



Department of Planning & Community & Economic Development
Planning Division

Website: www.cityofmadison.com

Madison Municipal Building, Suite LL100
215 Martin Luther King, Jr. Boulevard
P.O. Box 2985
Madison, Wisconsin 53701-2985
TTY/TEXTNET 866 704 2318
FAX 608 267 8739
PH 608 266 4635

TO: Madison Common Council
Madison Plan Commission

FROM: Bradley J. Murphy, Planning Division Director

DATE: November 12, 2008

SUBJECT: 1000 Oaks Subdivision Inclusionary Dwelling Unit Plan

At the Plan Commission meeting of November 4, 2008 the Commission considered the Inclusionary Dwelling Unit Plan, revenue gap analysis and waiver analysis for Veridian's 1000 Oaks subdivision plat on South Point Road. After considerable discussion, the Commission recommended on a (5-4) vote to approve the waiver analysis prepared by the CDBG Office based on the density bonus calculation methodology currently being used by staff, which resulted in the project receiving a 32 unit density bonus.

At the meeting, two alternative methods were presented to calculate the base density for the 1000 Oaks subdivision for the purpose of determining if the project was receiving a density bonus. Staff provided a memo of October 31, 2008 that outlined the alternatives and the method currently being used by staff. At the meeting staff indicated that the method preferred by Veridian, which uses the acreage from the neighborhood development plan, was the method used for the original 1000 Oaks plat, which was first reviewed and approved in 2005 and early 2006. This method was also used for some of the other earlier plats.

The Planning Division more recently have been using the plat acreage as the basis for the calculation. Since the July 2006 amendments to the Inclusionary Zoning Ordinance, there have been three peripheral subdivision plats where this methodology was used. The results of using these different methods as outlined in the October 31 memo can have a significant impact on the inclusionary zoning revenue gap analysis and waiver analysis. For 1000 Oaks the CDBG Office ran the gap analysis and waiver analysis using both methods and the resulting conclusions are included in the CDBG report.

Following the Plan Commission meeting, staff reviewed correspondence provided to the Plan Commission and Common Council back in June of 2006 in advance of the July 2006 amendments to the Inclusionary Zoning Ordinance. When the Plan Commission and Common Council were considering the July 2006 amendments, there was considerable discussion in advance about where to set the base density thresholds to use in calculating the density bonus. As part of that discussion the Planning Division provided the Plan Commission with the attached memo dated June 1, 2006 and attachments which outline several alternatives. These attachments show several alternative methods which could be used to establish the base density including examples using a hypothetical 40 acre subdivision with 24 acres of

net developable land and examples of four subdivision plats using the neighborhood development plan acreage as a basis to calculate the bonus using the midpoints as called for in the ordinance. Two of these examples included Veridian developments, 1000 Oaks and Grandview Commons Second Addition.

Staff have also reviewed the correspondence and attachments provided by Jeff Rosenberg in his letter of November 10. In the October 31, 2008 memo to the Plan Commission, staff indicated that, in consultation with the City Attorney's Office staff concluded that the method currently being used is consistent with the ordinance. However, given our review of this additional information, staff believes that arguments can be made in favor of either approach. And because staff used the plan acreage method in approving the original 1000 Oaks plat in 2005 and 2006, staff feel that an argument could be made that Veridian relied on this method and that an equitable resolution of this matter could be to use this method again for the current application.

The Common Council has several options from which to choose to address this issue and to resolve and approve the Inclusionary Dwelling Unit Plan Waiver Analysis for the 1000 Oaks subdivision plat. First the Council could approve the recommendation made by the Plan Commission to approve the Waiver Analysis which was based on the density bonus calculation recently used by staff using the plat acreage that resulted in a 32-unit bonus. Second, the Council could approve the alternative waiver analysis which was based on the density bonus calculation using the plan acreage in which the project receives no density bonus. And third, under the IZ Program Policies and Protocols, the Common Council could refer action on this request back to the Plan Commission for reconsideration.

c: Mayor David J. Cieslewicz
Mark A. Olinger, Director, Department of Planning & Community & Economic Development
Michael May, City Attorney
Kitty Noonan, Assistant City Attorney
Mario Mendoza, Mayor's Office
Barb Constans, CDBG Office



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Planning Unit

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P.O. Box 2985
Madison, Wisconsin 53701-2985
TDD 608 266 4747
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PH 608 266 4635

TO: Madison Plan Commission

FROM: Bradley J. Murphy, Planning Unit Director

DATE: June 1, 2006

SUBJECT: Density Bonus System for the Inclusionary Zoning Ordinance

The Plan Commission asked staff to write up a possible change to the density bonus system currently included in the inclusionary zoning ordinance.

The Commission has previously discussed the use of a combination of tools to establish the base density for lands within the City. The Commission and the Mayor's Inclusionary Zoning Work Group have generally discussed distinctions between various locations in the City which can generally be grouped into three categories:

1. Lands on the edge of the City where greenfield development will be occurring in areas which have been relatively recently annexed and where existing and future neighborhood development plans will guide the location and magnitude of residential development. These lands are generally zoned Agriculture currently, or will be zoned Agriculture upon their annexation.
2. Lands within the downtown where existing zoning may, in some cases, not reflect the development densities which are recommended in more recently adopted neighborhood plans, the Downtown Plan, or corridor or special area plans.
3. Lands between the undeveloped land on the edge of the City, and lands within the downtown where development has occurred in conformance with the existing Zoning Code.

Land at the Edge of the City

For lands at the edge of the City which are currently undeveloped, Planning staff continue to recommend the use of the neighborhood development plans as a basis for establishing the base net density to apply a density bonus. Planning staff recommend that, for the most part, the inclusionary zoning ordinance should continue to use the mid-point of the density ranges recommended within the neighborhood development plans, with the exception of the low density range which is generally recommended as densities less than 8 units per acre. For this density range, Planning staff recommend the use of five dwelling units per acre as the density base. Using the mid-point of this density range results in a density base of four units per acre. Staff believe that it would be appropriate to use five units per acre as the base as this density is more similar to the zoning which would result from applying the minimum lot size allowed in the largest lot zoning district in the Zoning Code (the R1 Single-Family

Residence District). Using five as a density base would allow a substantial density bonus to be granted and still result in densities which would be within the low density range recommended in most neighborhood development plans.

Staff recommend no changes to the other density ranges.

Areas Between the Edge and the Downtown

For areas of the City which are currently zoned to a district other than Agriculture and are outside of the Downtown, Planning staff recommend the continued use of the maximum densities allowed within the existing zoning districts as the appropriate basis for calculating a density bonus. Using the existing zoning to establish the base makes sense because it is the existing zoning that defines the actual density which can be achieved on an existing zoned property within the City.

Downtown Areas

Within the downtown, staff suggest that the Plan Commission consider the possible use of three methods to establish the base density. The ordinance could be amended to allow the Director of the Department of Planning & Development or his/her designee to establish the base density in the downtown based on consideration of the following factors. We are not yet comfortable with this approach but would like the commission to discuss it and while staff continue to look for are workable solution.

1. Consideration of the existing zoning. In some areas within the downtown, the continued use of the existing zoning may be appropriate to establish the density base. For example, within the existing local historic districts within the downtown, staff believe that it is appropriate to use the existing zoning as the base density. Within these areas, staff believe that it continues to be appropriate to use the existing zoning to establish the base density.
2. Neighborhood and special area plans. In some areas of the Downtown existing adopted neighborhood plans have provided recommendations which would result in densities which are different than the existing zoning district would allow. Where the existing adopted plan recommends densities lower than the existing zoning would allow, staff recommend the continued use of the zoning district to provide the base density. Where densities are recommended higher than the existing zoning would allow, staff recommend using the adopted neighborhood development plan density mid-points as a base.
3. No Plan. In areas where there is no adopted neighborhood plan, the Director of the Department of Planning & Development or his designee could establish the base density for the development proposal based on consideration being given to the existing zoning, existing Comprehensive Plan and the existing development pattern within the area., and any relevant plan recommendations which would effect the densities which could be achieved on the proposed development site.

Within the downtown, the establishment of the density base could be appealed to the City's Plan Commission as part of the development review process. The Downtown boundaries are as described in the Comprehensive Plan. Staff are not totally comfortable with the suggested approach for the downtown, but do not have another suggested approach at the present time which would address the concerns which have been expressed.

**Density Comparisons
Neighborhood Plans and Zoning Designations**

Table A

Typical Neighborhood Plan Density Designation		Closest Zoning Designation	Zoning Maximum Density	Density with 30% Bonus	Typical Structure Type
Density Category	Net Units/Acre		Net Units/Acre	Net Units/Acre	
RL	0 - 8	R1	5.44	7.07	Single-Family only
RL	0 - 8	R2	7.26	9.44	Single-Family only
RLM	8 - 15	R2T.	8.72	11.34	Single-Family only
RLM	8 - 15	R2S - R2Y	10.89	14.16	Single-Family only
RLM	8 - 15	R3	10.88	14.14	Single-Family and Duplex
RLM	8 - 15	R2Z	12.45	16.18	Single-Family only
RMH	16 - 25	R4/R4A*	21.78	28.31	Multi-Family - 8 Unit maximum
RM	26 - 40	R5*	33.5	43.55	Multi-Family, no maximum
RH	41 - 60	R6*	72.6	94.38	Multi-Family, no maximum
		C1, C2, C3, C4*	38	49.4	Multi-Family, no maximum
		O1, O2*	21.78	28.31	Multi-Family
		C3L, M1, M2, RPSM, SM	5.44	7.07	<i>Districts do not permit residential</i>

*Assumes average of two bedrooms per unit

Neighborhood Plan Midpoint & Maximum Density

Table B

Typical Neighborhood Plan Ranges		Plan Midpoint Density	Plan Midpoint Density with 30% Bonus	Plan Maximum Range	Plan Maximum Density with 30% Bonus
Density Category	Net Units/Acre	Net Units/Acre	Net Units/Acre	Net Units/Acre	Net Units/Acre
RL	0 - 8	4 (10,890 sq ft)	5.2 (8,376 sq ft)	8 (5,445 sq ft)	10.4 (4,188 sq ft)
RLM	8 - 15	12	15.6	16	20.8
RMH	16 - 25	21	27.3	26	33.8
RM	26 - 40	33	42.9	40	52
RH	41 - 60	50	65	60	78

Density Comparisons
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Density Base and Bonus using three alternative methods

40 acre low density subdivision with 40% non-residential uses (streets, stormwater, parkland, etc)

Current Ordinance						
Net 24 Acres of Residential Land		Neighborhood Plans Midpoint	Neigh. Plans Midpoint # Units	Neighborhood Plans Midpoint + 30%	Neigh. Plan Midpoint # Units & the 30% IZ Bonus	Net Gain
RL	units/acre 0 - 8	units/acre 4 (10,890 sq ft)	96.00	units/acre 5.2 (8,376 sq ft)	125.00	+29
Housing Committee						
Net 24 Acres of Residential Land		Neighborhood Plans Maximum	Neighborhood Plans Maximum # Units	Neighborhood Plans Maximum + 30%	Neigh. Plan Maximum # Units & the 30% IZ Bonus	Net Gain
RL	units/acre 0 - 8	units/acre 8 (5,445 sq ft)	192.00	units/acre 10.4 (4,188 sq ft)	249.60	+57
Using Zoning District Maximum Densities						
Net 24 Acres of Residential Land		Zoning Maximum Density	Zoning Maximum # Units	Zoning Maximum +30%	Zoning Max. # Units & the 30% IZ Bonus	Net Gain
	units/acre	units/acre		units/acre		
R1 Zoning		5.44 (8,000 sq ft)	130.56	7.07 (6,161 sq ft)	169.68	+39
R2 Zoning		7.26 (6,000 sq ft)	174.24	9.44 (4,614 sq ft)	226.56	+52

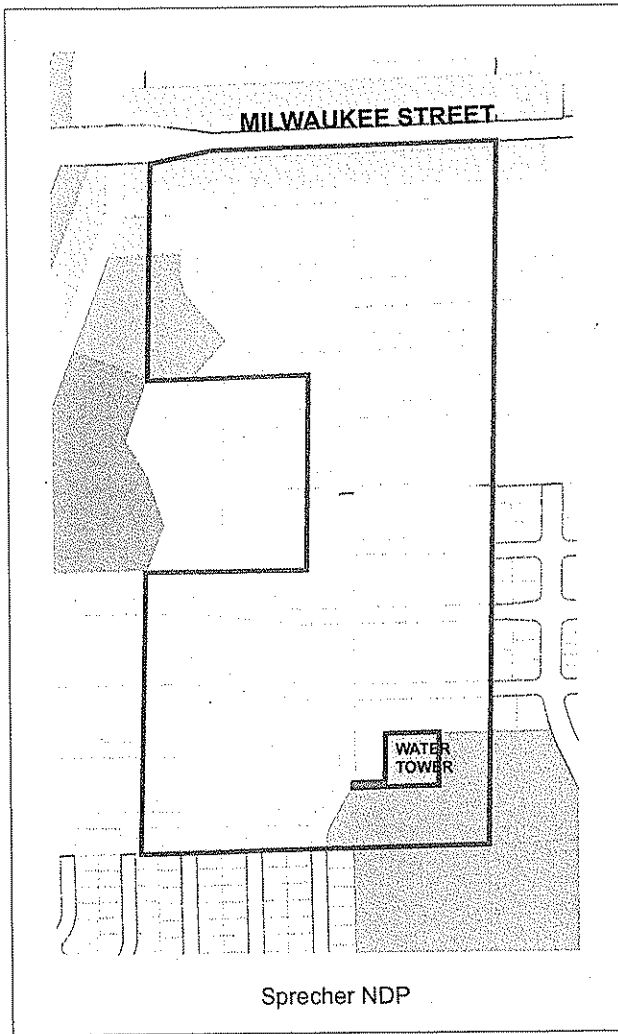
Bonus based on 1.5 times the number of Affordable units required

Net 24 Acres of Residential Land		Neighborhood Plans Midpoint	Neigh. Plans Midpoint # Units	Inclusionary Dwelling Units	Neigh. Plan Midpoint # Units + 1.5 times the IDU's	Net Gain
RL	units/acre 0 - 8	units/acre 4 (10,890 sq ft)	96.00	14.00	117.00	+21
Net 24 Acres of Residential Land		Neighborhood Plans Maximum	Neighborhood Plans Maximum # Units	Inclusionary Dwelling Units	Neigh. Plan Maximum # Units + 1.5 times the IDU's	Net Gain
RL	units/acre 0 - 8	units/acre 8 (5,445 sq ft)	192.00	29.00	235.00	+43
Net 24 Acres of Residential Land		Zoning Maximum Density	Zoning Maximum # Units	Inclusionary Dwelling Units	Zoning Max. # Units + 1.5 times the IDU's	Net Gain
	units/acre	units/acre				
R1 Zoning		5.44 (8,000 sq ft)	130.56	20.00	160.00	+30
R2 Zoning		7.26 (6,000 sq ft)	174.24	26.00	213.00	+39

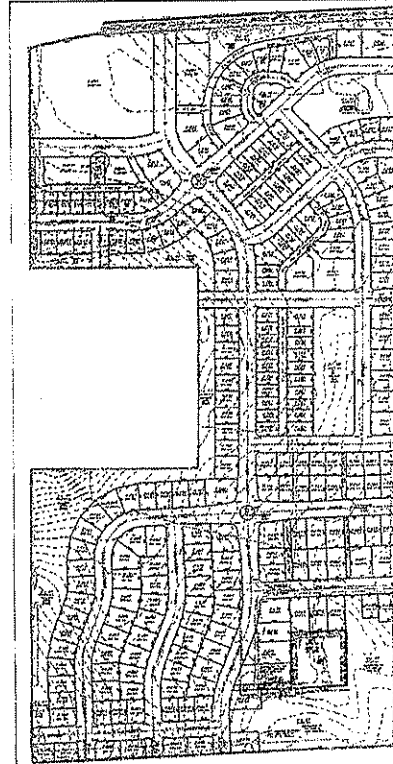
DENSITY COMPARISONS

Summary of Land Use and Dwelling Units

Sprecher NDP and 2nd Add. to Grandview Commons



Sprecher NDP



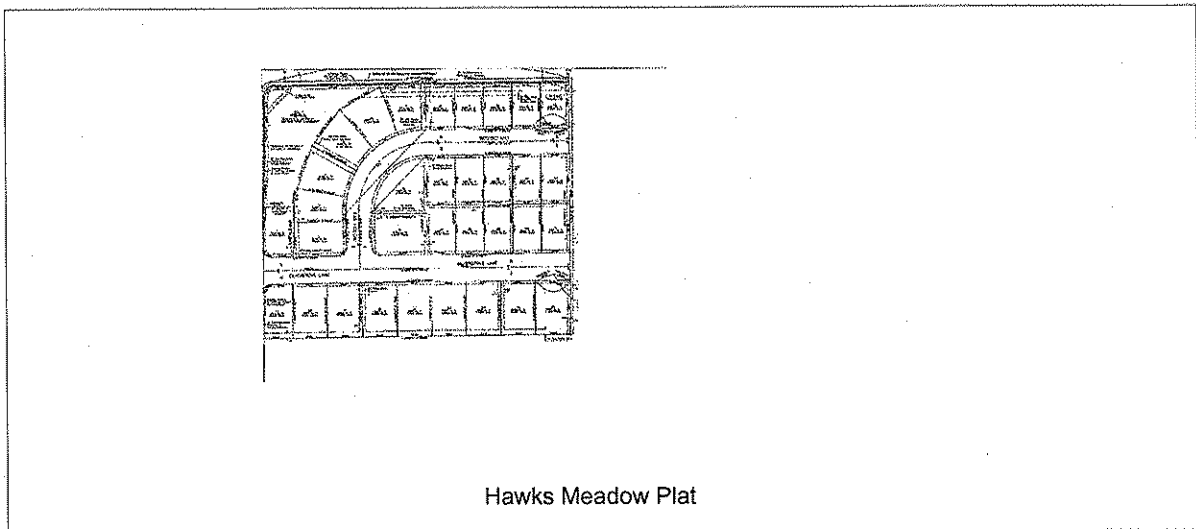
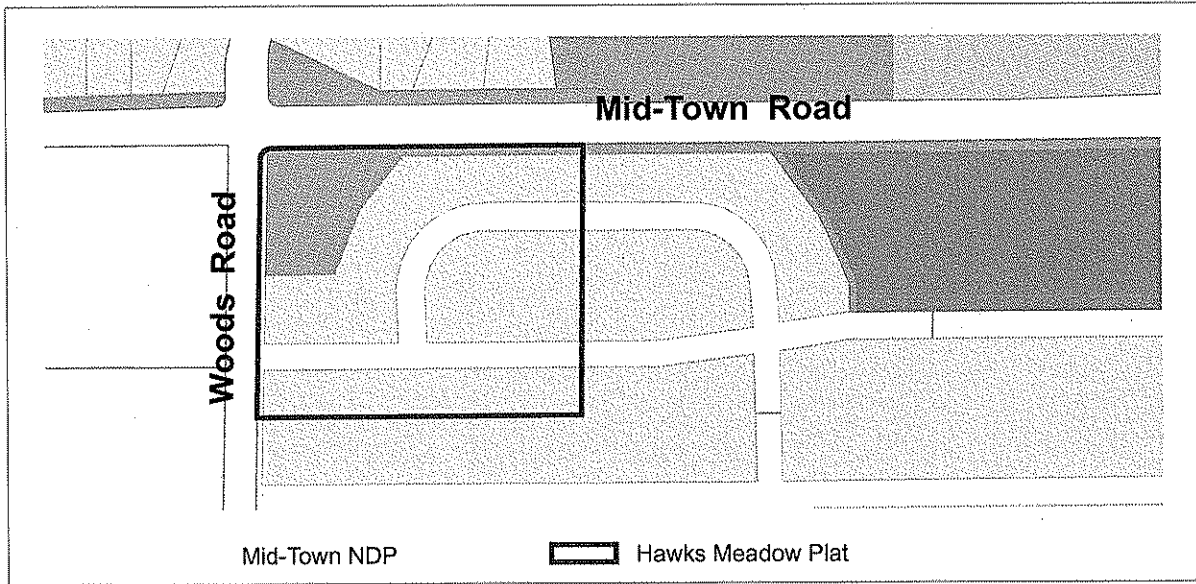
2nd Addition to Grandview Commons

2nd Addition to Grandview Commons

Proposed Land Use	Sprecher NDP Recommendations			2nd Add to Grandview Commons Proposed Land Use		
	Acres	Density Range Mid-Point	Estimated Dwelling Units	Acres	Dwelling Units	Ave. Net Density
Residential	43.71	4.7 (Net Ave. Density)	205	36.16	352	9.7
Low Density (<8 du/net acre)	39.84	4	159	21.08	143	6.8
Low-Med Density (8-15 du/net acre)	3.87	12	46	6.78	64	9.4
Medium Density (16-25 du/net acre)	-	20.5	NONE PROPOSED ON THIS SITE	8.30	145	17.6
Park, Open Space and Drainage	5.87			13.70		
Street ROW	17.42			19.34		
Total	67.00			69.20		

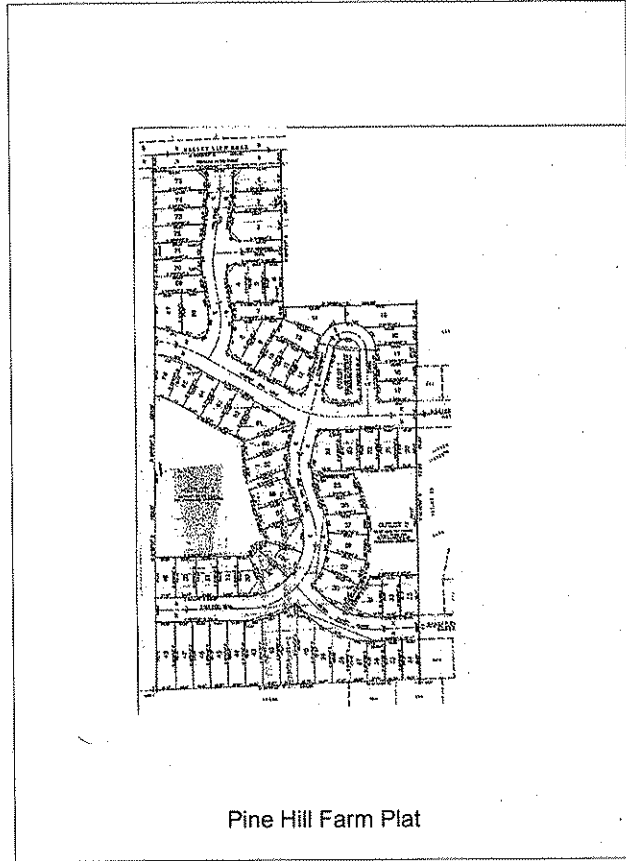
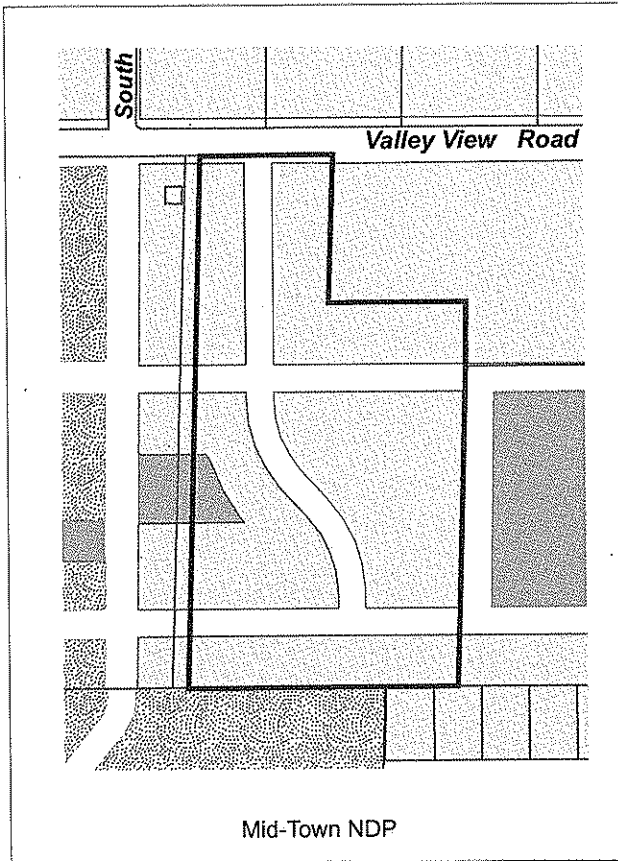
Summary of Land Use and Dwelling Units

Mid-Town NDP and Hawks Meadow Plat



Proposed Land Use	Mid-Town NDP Recommendations			Hawk's Meadow Proposed Land Use		
	Acres	Density Range Mid-Point	Estimated Dwelling Units	Acres	Dwelling Units	Ave. Net Density
Total Residential	5.50	4 (Ave. Net Density)	22	5.94	33	5.6
Low Density (.8 du/net acre)	5.50	4	22	-	-	-
Park, Open Space and Drainage	1.27			-	-	-
Private Open Space	.19			.79		
Street ROW	1.67			1.90		
Total	8.63			8.63		

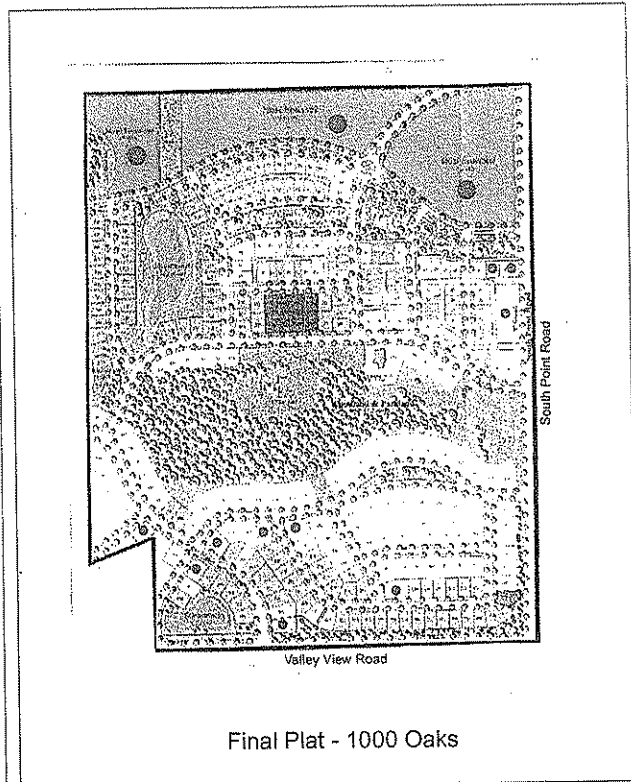
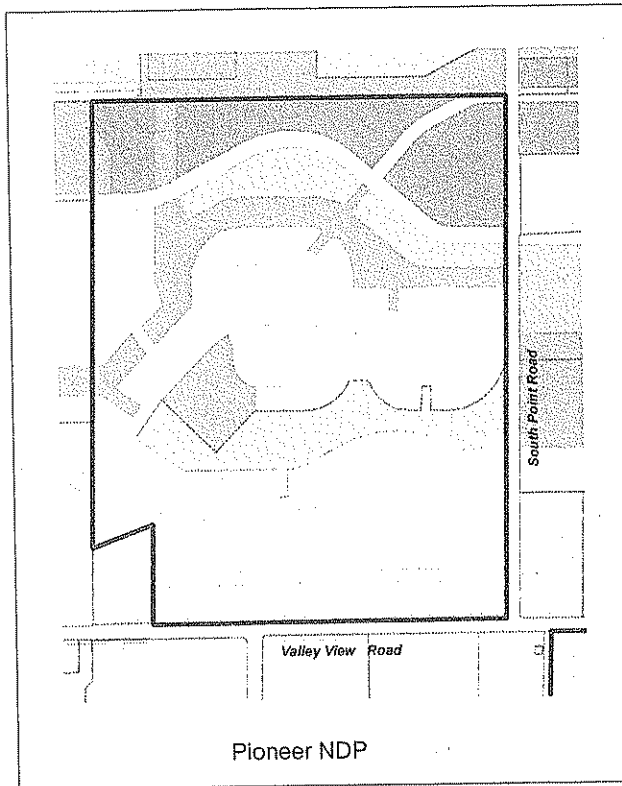
Summary of Land Use and Dwelling Units Mid-Town NDP and Pine Hill Farm Plat



- Pine Hill Farm Plat
- Future Residential

Proposed Land Use	Sprecher NDP Recommendations			Pine Hill Farm Proposed Land Use		
	Acres	Density Range Mid-Point	Estimated Dwelling Units	Acres	Dwelling Units	Ave. Net Density
Total Residential	12.56	4.0 (Ave. Net Density)	50	9.46	75	7.9
 Low Density (< 8 du/net acre)	12.56	4.0	50	9.46	75	7.9
 Low-Med Density (8-15 du/net acre)	-	12	-	-	-	-
 Medium Density (16-25 du/net acre)	-	20.5	-	-	-	-
 Park, Open Space and Drainage	.29			1.94		
 Private Open Space	-			1.15		
 Street ROW	3.77			4.35		
Total	16.62			16.90		

May 9, 2006
 Summary of Land Use and Dwelling Units
Pioneer NDP and 1000 Oaks Final Plat



- Residential Low Density (Single-Family)
 - Orange, yellow and purple
- Residential Low-Med. Density (Duplex & Townhomes)
 - Light orange, brown
- Residential Medium Density (Mixed Multi-Family)
 - Red
- Park and Open Space
 - Green
- Stormwater
 - Green with blue

Proposed Land Use	Pioneer NDP Recommendations			Final Plat - 1000 Oaks Proposed Land Use			
	Acres	Density Range Mid-Point	Estimated Dwelling Units	Acres	Ave. Net Density	Dwelling Units	Additional Units
Total Residential	72.97	8.3 (Ave. Net Density)	605	59.46	11.8	694	89
Low Density (<8 du/net acre)	50.75	4.0	203	40.20	6.8	274	71
Low-Med Density (8-15 du/net acre)	6.31	12	76	2.27	13.2	30	-46
Medium Density (16-25 du/net acre)	15.91	20.5	326	16.99	23.0	390	64
Park, Open Space and Drainage	15.06			31.46			
Private Open Space	9.42			1.97			
Street ROW	22.96			30.82			
Total	120.41			123.70			