREPARED FOR THE PLAN COMMISSION

Project Address: 310-322 E Washington Avenue

Application Type: PD(SIP) Alteration

Legistar File ID # 84824

Prepared By: Timothy M. Parks, Planning Division

Report includes comments from other City agencies, as noted.

Reviewed By: Kevin Firchow, Planning Division

Summary

Applicant & Property Owner: St. John's Lutheran Church; 322 E Washington Avenue; Madison.

Contact Person: Mark Binkowski, MB Realty, LLC; 10 E Doty Street, Suite 300; Madison.

Requested Action: Consideration of an alteration to an approved Planned Development–Specific Implementation Plan (PD(SIP)) for a ten-story mixed-use building at 310-322 E Washington Avenue containing approximately 16,000 square feet of institutional space and 130 apartments to reduce the number of off-street automobile parking stalls and remove individual balconies for the apartments.

Proposal Summary: St. John's Lutheran Church previously received approvals in January 2023 to demolish its existing place of worship to allow redevelopment of the property with a ten-story mixed-use building containing a 10,000 square-foot space for St. John's and 5,500 square feet of space for community services providers on the first floor and 130 apartments on the upper floors. The project was approved with parking for 63 automobiles and 131 bikes within the building and parking for 20 bikes around the exterior of the site. The developer received low-income housing tax credits from the Wisconsin Housing and Economic Development Authority (WHEDA) and Affordable Housing Fund money by the City of Madison for the project.

The project team is seeking to reduce the number of automobile stalls within the project to ten (10). In addition, the alteration calls for the elimination of all but two patios or balconies for the proposed dwelling units. The parking and balcony alterations to the approved PD(SIP) are proposed to address rising construction and financing costs for the project.

If the alteration is approved, the application indicates that demolition of the existing building and construction of the mixed-use development will commence in October 2024, with completion anticipated in August 2026.

Applicable Regulations & Standards: Section 28.098(6) states that alterations to Planned Developments may be approved by the Plan Commission if the requested alterations are consistent with the concept approved by the Common Council using the review standards in Section 28.098(2).

Review Required By: Plan Commission. The Secretary of the Urban Design Commission has reviewed the proposed changes and believes that they can be approved administratively and without the review of the full Commission.

Summary Recommendation: If the Plan Commission can find that the proposed alterations to reduce the number of on-site automobile parking stalls and elimination of most of the residential balconies is consistent with the Specific Implementation Plan approved by the Common Council and the Planned Development standards, it



should **approve** the requests for 310-322 E Washington Avenue subject to input at the public hearing and the conditions from reviewing agencies beginning on **page 6** of this report.

Background Information

Parcel Location: Three parcels totaling 21,170 square feet (0.5 acres) located at the northwesterly corner of E Washington Avenue and N Hancock Street; Alder District 2 (Bennett); Urban Design District 4; Madison Metropolitan School District.

Existing Conditions and Land Use: St. John's Lutheran Church and surface parking, zoned PD.

Surrounding Land Uses and Zoning:

North: Hancock Center for Dance and Movement Therapy; two- and three-story multi-family residences along N Hancock Street, zoned DR1 (Downtown Residential 1 District);

<u>South</u>: Brayton Lot, zoned UMX (Urban Mixed-Use District) (currently being used as Bus Rapid Transit construction staging);

West: Two-story office building, zoned UMX; Butler Plaza mixed-use development, zoned PD;

East: Ten-story "Continental" mixed-use building across N Hancock Street, zoned UMX.

Adopted Land Use Plans: The 2023 <u>Comprehensive Plan</u> identifies the subject site and nearby properties along the E Washington Avenue frontage in the Downtown Core district. The residential properties to the north along N Hancock Street are recommended for Medium Residential.

The 2012 <u>Downtown Plan</u> includes the subject site and nearby properties along the E Washington Avenue frontage in the Downtown Core Neighborhood/ District and recommends that the subject site and nearby properties be developed with Downtown Core Mixed-Uses. The plan identifies the Downtown Core Neighborhood/ District as "the center of Downtown, and should generally possess the highest intensity of development. A mix of office, employment, retail, government, residential, cultural, entertainment, and other uses should be pursued to retain the area's vibrancy, including beyond normal business hours." (Objective 4.1). The site is recommended for new buildings up to eight stories in height, with the potential for two additional stories to be approved using specific recommendations in Appendix C.

Zoning Summary: The subject site is zoned PD(GDP-SIP), which will be reviewed in the following sections.

| Other Critical Zoning Items | |
|-----------------------------|---|
| Yes: | Urban Design (PD zoning, Urban Design Dist. 4), Utility Easements, Barrier Free |
| No: | Floodplain, Wellhead Protection, Waterfront Development, Landmark, Adjacent to Park |
| | Prepared by: Jenny Kirchgatter, Asst. Zoning Administrator |

Environmental Corridor Status: The property is not located in a mapped environmental corridor.

Public Utilities and Services: The site is served by a full range of urban services, including Metro Transit, which operates seven-day service along E Washington Avenue on multiple lines, including the Route A Bus Rapid Transit (BRT) line. Metro Transit operates daily all-day transit service along E Washington Avenue adjacent this property,

with trips at least every 30 minutes (every 15 minutes or less during the day on weekdays and Saturdays). Metro Transit operates additional daily all-day transit service along Pinckney Street near this property, with trips at least every 60 minutes (every 30 minutes or less during the day on weekdays). Metro Transit would initially estimate the following counts of potentially eligible trips towards US Green Building Council/LEED Quality Access to Transit points: 179 Weekday and 113 Weekend. Please contact Metro Transit if additional analysis would be of interest.

Previous Approvals

On January 17, 2023, the Common Council approved a request to rezone 310-322 E Washington Avenue from UMX (Urban Mixed-Use District) to PD (Planned Development District) and approved a General Development Plan and Specific Implementation Plan to allow construction of a ten-story mixed-use building containing approximately 16,000 square feet of institutional space and 130 apartments (ID 74689). On January 9, 2023, the Plan Commission approved a demolition permit to demolish St. John's Lutheran Church and recommended approval of the proposed rezoning. Information on the proposed demolition may be found under ID 74057.

Project Description

St. John's Lutheran Church and MB Realty, LLC are requesting Plan Commission approval of an alteration to the approved Specific Implementation Plan for the redevelopment of 310-322 E Washington Avenue with a ten-story mixed institutional and residential building. The building was approved in 2023 to contain 10,000 square feet of space for St. John's and 5,500 square feet of space for community services providers on the first floor and 130 apartments on the upper floors. The project was approved with 42 efficiencies, 53 one-bedroom units, 34 two-bedroom units and one three-bedroom unit and parking for 63 automobiles and 131 bikes within the building and parking for 20 bikes around the exterior of the site. Access to the automobile and indoor bike parking would be provided by a two-way driveway from N Hancock Street, which is the lowest side of the project site. The plans for the mixed-use building approved in 2023 may be found here and here for reference purposes.

The developer received low-income housing tax credits from the Wisconsin Housing and Economic Development Authority (WHEDA) and Affordable Housing Fund money by the City of Madison for the project to allow 110 of the 130 proposed dwelling units to be affordable rental housing.

The proposed alteration calls for the number of automobile stalls to be provided within the project to be reduced from 63 to 10, as shown on Revised Sheet A103 attached to the alteration request. Additionally, the alteration calls for the elimination of all but two patios or balconies for the proposed dwelling units. The parking and balcony alterations to the approved PD(SIP) are proposed to address rising construction and financing costs for the project that have prevented the project from proceeding on the fall 2023 commencement and spring 2025 completion schedule outlined in the original approval.

Analysis

The project team originally inquired about the proposed parking reduction and elimination of balconies as a staffapproved minor alteration to the approved PD(SIP). Per Section 28.098(6) of the Zoning Code, minor alterations may be approved the Director of Planning and Community and Economic Development or their designee following consideration by the alderperson of the district if the requested alterations are consistent with the concept

approved by the Common Council. Given the scope of the alterations requested, the Planning Division felt that it was appropriate that the alterations should be reviewed by the Plan Commission.

In preparation for the Plan Commission hearing, notices have been sent to the owners and occupants of all properties located within 200 feet of the subject site and a Class 2 notice published in the City's newspaper of record, the Wisconsin State Journal.

Parking Reduction

The proposed ten-story mixed institutional and residential building was never planned to provide parking for each future resident or dwelling unit in the project. Additionally, the letter of intent dated November 28, 2022 noted that some of the 63 stalls included in the approved Specific Implementation Plan would be for used by St. John's Lutheran Church, which is planned to occupy 10,000 square feet on the first floor, though the application materials submitted for the 2023 approval did not note how much parking would be used by the church or how those stalls would be managed. The original project was approved with a maximum 0.48 parking stall per dwelling unit ratio, which was considered acceptable at the time of approval. At the time of review by the Plan Commission and the Common Council, the applicant indicated in their letter of intent that the 63 stalls of on-site parking would "accommodate approximately 73% of the estimated parking demand." The proposed alteration calls for that ratio to be reduced below 0.1 stall per unit. The current letter of intent contains no information on whether any of the remaining 10 stalls would be used for the church.

As the Plan Commission considers the proposed parking reduction, staff will note that the subject site is well served by Metro Transit, including Bus Rapid Transit (BRT). Both the initial BRT Route A line and future north-south BRT Line B will pass the site along E Washington Avenue, and additional lines are located a few blocks to the north and south and on the Capitol Square. The project is also one block from the E Mifflin Street bike boulevard, and approximately two blocks from the City's Capitol Square North parking garage. From a regulatory perspective, the subject site is also located in the Central Area as defined in the Zoning Code, which does not require a minimum number of parking stalls for a development located between Blair and Park Streets from Lake Mendota to Lake Monona (the site is not located within the Transit-Oriented Development (TOD) zoning overlay despite being adjacent to BRT because the Central Area was not included in the overlay zone). Finally, the applicant is not proposing to reduce the amount of bike parking available to the project.

There remain some questions regarding the resulting parking. The Traffic Engineering Division has submitted comments on the proposed alteration noting the high usage of parking, delivery and rideshare in the area and raising concerns that the reduced parking for the ten-story mixed-use building will contribute to parking, delivery, and rideshare congestion in the area due to limited onsite parking and loading. Additionally, the proposed development is not eligible for residential parking permits per MGO Section 12.138 (14). The letter of intent notes that the project team has approached the City's Parking Utility about leasing spaces in the Capitol Square North garage. At the time of report writing, no additional information has been provided to date on the progress of those discussions, the number of stalls that intended to be leased there (or in another off-site facility), or other details including who would have access to the stalls.

Standard 28.098(2)(d) for approval of Planned Development zoning states that "[t]he PD District plan shall not create traffic or parking demands disproportionate to the facilities and improvements designed to meet those demands." As part of its recommendation to the Common Council on the original PD approval, the Plan Commission found that this standard was met. In determining whether the proposed alteration to reduce the

parking for the project from 63 automobile stalls to 10 should be approved, the Plan Commission shall find that this standard is still met, and if so, under what conditions.

Removal of Balconies

The proposed mixed-use development was originally approved without each residential unit having its own patio or balcony, with roughly a third of the 130 units in the project having a private outdoor space. With the exception of two second floor units that will continue to have patios on the same lower rooftop as the patio adjacent to the proposed tenant common room, all of the other patios and balconies for individual units will be removed from the project.

Like the parking reduction above, the Plan Commission should consider whether the project continues to comply with standards for approval for Planned Developments as it weighs the alteration removing the remaining balconies. In particular, the statement of purpose for the Planned Development District in Section 28.098(1) of the Zoning Code states, in part, that "...more adequate, usable, and suitably located open space, recreational amenities, and other public facilities than would otherwise be provided under conventional land development techniques" is one of the objectives of the district, while standard 28.098(2)(f) states that "[t]he PD District plan shall include open space suitable to the type and character of development proposed, including for projects with residential components, a mix of structured and natural spaces for use by residents and visitors."

While the loss of some of the open space for the project is regrettable, Planning staff does not object to the removal of most of the remaining balconies for the individual dwelling units, which will result in a more uniform approach to the open space provided for residents of the mixed-use project. The removal of the balconies, which projected from the building envelope, will also result in a more streamlined appearance for the new building. The revised plans for the building have been reviewed by the Secretary of the Urban Design Commission, who believes that they can be approved administratively and without the review of the full Commission.

Conclusion

The applicants are seeking Plan Commission approval of an alteration to the approved Specific Implementation Plan for a proposed ten-story mixed-use building to reduce the number of automobile stalls within the project from 63 to 10, and to eliminate of all but two patios or balconies for the 130 proposed dwelling units. The project team notes in their application materials for the alteration that they are seeking these changes to address rising construction and financing costs for the project. While the Planning Division is not opposed to the request, it was believed that this request should be considered as a Plan Commission-level alteration, considering the scope of the proposed changes.

In order to approve the request, the Plan Commission would need to find that the requested alterations are consistent with the concept approved by the Common Council and that the standards for Planned Development approval, which were used to approve the project in the first place. In regards to the reduction in parking, the Plan Commission should include findings on PD Standard 28.098(2)(d) that the proposed reduction in automobile parking shall not create traffic or parking demands disproportionate to the facilities and improvements designed to meet those demands. Regarding the balcony removal, findings should include 28.098(2)(f) that the project continues to provide open space suitable to the type and character of development proposed despite the removal of most of the remaining balconies and patios for the apartments.

No alder, public, or neighborhood association comments have been received as of the writing of this report that would suggest that the Plan Commission could not approve the request as submitted subject to the proposed conditions.

Recommendation

Planning Division Recommendation (Contact Timothy M. Parks, (608) 261-9632)

If the Plan Commission can find that the proposed alterations to reduce the number of on-site automobile parking stalls and elimination of most of the residential balconies is consistent with the Specific Implementation Plan approved by the Common Council and the Planned Development standards, it should **approve** the requests for 310-322 E Washington Avenue subject to input at the public hearing and the conditions that follow. Where not modified below, the conditions of the January 17, 2023 approval shall remain and be met prior to final approval of the PD(SIP) for recording and issuance of building permits for the mixed-use building.

The following conditions have been submitted by reviewing agencies:

City Engineering Division (Contact Brenda Stanley, (608) 261-9127)

This agency has reviewed the request and recommended no conditions of approval.

<u>City Engineering Division–Mapping Section</u> (Contact Julius Smith, (608) 264-9276)

This agency has reviewed the request and recommended no new conditions of approval. This development has Engineering–Mapping conditions in the prior 2023 approval that will need to be met prior to issuance of building permits for the project.

<u>Traffic Engineering Division</u> (Contact Luke Peters, (608) 266-6543)

- 1. The Traffic Engineering Division has some concerns regarding high usage of parking, delivery and rideshare in the area. This site will contribute to parking, delivery and rideshare congestion in the area due to limited onsite parking and loading.
- 2. The applicant shall submit a residential moving plan for review. This plan shall include detailed information regarding the scheduling and area to be used for move-in/move-out operations.
- 3. The applicant shall submit a waste removal plan for review, which shall include vehicular turning movements and trash pickup location.
- 4. All parking facility design shall conform to the standards in MGO Section 10.08(6). In the current configuration, the westernmost stall does not appear to have adequate backup space.
- 5. Per MGO Section 12.138 (14), this project is not eligible for residential parking permits. It is recommended that this prohibition be noted in the leases for the residential units.

Parking Division (Contact Trent W. Schultz, (608) 246-5806)

6. The applicant shall submit a Transportation Demand Management (TDM) Plan to tdm@cityofmadison.com. The TDM Plan is required per MGO Section 16.03. Applicable fees will be assessed after the TDM Plan is reviewed by staff.

Zoning Administrator (Contact Jenny Kirchgatter, (608) 266-4429)

- 7. Submit an updated parking summary with counts of vehicle stalls, electric vehicle stalls, and bicycle stalls.
- 8. Parking requirements for persons with disabilities must comply with Section 28.141(4)(e). Final plans shall show the required van accessible stall. A van accessible stall is a minimum of 8 feet wide with an 8-foot-wide striped access aisle. Show the required signage at the head of the stall and the accessible path.
- 9. Add the number of bicycle stalls at each bicycle parking location. Show the typical dimensions of the bicycle stalls and access aisles on the lower level floor plan A103.
- 10. Submit a final plan set for the Land Use project number LNDUSE-2022-00094 site plan verification consistent with the changes approved through the Planned Development alteration. Land Use project number LNDUSE-2022-00094 will need to be completed prior to issuance of permits.

Fire Department (Contact Matt Hamilton, (608) 266-4457)

This agency has reviewed the request and recommended no conditions of approval.

Water Utility (Contact Jeff Belshaw, (608) 261-9835)

This agency reviewed the request and has recommended no conditions of approval.

Parks Division (Contact Kathleen Kane, (608) 261-9671)

- 11. Park Impact Fees (comprised of the Park Infrastructure Impact Fee, per MGO Sec. 20.08(2)), and Park-Land Impact Fees, per MGO Sec. 16.23(8)(f) and 20.08(2) will be required for all new residential development associated with this project. This development is within the North Park-Infrastructure Impact Fee district. Please reference ID# 22039 when contacting Parks Division staff about this project.
- 12. Pursuant to the authority established under Wis. Stat. § 66.0617(7), and in the interests of promoting the development of low-cost housing in the City, low-cost housing is exempt from the park impact fees beginning January 1, 2017. This exemption only applies to those dwelling units or bedrooms within a development that are determined to be low-cost housing. This exemption does not extend to the land dedication requirements set forth under MGO Section 16.23(8)(f), nor any other impact fees that may apply to a development.
- 13. The park impact fee will be exempt for developments that meet the "low-cost housing" requirements, as defined as rental or owner-occupied housing units that are affordable, as that term is defined in MGO Section 4.22(2), and which meet the deed restriction requirements of MGO Section 4.22(7). The determination whether a proposed development will create low-cost housing, and how much low-cost housing it will create, shall be made by the Community Development Division.

Metro Transit (Contact Tim Sobota, (608) 261-4289)

This agency has reviewed this request and recommended no conditions of approval.