COMMENTS OF THE WESTON PLACE CONDOMINIUM ASSOCIATION ON THE PROPOSED DEVELOPMENT AT 617 N SEGOE ROAD

DECEMBER 5, 2013

Weston Place Condominium is located at 625 N. Segoe Road (corner of Segoe Road and Frey Street) in Madison. The Weston Place Condominium Association (Weston Place), which is the governing body for our facility, offers the following comments regarding the proposed development at 617 N. Segoe Road, a property contiguous to ours.

Weston Place supports reasonable, well-planned development in our neighborhood as means of making it a more vibrant community for those who live and work here. Having pride of place is important to us not only with respect to our building, but to the surrounding area as well. The recent addition of our newest neighbors—Overlook at Hilldale and Target—has increased the economic value of our area and has done so in an aesthetically-pleasing manner.

The 617 N. Segoe Road site currently contains a two-story building that formerly housed an Associated Bank branch office and that continues to be the home of some smaller commercial establishments. James Stopple owns the site and the building at that location.

In September 2013, Mr. Stopple informed Weston Place of his plans to demolish the existing structure and replace it with a 12-story, 120-unit apartment building at that location. If constructed as proposed, rather than contributing positively to the area, the neighborhood would suffer from this development. Reasonable modification to the proposed structure could remedy the problems so as to provide a better fit for our area, making its construction a productive step in the City's continued development.

Current Zoning

The proposed building could not be constructed under current zoning requirements. The City established those conditions with considerable thought as a means of promoting planned rather than haphazard development. Great care therefore should be taken in considering whether to grant exceptions to those conditions.

That does not mean that zoning requirements should trump any market-based proposal, but it also does not mean that market-based proposals should trump zoning requirements. Exceptions to current zoning requirements should be granted where appropriate to serve some greater purpose.

So why does Mr. Stopple wish to build his proposed structure at this site? In response to this direct question, he informed us that his proposed 12-story structure would yield a better return

than would a smaller building. We understand Mr. Stopple's argument in that regard. He is a developer and he is attempting to maximize the value of the property.

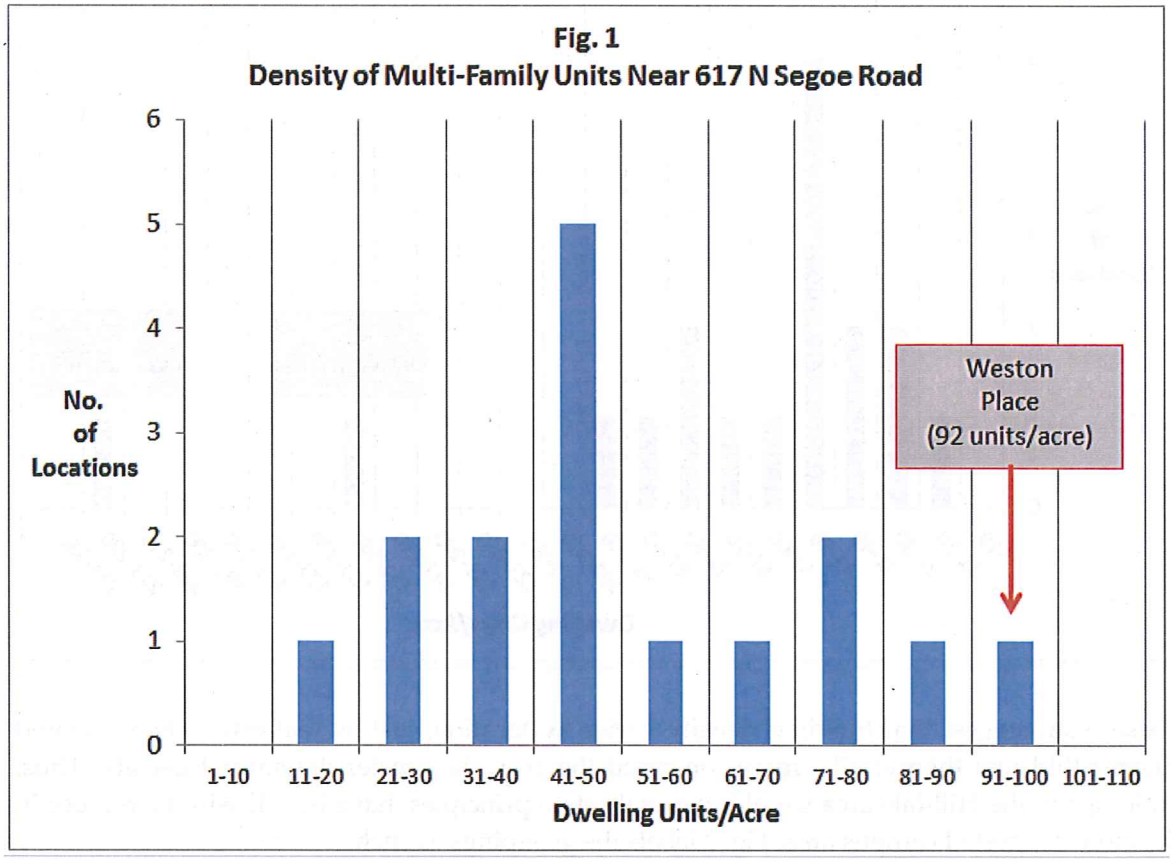
Nevertheless, while project economics matter, if there is no other purpose served than creating a higher return for the developer it is unclear that the case has been made for a zoning exception. If any economic-based argument is sufficient to overturn the current requirements, then zoning would have little effective force—the market alone would ultimately be dictating development. That is not consistent with the notion of planned urban development, which provides a thoughtful balance between private interests and neighborhood concerns.

So what else might Mr. Stopple's proposed building bring to our neighborhood, other than a more-profitable venture for him? He informed us that his building is being designed to attract those looking for luxury apartments. If that were true, perhaps he would have an argument in support of a zoning exception. There are no large-scale luxury apartment complexes in the area.

But as we show next, Mr. Stopple's design will not attract those looking for luxury living—the building will consist largely of small apartments, hardly the type that would attract high-end dwellers. We are more likely to support a well-thought-out, luxury apartment building design, but to achieve that end would require something other than squeezing 120 units into a building with a fairly small footprint.

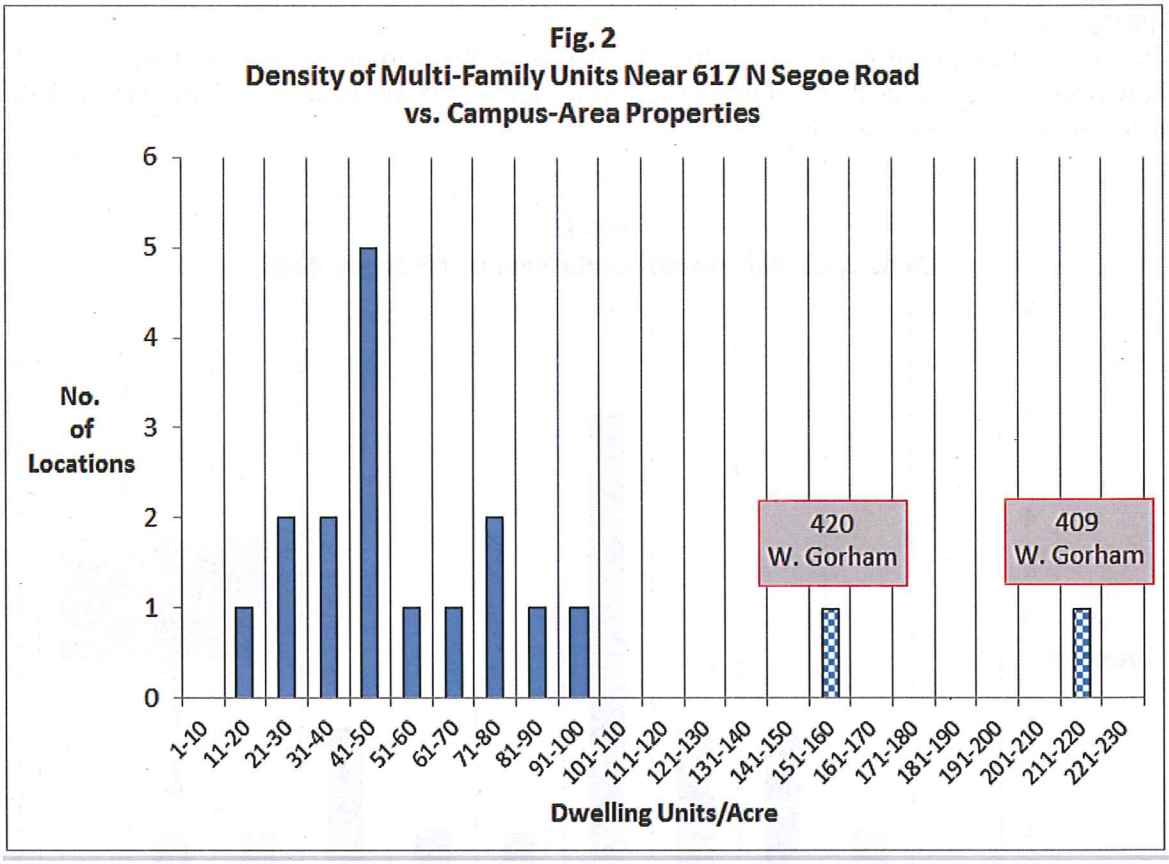
Appropriate Density

Mr. Stopple's proposed design leads to a discussion of the important issue of density. Fig. 1 shows the density for residential multi-family units in the area. We believe we have included all such complexes in the immediate area.



The figure reveals that Weston Place has the highest density of the 16 multi-family locations in the area. That said, we note that there are several other buildings with density close to that of Weston Place.

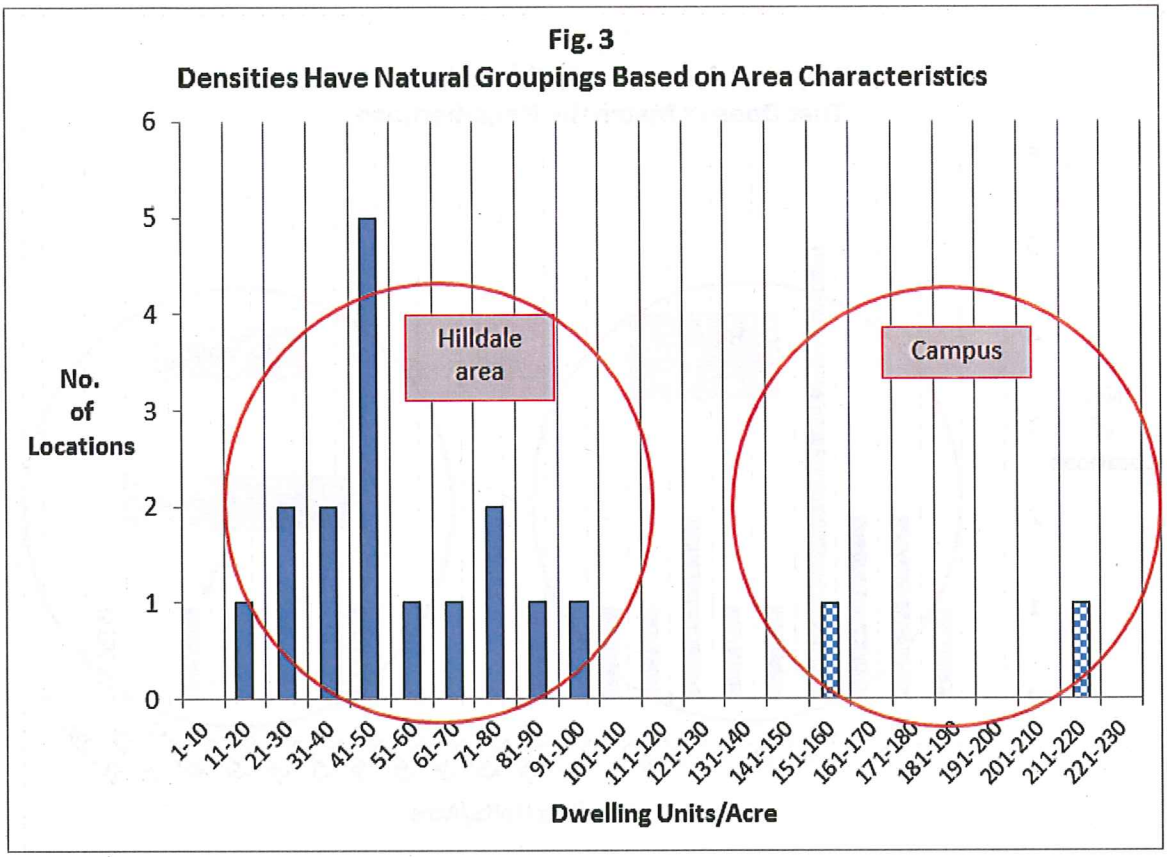
They key point is that our neighborhood densities, even that of Weston Place, are a mere fraction of the density one finds for typical student housing closer to campus. We see that by adding to the chart two multi-family near-campus developments (shown in checkerboard) that are either owned or operated by Mr. Stopple or his firm. See Fig. 2. As we will we see in a moment, in terms of density Mr. Stopple's experience with those buildings appears to be his reference point for his proposed development at 617 N. Segoe Road.



These data suggest that building density varies by location, just as real estate theory would suggest (bid rent theory). The more congested the area, the greater the natural density. Thus, buildings in the Hilldale area should, per real estate principles, have less density than those in the more-congested campus area. Fig. 3 labels the groupings as such.

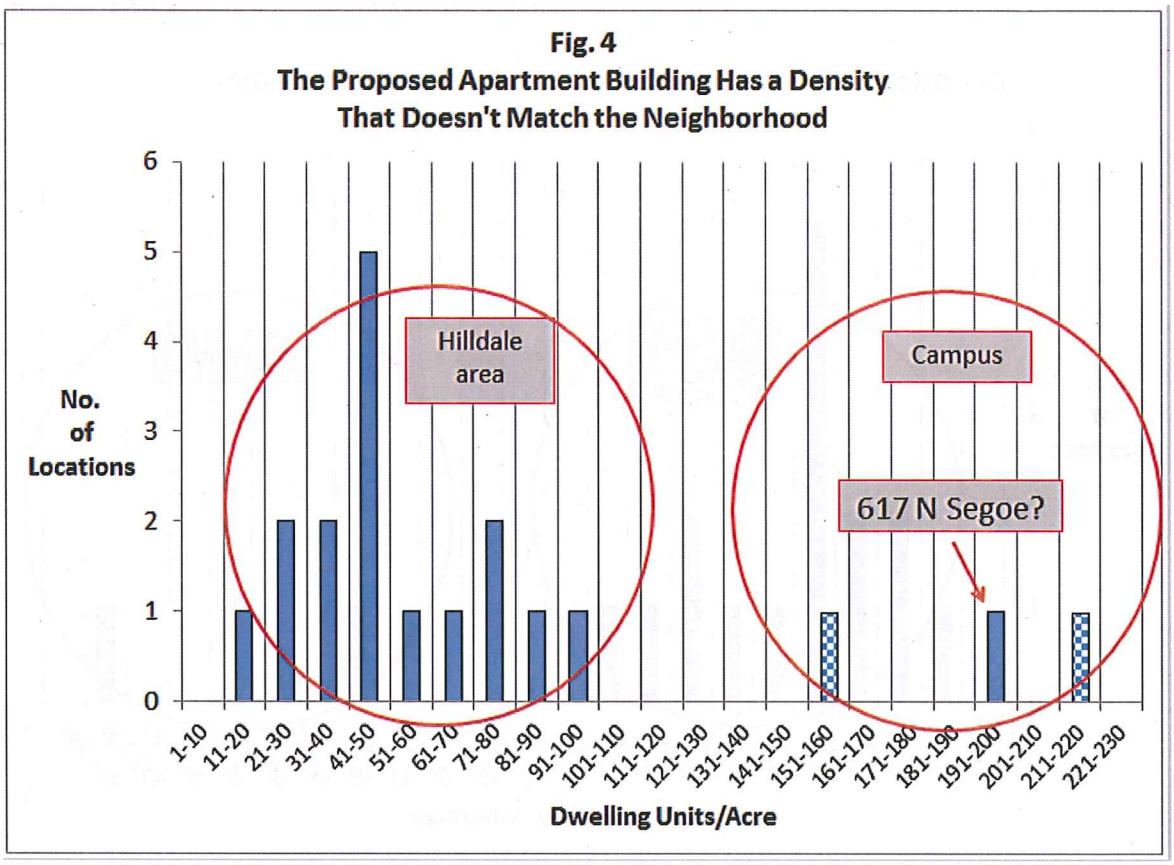
Under neighborhood-focused urban design, the density of a multi-family building at 617 N. Segoe Road should fit into the Hilldale area mold, and not that of buildings closer to campus. Contrary to these expectations, the proposal for the 617 N Segoe site lands in the wrong region in this regard. See Fig. 4.

These images speak loudly to the significance of the problem with the density of the building proposed building for the 617 N. Segoe site. **It would have about four times the density of the typical multi-family building in our area, and more than twice that of Weston Place.**



The density for the proposed building is inconsistent with Mr. Stopple's stated intent of offering luxury apartments. Given the small footprint of the lot, the only way to achieve such density is to have small units. But small apartments will, by definition, not meet the needs of residents looking for luxury space.

This evidence suggests that Mr. Stopple's design will not produce luxury apartments; it will yield the sort of campus-style student housing with which he is most familiar. To be clear, we have no opposition to student housing in the abstract. In fact, the Hill Farms neighborhood has a substantial amount of student housing. But true to their location, the density of those student-focused buildings is significantly lower than the density of student housing on campus.



Whether Mr. Stopple wishes to build luxury apartments or student housing, the density of the building should conform within reason to neighborhood norms. Yet, his proposal would have a density that is well in excess of that of a luxury apartment building, or even that of student housing appropriate for our area. As such, the proposal is simply a mismatch in terms of reasonable non-campus neighborhood development.

Development Consistent With Neighborhood Standards

We suggest that Mr. Stopple's proposal should be modified to bring the structure closer to the neighborhood density characteristics. As noted earlier, Weston Place has the highest density in the region. We are not suggesting that Mr. Stopple's building cannot have a higher density than Weston Place. We are suggesting that the new building should not have a density that is more than twice that of ours. As such, we suggest a compromise that moves up the bar in terms of density, but in a much more measured manner.

Some mathematics are in order to make our point. We start with Weston Place's density of 92 dwelling units per acre. If Mr. Stopple's density were increased from that level to 105 units per acre, that would be almost a 15 percent increase relative to the maximum density in the area.

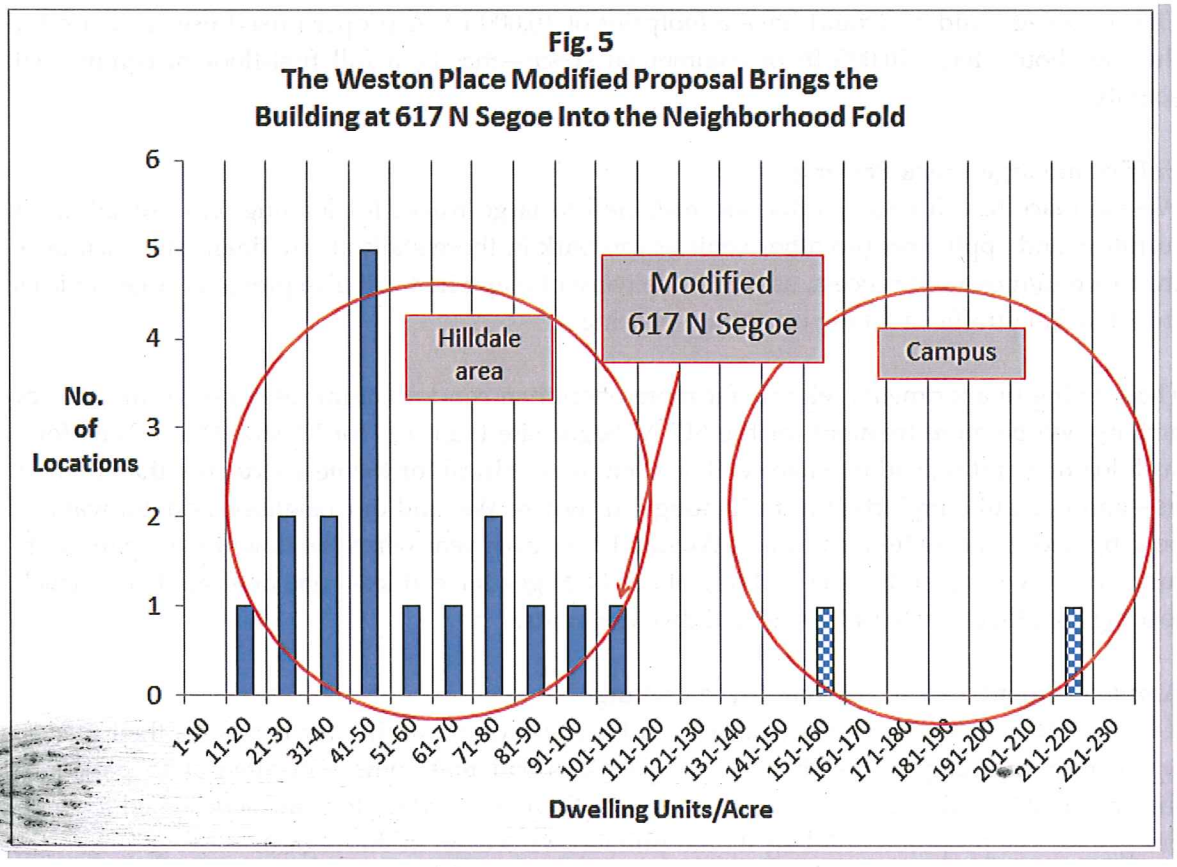
Such a density increase though represents progress that is evolutionary, not revolutionary. This allows for neighborhood adaptation, which will make future growth in the area more palatable.

The 617 N. Segoe Road property contains 0.58 acres. We now have the information necessary to determine the maximum number of residential units for the site.

$$\text{max units} = 105 \text{ units per acre} \times 0.58 \text{ acre} = 61 \text{ units}$$

This result reveals just how far from reasonable the initial proposal for the site is. We suggest that the new building be allowed a significant increase—15 percent—in density relative to that of the building in the area that currently has the highest density. Even with that reasonable accommodation, Mr. Stopple would have to reduce the number of units to about half the number he is currently proposing.

Fig. 5 shows that the modification suggested by Weston Place would put the density of the 617 N. Segoe Road site at least within close proximity to that of the neighborhood. The key is that the building would look like a Hilldale-area development, not one that belongs on campus.



While the density issue is our primary concern, we have concerns about other aspects of the proposed structure, all of which can be addressed with reasonable modification.

Appropriate Apartment Size

If reasonable density is to be achieved, and if the building is going to attract those looking for luxury living, as we have been assured by Mr. Stopple is the intended market, efficiency apartments should not be part of the mix. We recommend a minimum unit size of 800 ft^2. (The smallest units at Weston Place are about 1,000 ft^2.) Such a revision would help to keep the density within neighborhood norms, especially given the location of this development somewhat shoehorned between The Coventry and Weston Place (both Condominium developments)

Reasonable Amount of Commercial Space

The City wishes to promote mixed use of buildings such as that proposed for the 617 N. Segoe Road site, a notion we strongly support. The initial proposal calls for only 4,700 ft^2 of commercial space. This may meet the letter of the mixed-use requirement (since there is no actual measurable minimum standard), but it certainly falls short in terms of spirit.

The proposed building would have a footprint of 10,000 ft^2. A proper mixed-use structure for the site should have 10,000 ft^2 of commercial space—that is, a full first-floor of commercial activity.

Sufficient Large Truck Parking

Weston Place has three stalls that are restricted to large trucks for loading and unloading of furniture and appliances (no other vehicles can park in those stalls at any time). This facilitates the move-in/move-out process, as well as delivery of major items. It also prevents large vehicles from blocking traffic or taking up surface parking.

Those living in apartments relocate far more often than condominium residents, so this sort of activity will be more frequent for the 617 N. Segoe site than it is for Weston Place. Therefore, such loading and unloading space will be even more critical for the new structure than it is for us—and it is quite important in facilitating our moves. We, and our neighbors, do not want to be subjected to the awful mess that is August 15th of each year when the downtown apartments turn over. We suggest that the building at 617 N. Segoe have at least one dedicated large truck loading area for every for 40 residential dwelling units.

Ample Resident, Guest, and Employee Parking

If the building at 617 N. Segoe Road doesn't have sufficient parking for residents, their guests, and commercial employees, there is a high likelihood that some will attempt to park and thereby create a nuisance in the Weston Place or Coventry surface lots, those designed to serve our guests. The proposed building should pull its own weight in this regard.

We suggest that the new building have at least 1.1 underground stalls per residential dwelling unit (Weston Place has about 1.4 stalls per residential condo). If employees of the commercial space have underground parking, we suggest that the building have a minimum of 3 stalls for per 1,000 ft² of leasable commercial space (at least one of those three should be surface parking). Weston Place has 4.5 stalls of underground parking per 1,000 ft² of leasable commercial space plus 1 per 1,000 ft² of surface parking. We suggest that there be 10 surface stalls for guests and customers (this is in the same proportion to that of Weston Place) and the rest underground.

Sufficient Green Space and Preservation of Existing Landscaping

Density works aesthetically only if there is sufficient green space. When Weston Place was developed, we added substantially to the green space of the area (the former property owner had surface parking in essentially all areas where we have green space today). If the new building is to provide green space proportional to that provided by Weston Place, it will need 6,700 ft² (contiguous) of such area. There is also a large tree near the property line that would maintain an environmental aesthetic if it could be saved.

Positioning the Building to Maintain Solar Access

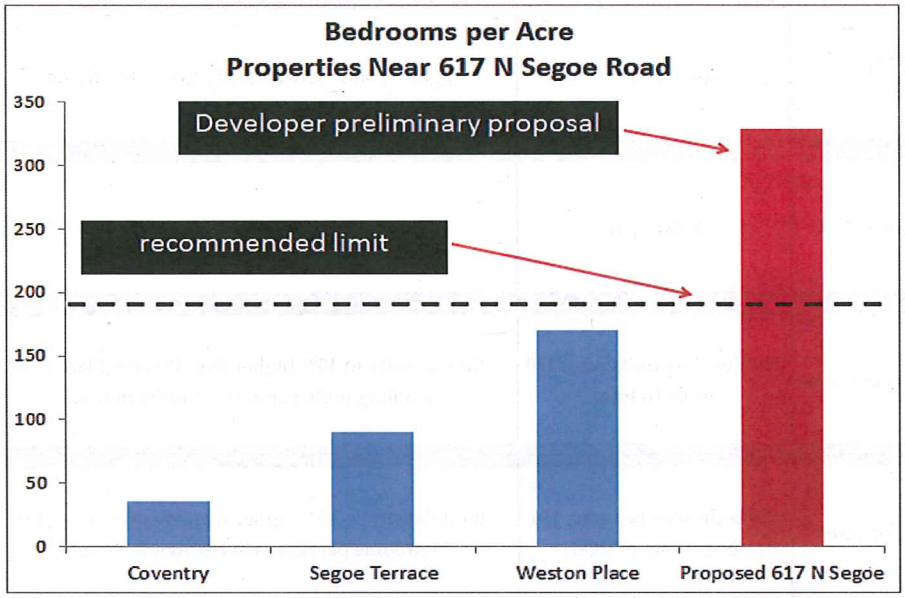
Any structure on the 617 N. Segoe Road site that is taller than the existing structure will affect the solar access of some residents on the south side of Weston Place. Care can be taken to minimize this impact by positioning the building so that the distance between the new structure and Weston Place is as large as possible. Lowering the height and positioning the building so that it is as far south as possible would help to meet this objective.

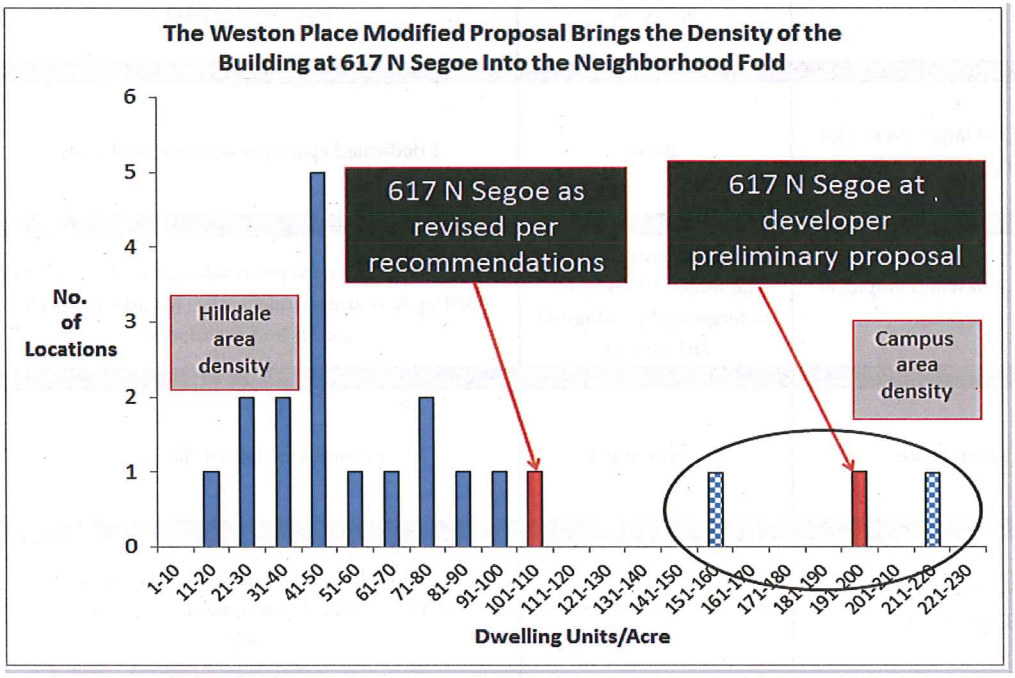
Mr. Stopple has suggested that he is willing to have additional setback distances on the upper floors of his building to reduce the loss of solar access. We strongly support such a design regardless of the ultimate height of the structure.

Conclusion

We offer these comments in the hope that any building developed at 617 N. Segoe will be a good fit for the neighborhood. The Hilldale area is headed in a very positive direction in terms of development. In turn, the development of 617 N. Segoe Road could help in that regard if its impact and suitability for the neighborhood is carefully considered. If the current proposal is modified along the lines we suggest, it can achieve those ends.

617 N SEGOE ROAD PROPOSED DEVELOPMENT (December 17, 2013)		
ISSUE	DEVELOPER PRELIMINARY PROPOSAL	WESTON PLACE COMMENTS
general building purpose (residential)	luxury apartments	agree-would add diversity to neighborhood
commercial space	4,000 sq. ft.	at least 80% of first floor footprint
density (dwelling units per acre)	205 dwelling units/acre; **119 units in total**	limit density to 15% higher than Weston Place (106 dwelling units per acre; **61 units in total)**
density (bedrooms per acre)	329 bedrooms per acre; **191 bedrooms in total**	limit density to 15% higher than Weston Place (196 bedrooms per acre; **114 bedrooms in total)**
unit size	half of the units less than 850 sq. ft.	increase median unit size to match intended luxury apartment market
parking for large trucks (for loading and unloading)	none	1 dedicated space per 40 residential units
resident, guest and employee parking	115 underground stalls (assumes 2.5 levels of underground parking); 15 surface stalls	1.1 underground stalls per residential unit; 3 stalls per 1,000 sq. ft. of commercial space; 10 surface stalls for guests and customers
green space	as shown in plan	increase to at least 6,700 sq. ft.
solar access for Weston Place and Segoe Terrace	restricted by development	lower building height; position building to the southwest with setbacks on upper floors; need a shadow study
rooftop (13th floor)	firepit/lights	no firepit or lighting that would encourage noisy nighttime activity


Bedrooms per Acre
Properties Near 617 N Segoe Road
Developer preliminary proposal
recommended limit
350
300
250
200
150
100
50
0
Coventry
Segoe Terrace
Weston Place
Proposed 617 N Segoe


The Weston Place Modified Proposal Brings the Density of the Building at 617 N Segoe Into the Neighborhood Fold
No. of Locations
617 N Segoe as revised per recommendations
617 N Segoe at developer preliminary proposal
Hilldale area density
Campus area density
Dwelling Units/Acre