

PLANNING DIVISION STAFF REPORT

October 21, 2024

PREPARED FOR THE PLAN COMMISSION



Project Address: 222 W Gorham Street (2nd Alder District, Ald. Bennett)

Application Type: Conditional Use

Legistar File ID # [85184](#)

Prepared By: Chris Wells, Planning Division
Report Includes Comments from other City Agencies, as noted

Reviewed By: Kevin Firchow, AICP, Principal Planner

Summary

Applicant: Drew Deuster; Wild Planet Hospitality Group; 222 W Gorham Street; Madison, WI 53703

Contact: Malorie Hepner; OPN Architects; 301 N Broom Street; Madison, WI 53703

Property Owner: Urban Land Interests; 10 E Doty Street, #300; Madison, WI 53703

Requested Action: Consideration of a conditional use in the Downtown Core (DC) District to convert a restaurant-nightclub into a nightclub at 222 W Gorham Street.

Proposal Summary: The applicant, Red Rock Saloon, proposes to change from a restaurant-tavern to a nightclub and increase the interior capacity from 360 to 450 persons. The project will involve only minor internal modifications such as widening the internal secondary door within the vestibule to accommodate two doors and removing the booth that currently sits closest to the front entrance to increase the space for guests to enter and exit.

Applicable Regulations & Standards: This proposal is subject to the standards for Conditional Uses [MGO §28.183(6)(a)] as Table 28E-2 in MGO §28.072 lists *nightclubs* as conditional uses in the Downtown Core (DC) District. The Supplemental Regulations [MGO §28.151] contain further regulations for this use.

Review Required By: Plan Commission

Summary Recommendation: The Planning Division recommends that the Plan Commission find that the approval standards for conditional uses are met and **approve** the conversion of a restaurant-nightclub into a nightclub in the Downtown Core (DC) District at 222 W Gorham Street. This request is subject to the input at the public hearing and the conditions recommended by the reviewing agencies.

Background Information

Parcel Location: The approximately 8,712-square-foot (0.2-acre) parcel is located to the northwest of the intersection of W Gorham and State Streets. It is also located within Alder District 2 (Ald. Bennett) as well as the limits of the Madison Metropolitan School District.

Existing Conditions and Land Use: The parcel contains a roughly 11,600-square-foot, 2-story structure (with 1,130-square-foot mezzanine) which, according to City Assessor's Office records, was built in 1984 and remodeled in 2015. It is zoned Downtown Core (DC) District.

Surrounding Land Use and Zoning:

- Northwest:** The 2-story and 2-unit Rohr Chabad House, zoned Urban Mixed-Use (UMX) District;
- Northeast:** The City's 57-stall Buckeye Parking Lot, zoned UMX;
- Southeast:** Across W Gorham Street is a mixed-use building with ground floor retail, and five units on the second and (partial) third floors (346 State Street), zoned Downtown Core (DC) District; and
- Southwest:** A liquor store with storage upstairs (402 State Street); a mixed-use building with ground floor retail and a 3-bedroom unit above (404 State Street); a mixed-use building with ground floor retail, second floor office and third floor storage space (414 State Street); and a 2-story, mixed-use building with ground floor retail (418 State Street). All are zoned DC.

Adopted Land Use Plan: The 2023 [Comprehensive Plan](#) recommends Downtown Mixed-Use (DMU) development for the subject site. The Plan notes that this includes “*intensive mixed-use development*” which is “*generally more focused on residential, retail, and service uses than Downtown Core (DC) areas, but may also include some government and employment uses.*” For details on heights, mix of uses, ground floor uses, pedestrian friendly design, and other considerations which the Plan notes “must be addressed for development within this category”, the Plan defers to the [Downtown Plan](#).

The 2012 [Downtown Plan](#) includes the subject site's entire block in the “State Street” District which it seeks to “maintain and enhance” as Madison's “*premier shopping, dining, entertainment and cultural destination, with a unique sense of place characterized by a vibrant, diverse and dynamic mix of uses, a distinctive pedestrian oriented streetscape, and human-scale developments that actively engage the street and promote synergy and interaction.*” (Objective 4.2, Page 44)

Environmental Corridor Status: The subject site is not within a mapped environmental corridor.

Public Utilities and Services: This property is served by a full range of urban services, including daily all-day Metro Transit service along State Street near 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 Johnson Street and Gorham Street near this property, with trips at least every 30 minutes (every 15 minutes or less during the day on weekdays).

Zoning Summary: The property is zoned Downtown Core (DC) District

Requirements	Required	Proposed
Front Yard Setback	0' or 5'	0'
Side Yard Setback	0'	0'
Rear Yard Setback	0'	0'
Maximum Lot Coverage	None	Existing building
Minimum Building Height	2 stories	2 story existing building
Maximum Building Height: Downtown Height Map	4 story height limit extends 30' back from State St right-of-way line 6 stories	2 story existing building

Site Design	Required	Proposed
Number Parking Stalls	Not required: Central Area	None
Electric Vehicle Stalls	Not required	None
Accessible Stalls	Not required	None

Loading	Not required	None
Number Bike Parking Stalls	Nightclub: 5% of capacity of persons	None
Landscaping and Screening	Not required	None
Lighting	Not required	Existing lighting
Other Critical Zoning Items	Urban Design (Downtown Core (DC) District); Barrier Free (ILHR 69)	

Tables Prepared by Jenny Kirchgatter, Assistant Zoning Administrator

Related Approvals

On September 8, 2024, the Common Council, based on the recommendation of the Alcohol License Review Committee (ALRC), approved an 18+ Center for Visual & Performing Arts License (Legistar ID # [85004](#)) (as defined by MGO §38.06(12)(c)) for Chinchilla JDK LLC, doing business as Red Rock Saloon, located at 222 W Gorham Street. The Council's approval set the permitted capacity to 450 persons and included the following conditions:

1. Establishment must provide full food service at all times when live musical performances are not offered.
2. No patrons are permitted to enter or re-enter the establishment after 1:30am on Friday or Saturday night.

On July 2, 2024, the Common Council, based on the recommendation of the Alcohol License Review Committee (ALRC), approved a Change of Premise to amend the premise from 'nightclub/restaurant' to 'nightclub' and increase capacity from 360 to 450 persons (Legistar ID # [84075](#)) for Chinchilla JDK LLC, doing business as Red Rock Saloon, located at 222 W Gorham Street.

On July 11, 2022, the Plan Commission approved a conditional use request in the Downtown Core (DC) District for the hours of an outdoor eating area to extend past 9:00 p.m. to allow the addition of a second floor outdoor eating area for a restaurant-nightclub at 222 W Gorham Street. (Legistar File [71637](#)) (Staff note that while approved, the applicant never moved forward and actually constructed the outdoor eating area due to construction costs.)

On November 22, 2021, the Plan Commission approved a conditional use request in the Downtown Core (DC) District to allow a restaurant-nightclub (Red Rock Saloon) in an existing commercial building at 222 W Gorham Street. (Legistar File [67800](#))

On August 3, 2021, the Common Council, based on the recommendation of the Alcohol License Review Committee (ALRC), approved an 18+ Center for Visual & Performing Arts License (Legistar ID # [66377](#)) (as defined by MGO §38.06(12)(c)) for Chinchilla JDK LLC, doing business as Red Rock Saloon, located at 222 W Gorham Street. The Council's approval set the permitted capacity to 400 persons and included the following conditions:

1. Establishment must meet the definition of an entertainment venue as defined by MGO Sec 38.05(9).
2. Establishment must provide full food service at all times when live musical performances are not offered.
3. No patrons are permitted to enter or re-enter the establishment after 1:30am on Friday or Saturday night.

Project Description

The applicant, Red Rock Saloon, proposes to change from a restaurant-tavern to a nightclub and increase the interior capacity from 360 to 450 persons. As for the difference between a restaurant-tavern and nightclub, according to the Zoning Code, while both are establishments which "sell fermented malt beverages or intoxicating liquors for consumption upon the premises and which holds an entertainment license under Sec. [38.06\(11\)](#)", for restaurant-taverns, the principal use is serving meals whereas for nightclubs, they "may serve meals and include kitchen facilities."

The project will involve only minor internal modifications such as widening the internal secondary door within the vestibule to accommodate two doors and removing the booth that currently sits closest to the front entrance to increase the space for guests to enter and exit.

Regarding hours of operation will remain unchanged with this conditional use request: Closed: Sunday-Monday; 4:00pm-2:00am, Tuesday-Thursday; and 4:00pm-2:30am, Friday-Saturday.

Analysis and Conclusion

This proposal is subject to the standards for Conditional Uses [MGO §28.183(6)(a)] as Table 28E-2 in MGO §28.072 lists *nightclubs* as conditional uses in the Downtown Core (DC) District. The Supplemental Regulations [MGO §28.151] contain further regulations for this use.

Conformance with Adopted Plans

The 2018 [Comprehensive Plan](#) recommends Downtown Mixed-Use (DMU) development for the subject site. The Plan notes that this includes “*intensive mixed-use development*” which is “*generally more focused on residential, retail, and service uses than Downtown Core (DC) areas, but may also include some government and employment uses.*” For details on heights, mix of uses, ground floor uses, pedestrian friendly design, and other considerations which the Plan notes “*must be addressed for development within this category*”, the Plan defers to the [Downtown Plan](#).

The 2012 [Downtown Plan](#) includes the subject site’s entire block in the “State Street” District which it seeks to “maintain and enhance” as Madison’s “*premier shopping, dining, entertainment and cultural destination, with a unique sense of place characterized by a vibrant, diverse and dynamic mix of uses, a distinctive pedestrian oriented streetscape, and human-scale developments that actively engage the street and promote synergy and interaction.*” (Objective 4.2, Page 44)

In regards to plan consistency, Staff believe that the proposed use could be found to be compatible with adopted plans.

Supplemental Regulations

Per Table 28E-2 in MGO §28.072, *nightclubs* shall adhere to the Supplemental Regulations found in MGO §28.151:

- a) Shall hold entertainment license under Sec. [38.06](#)(11), MGO.
- b) Shall at all times operate consistent with and according to the requirements of a valid liquor alcohol license issued by the City.

Regarding a), as noted earlier in this report, on September 8, 2024, the Common Council, based on the recommendation of the Alcohol License Review Committee (ALRC), approved an 18+ Center for Visual & Performing Arts License (Legistar ID # [85004](#)) (as defined by MGO §38.06(12)(c)) for Chinchilla JDK LLC, doing business as Red Rock Saloon, located at 222 W Gorham Street. The Council’s approval set the permitted capacity to 450 persons and included the following conditions:

1. Establishment must provide full food service at all times when live musical performances are not offered.
2. No patrons are permitted to enter or re-enter the establishment after 1:30am on Friday or Saturday night.

Regarding b), on July 2, 2024, the Common Council, based on the recommendation of the Alcohol License Review Committee (ALRC), approved a Change of Premise to amend the premise from 'nightclub/restaurant' to 'nightclub' and increase capacity from 360 to 450 persons (Legistar ID # [84075](#)) for Chinchilla JDK LLC, doing business as Red Rock Saloon, located at 222 W Gorham Street. (There were no conditions approval accompanying the Council's approval)

Therefore, the Planning Division believes that the proposed nightclub meets all of the Supplemental Regulations subject to the comments and conditions from reviewing agencies.

Conditional Use Standards

The conditional use approval standards state that the Plan Commission shall not approve a conditional use without due consideration of the City's adopted plan recommendations, design guidelines, supplemental regulations, and finding that all of the conditional use standards of MGO §28.183(6) are met. Please note, recent changes to state law requires that conditional use findings must be based on "substantial evidence" that directly pertains to each standard and not based on personal preference or speculation.

Staff believes that the Plan Commission may find that the conditional use standards are met. Given due consideration, the Planning Division anticipates that, if well-managed, the proposed change of use from a restaurant-tavern to nightclub and the accompanying increase in capacity should not result in significant negative impacts to the uses, values, and enjoyment or normal and orderly development of surrounding properties, which include residential uses within a short distance of the subject site. To this end, in submitted materials, the applicant has included various security- and management-related elements that they are incorporating at this location with the aim of minimizing such negative impacts. These include policies dealing with unruly customers and de-escalation, and security staffing during special events (there will be at least 13 staff on site – roughly three outside and at least ten inside (not including bartenders). At the time of report writing, staff is unaware of any concerns about this request.

As with any conditional use, the Plan Commission retains continuing jurisdiction as allowed in MGO §28.183(9)(d) in the event that complaints are received about the nightclub. This could result in more restrictive conditions being applied if deemed necessary following a public hearing.

Conclusion

In closing, staff believes that the Plan Commission may find that the proposed change in use from restaurant-nightclub to nightclub meets the conditional use approval standards and supplemental regulations and recommends that it be subject to input at the public hearing and comments from reviewing agencies.

Recommendation

Planning Division Recommendation (Contact Chris Wells, (608) 261-9135)

The Planning Division recommends that the Plan Commission find that the approval standards for conditional uses are met and **approve** the conversion of a restaurant-nightclub into a nightclub in the Downtown Core (DC) District at 222 W Gorham Street. This request is subject to the input at the public hearing and the following conditions recommended by the reviewing agencies:

Recommended Conditions of Approval: Major/Non-Standard Conditions are Shaded

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

1. The nightclub shall comply with Supplemental Regulations Section 28.151 for a Nightclub.

Metro Review (Contact Timothy Sobota, (608) 261-4289)

2. Metro Transit operates daily all-day transit service along State Street near 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 Johnson Street and Gorham Street near this property - with trips at least every 30 minutes (every 15 minutes or less during the day on weekdays).
3. Metro Transit would initially estimate the following counts of potentially eligible trips towards US Green Building Council/LEED Quality Access to Transit points: 276 Weekday & 131 Weekend. Please contact Metro Transit if additional analysis would be of interest.

City Engineering Review Mapping (Contact Jeffrey Quamme, (608) 266-4097)

4. The easements necessary for the emergency access and garbage storage and removal are all in place for this proposal.

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

5. The agency reviewed this project and determined a Transportation Demand Management (TDM) Plan is not required.

The following agencies reviewed the request and recommended no conditions or approval:

Engineering Division (Main Office), Traffic Engineering Division, Fire Department, Parks Division, Forestry Section, and the Madison Water Utility.