



MEMORANDUM

To: Heather Stouder, Director, City of Madison Planning

From: Andrew B. Inman, Vice President of Development, North Central Group

Date: November 9, 2020

Subject: Plan Commission Addendum to Technical Analysis and Findings of Fact for the American Exchange, Block 101 (1 N Pinckney St), Madison, WI

Summary

This memorandum supplements the October 19, 2020 Technical Review Memorandum and October 22, 2020 Supplemental Analysis for the Urban Land Interests (ULI) proposal to develop Block 101 (1 N. Pinckney St.), titled "American Exchange Development", submitted by North Central Group. The two previously submitted documents demonstrate that the ***ULI proposal to develop Block 101 does NOT meet several of the City of Madison required standards for approval. Notably, the development proposal as currently designed adversely impacts, substantially impairs, and diminishes the uses, value, and enjoyment of other property in the immediate neighborhood.*** Commission members are encouraged to review the previously submitted materials posted to Legistar as NCG Comments.

This memorandum summarizes additional issues as a result of the November 4, 2020 Urban Design Commission action to refer the decision on compliance with the UDD #4 Standards to the December 2020 UDC meeting and issues identified in several late submittals by the applicant and City staff over the past three days. The UDC members made several comments that could affect the design when it comes back to the UDC on December 2. Since the UDC meeting, there have also been a submittals by the applicant on Friday, November 6 and a Staff Report Addendum posted to Legistar on Sunday, November 8, both attempting to provide work around solutions to errors or other defects in the application. Significantly, a) the legal description for the proposed rezoning is incorrect and b) the applicant is proposing to rezone part of a public alley, which cannot legally be done. ***Since the Block 101 plan proposed by ULI: 1) fails to meet several of the Planned Development and UDD #4 standards, 2) has unresolved UDC Comments on the design, and 3) contains errors in the rezoning text and legal descriptions, the proposal must be denied, placed on file, or referred so the applicant can address the errors and unresolved UDC Comments and improve the design to meet these standards.***

Errors in Rezoning Text and Legal Descriptions

ULI is proposing to rezone and build within part of a public alley. ULI also erroneously included other lands that are not intended to be rezoned. The public alley cannot be rezoned nor can the applicant construct a building on the public alley without filing a petition (presumably agreed to by the affected

neighboring properties) and airing the proposed vacation with the public as well as the City of Madison committees and elected officials. While it is possible the alley could be vacated, the applicant has not initiated the vacation process for the alley and does not appear to have informed neighboring property owners of their intent to vacate a portion of the alley. Since the public alley currently extends through the entire block from E. Washington Ave. to Mifflin St, vacating a portion of the alley will result in a dead end condition for alley. The dead end condition will require a significant alteration to the building design or acquisition of additional land to dedicate for an appropriate cul-de-sac or hammerhead turn around. While staff has offered good faith work-around solutions to fast-track the approval, ***the Plan Commission should not rush approval on this 340,000 Square Foot Development (plus another approximately 300,000 Square Foot parking structure) and should refer this proposal to a future meeting to allow these substantive issues to be further evaluated and corrected.***

Unresolved UDC Comments

NCG believes the ULI proposal to rezone most of Block 101 to PD should be referred to a later meeting until UDC has acted on the UDD #4 design standards. On Wednesday, the UDC referred action on UDD #4 standards to the December UDC meeting, meaning the UDC has not granted even initial approval (or final approval) of the design. If approved, the Plan Commission would be rendering a decision on massing and design details without knowing the final building design. There were comments from multiple commissioners about shifting the office tower to mid-block; these comments remain unresolved. We believe Plan Commission approval without a UDC hearing on UDD #4 standards on a 340,000 SF commercial building on the Capitol Square is unprecedented and could put the City in a difficult position. Comments from the UDC Commissioners included:

1. I feel compelled to offer some solutions and speak to some potential problems. I really like the project, I'm looking at the majority of the green roof or back of the building, the accessible areas seem northwest, is that an appropriate spot to create a nice outdoor experience from a solar perspective and natural lighting perspective? That's obviously tied to where that tower is located. You've done an amazing job to integrate these historic signature façades at the lower levels and this modern tower, I think it works great. I don't understand the comment that the north tower offends the northern landmarks. I'm not seeing that as a real driver. The comment about impacts to the program inside, on a future discussion helping us understand the challenges there with diagram perspective might offer some solutions.
2. Is it your opinion that the tower is not located appropriately? o It might create a better solar experience for the people on those roof terraces. • It is also the testimony in opposition that influenced my desire to see that, but I think it would be true regardless of the AC Hotel and blocking of the view there.
3. Is there any additional compromise design-wise that could happen in one month's time to make this more compatible with PD standards?
4. In addition to these clever renderings that make the glass tower look like it's not there, they included some that were photo montages that gave it a much more realistic view.
5. Struggling with discussing if we can't do both at once. If we can't act on both of them.
6. Rubber stamping the design – I don't think we are, it still has to come back on December 2nd to address the design at that point.

Simply put, the design can and should be improved on this very important City of Madison block. Why rush?

Findings of Fact

Based on the comprehensive technical review of the ULI proposal relative to the applicable codes, plans and design standards adopted as supplements to the plans and as demonstrated by the technical analysis, **the ULI proposal is found to fail to meet the multiple standards required for approval. The following findings of fact support the denial, placement on file, or referral until the applicant submits a complete application that is made available for a thorough review by its neighbors and improves the design to meet the required standards for approval:**

1. Urban Design District No. 4 was established to improve the appearance of major transportation corridors east of the Capitol Square which constitute a major entrance to the City of Madison, to preserve and enhance the property values in the district, and to avoid a substantial depreciation of the property values in the district.
2. No application for rezoning to Planned Development shall be granted by the Plan Commission or Common Council unless it finds that approval promotes the public health, safety and welfare including consideration of existing conditions and conservation of property values and other zoning and plan requirements.
3. Urban Land Interests (ULI) submitted a proposal to the City of Madison to develop Block 101 (1 N. Pinckney St.), titled "American Exchange Development", dated September 16, 2020. Said application was initially received by the City of Madison on August 12, 2020.
4. GBA is a State of Wisconsin licensed architect well versed in the City of Madison Zoning Ordinance, Plans and Standards as well as the State of Wisconsin Building Code.
5. GBA completed a comprehensive review of the impact of ULI's proposed development proposal dated September 16, 2020 on the uses, value, and enjoyment of adjacent properties with particular focus on the public amenities located in public areas within the AC Hotel and Eno Vino Downtown. Based on the comprehensive review, GBA concluded that the ULI proposal as currently designed will substantially depreciate, adversely impact, diminish and impair the uses, values, and enjoyment of property.
6. GBA also completed a feasibility analysis on certain design modifications to mitigate the impact, better utilize the mid-block portion of the site, and address the City requirements. The feasibility analysis demonstrated, and GBA concluded, that the ULI proposal can in fact be modified to so as to not substantially depreciate, adversely impact, diminish or impair the uses, values, and enjoyment of an important public amenity while still accomplishing the desired development density and program.
7. NCG commissioned an economic impact analysis, based on the results of the GBA's analyses, on a single property owner, 202 E Washington, LLC, the owner of the building in which the AC Hotel and Eno Vino Downtown are located. The economic impact analysis demonstrated that the ULI proposal as currently designed will substantially depreciate the value of property of the adjacent property owner and other businesses in the district. The negative impact on property value will also negatively impact the tax revenues collected by the City of Madison.

8. The ULI proposal has significant public opposition. Over 1200 members of the public have registered their opposition to the project. ULI failed to adequately solicit public feedback by not inviting many of the neighboring property owners, business owners and residents to the one (or any if there was in fact more than one) neighborhood meeting(s) that were held. The CNI letter of support fails to fully assess the impact of the development on the surrounding properties, ignores conflicts with the applicable City of Madison Plans and Codes, and does not represent the views of the public that were not included in the neighborhood input process.
9. The scale and massing on the East Washington Ave. and Webster St. side are incompatible with portions of the Downtown Urban Design Guidelines. Such notion was supported with comments from staff and UDC commissioners during the Informational Presentation at the May 27, 2020 UDC meeting.
10. The proposal is incompatible with several key elements of the City of Madison Downtown Plan.
11. The proposal and process is a step backward from the precedent set by the 2014 Lamp House Committee process on the immediately adjacent block.
12. The zoning text as currently proposed includes rezoning of a public alley which cannot legally be included in the rezoning request.
13. The zoning text erroneously includes land that is not intended to be rezoned.

Based on the above Findings of Fact, the ULI proposal to develop Block 101 does NOT meet several of the City of Madison standards for approval and contains other substantive errors. Since the Block 101 plan proposed by ULI fails to meet several of these standards it must be denied, placed on file, or referred so the applicant can improve the design to meet these standards.