

Midvale Plaza Redevelopment
Staff Review of the Inclusionary Development Unit Plan:
(October 5, 2006)

Name of Development	Midvale Plaza Redevelopment
Address	505-555 S. Midvale
Developer/owner	Joe Krupp
Contact Person	Joe Krupp
Contact Phone	608-249-2020
Fax	608-249-2053
Contact-mail	jkrupp@kruppconstruction.com

SYNOPSIS:

This is a re-submittal of the IZ Plan for the Midvale Plaza redevelopment of an existing shopping plaza into a mixed use retail and residential development in 2 phases.

The first phase involves demolition of an existing building and the construction of new building with 4 stories, underground parking and mixed residential and commercial. Commercial/retail on floor one and residential on floors 2 through 4. A mix of 1, and 2 units. A total of 43 condo units in Phase 1 and a proposed 99 units of rental apartments in Phase 2.

The developer has stated that he plans to comply with the existing IZ ordinance for Phase 1 and any modified ordinance for Phase 2; subject to the Court's action on the applicability of the IZ ordinance to rental units. He has indicated a concern about having to comply with IZ for his rental units given the Court ruling that IZ cannot apply to rental units.

Developer proposes to comply with IZ and has proposed a unit mix that matches the current ordinance. The current ordinance allows a developer to exempt 20% of the sq. footage as an offset and the developer has requested that the top floor of his condominiums be exempt. Staff feels this meets the intent of the current ordinance

The IZ Units mix is detailed for both the condo units and the rental units. The Phase 2 SIP will be subject to Plan Commission approval. The Developer's IDUP submittal indicates that he will comply with the IZ Ordinance in effect for each Phase of the development.

CONCLUSION:

The project as proposed, based upon the available information furnished by the developer.	
X	Will comply with MGO 28.04 (25)
	Will comply with MGO 28.04 (25) if the following conditions or changes are met:
	Does not comply for the following reasons:

Reviewed by	Barbara Constans, CD Grants Administrator Hickory R. Hurie, CD Grants Supervisor
	Date: October 5, 2006

1. PROPOSED ALLOCATION OF AFFORDABLE UNITS

Number of units	At Market	At 80%	At 70%	At 60%	At 50%
for-sale units	36	7			
rental units	84			15	

Number of units	Efficiency	1-bedroom	2-bedroom	3 bedroom	4-bedroom
For-sale:		16	20	0	

Market-rate					
For-sale: Inclusionary units		4	3	0	
For-rent: Market-rate	10	42	32		
For-rent: Inclusionary units	2	8	5		

2. TABLE TO CALCULATE POINTS

THIS PROJECT:

	At Market	At 80% of AMI	70%	60%	50%
5%					
10%					
15%		2		2	
20%					
TOTAL for project					4

Per Ordinance

For-sale: Per cent of dwelling units	At Market	At 80% of AMI	70%	60%	50%
Ord. points					
5%		0	1	2	3
10%		1	2	3	4
15%		2	3	4	5
20%		3	4	5	6

Rental: Per cent of dwelling units	At Market	At 60% of AMI	50%	40%	30%
Ord. points					
5%		0	1	2	3
10%		1	2	3	4
15%		2	3	4	5
20%		3	4	5	6

3. ISSUES RELATED TO DESIGN, PRICING, OR TERMS OF IZ UNITS

Standards for Inclusionary dwelling units (IDUs)	Complies	Does not comply	Additional comments
Exterior Appearance of IDUs are similar to Market rate	Yes		
Proportion of attached and detached IDU units is similar to Market rate.	Yes		
Mix of IDUs by bedroom size is similar to market rate	Yes		
IDUs are dispersed throughout the project	Yes		
IDUs are to be built in phasing similar to market rate	Yes		
Pricing fits within Ordinance standards	Yes		
Developer offers security during construction phase in form of deed restriction	Yes		Deed restriction will be placed on units within the for-sale design and will be placed on the entire Phase 2 parcel to require compliance with IZ as the phases are implemented.
Developer offers enforcement for for-sale IDUs in form of option to purchase or for rental in form of deed restriction	Yes		
Developer describes marketing plan for IDUs	Uncertain		Standard terms will apply, marketing for Phase 1 cannot begin until the PUD is filed for the

			site. Phase 2 marketing cannot begin until the Phase 2 IDUP is approved and the SIP and filed.
Developer acknowledges need to inform buyers/renters of IDU status, responsibilities for notification	Yes		
Terms of sale or rent	Sale		
Developer has arranged to sell/rent IDUs to non-profit or CDA to meet IDU expectations	No		
Developer has requested waiver for off-site or cash payment	No		No request for waiver
Developer has requested waiver for reduction of number of units	No		No request for waiver
Other:			

4. INCENTIVES REQUESTED

A) Density bonus of 10% (except developments of 4 or more stories and >75% of parking is underground, or has 30 or fewer detached units, then density of 20% per point) (limited to 3 points)

B) Reduction in Park development fees (limit of 1 point)

C) Reduction in Park Dedication requirements (limit of 1 point)

D) 25% reduction in parking requirements (limit of 1 point)

E) Non-city provision of street tree landscaping

F) Cash subsidy from IZ fund, \$5,000/IZ unit for units designated for families at 60% AMI or less (for owner occupied units) and 40% AMI or less for rental units (Limit of 2 points)

G) Cash subsidy from IZ fund, \$2,500/IZ unit for projects with 49 or fewer detached dwelling units or developments with 4 or more stories and at least 75% of parking is underground. (Limit of 2 points)

H) One additional story in downtown design zones, not to exceed certain height requirements

I) Eligibility for residential parking permits equal to number of IZ units in PUD

J) Assistance in obtaining other funds related to housing

K) Preparation of a neighborhood development plan from non-city sources (if development located in Central Services Area, is contiguous to existing development and no such plan exists.

L) Other :

5. ISSUES OF PROCESS

Are there issues in any of the following steps that should be identified now for closer attention?

Step	Standard Step Activity	Special Issues
<u>Pre-conference</u> with City Planning Staff	Jan 22, 2006	None identified
Presentation of <u>Concept</u> to City's Development Review Staff Team		
Submission of Zoning Application and <u>IZ Dwelling Unit Plan</u>	May 26, 2006	
<u>Formal Review</u> by City's Development Review Staff Team	June 8, 2006	
Formal Review by <u>Plan Commission</u>	June 19, 2006	
<u>Appeal</u> Plan Commission Decision to Common Council (optional)		
<u>Compliance</u> with Approved Inclusionary Dwelling Unit Plan	Deed restrictions will be recorded for both parcels when GDP/SIP Phase 1 is recorded	
<u>Construction</u> of development according to Inclusionary Dwelling Unit Plan	To be done at the same time as market rate units	
Comply with any continuing requirements	Sample 5% of IDU annually for compliance review.	

September 26, 2006

Barb Constans
Community Development Block Grant
Room 280, Municipal Bldg.
210 Martin Luther King Jr. Blvd.
Madison WI 53703

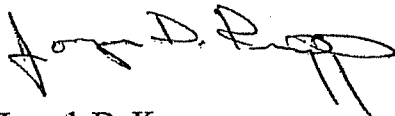
Dear Barb,

Per the conditions and requirements outlined in the Planning Department approval letter for the Midvale Plaza redevelopment, I am submitting a revised Inclusionary Zoning application combining both phases of the project. As described in the Letter of Intent that is attached, the second phase of the project is currently planned as 99 units of residential apartments. However, I reserve the option to alter the product to "for sale" condominiums. Based on market response to Phase 1 of the project, a final decision will not be made until a SIP is filed for Phase 2. If the decision is made to build condominium homes, the actual number of units may be decreased by approximately twenty-five units. A revised IZ application will be submitted along with the Phase 2 SIP to reflect the actual build condition.

The initial application and approval of the project GDP and Phase 1 SIP occurred prior to the changes to the IZ ordinance; therefore, the project is subject to the original ordinance. Since the time the project was approved, a court ruling was rendered striking down the rental provisions of the ordinance and is being appealed by the City of Madison. In the event that Phase 2 proceeds as residential apartments, it is my position that the IZ ordinance provisions applying to rental housing are unenforceable unless the court is reversed on appeal. The decision to include rental information in the revised IDUP is solely based on the conditions and requirements placed on the project to gain approval of the GDP and Phase 1 SIP.

After reviewing the IUDP, please let me know if you have any further questions or need for further information.

Sincerely,



Joseph D. Krupp

Enclosure

PART 1 - DEVELOPMENT INFORMATION:

Project or Plat MIDVALE PLAZA

Project Address: 555 South Midvale Blvd. **Project Area (in acres):** _____

Developer: Midvale Plaza Joint Venture LLP **Representative:** Joseph Krupp

Street Address: 2020 Eastwood Drive **City/State:** Madison WI **Zip:** 53704

Telephone: (608) 249-2020 **Fax:** (608) 249-2053 **Email:** jkrupp@kruppconstruction.com

Agent, If Any: _____ **Company:** _____

Street Address: _____ **City/State:** _____ **Zip:** _____

Telephone: () _____ **Fax:** () _____ **Email:** _____

PART 2 - PROJECT CONTENTS:

Complete the following table as it pertains to this project:

Residential Use	MARKET-RATE UNITS		INCLUSIONARY UNITS		Total Units	Acres
	Owner-Occupied Units	Renter-Occupied Units	Owner-Occupied Units	Renter-Occupied Units		
Single-Family						
Duplexes						
Multi-Family	36	84	7	15		
TOTAL	36	84	7	15	142	

PART 3 - AFFORDABLE HOUSING DATA:

\$130/mo condo fee

Number of Inclusionary Dwelling Units Proposed by Area Median Income (AMI) Level and Minimum Sale/Rent Price							
Owner-Occupied Units	30%	40%	50%	60%	70%	80%	Total
Number at Percent of AMI						7	
Anticipated Sale Price							
Rental Units	30%	40%	50%	60%	70%	80%	Total
Number at Percent of AMI				15			15
Maximum Monthly Rent Price							

PART 4 - DWELLING UNIT COMPARISON:

Complete the following table as it pertains to this project:

	MARKET-RATE UNITS					INCLUSIONARY UNITS				
	Studio / Effic	1 Bdrm	2 Bdrms	3 Bdrms	4/More Bdrms	Studio / Effic	1 Bdrm	2 Bdrms	3 Bdrms	4/More Bdrms
Owner-Occupied Units with:		16	20				4	3		
Minimum Floor Area:		742	1150				742	1000		
Rental Units With:	10	42	32			2	8	5		
Minimum Floor Area:	520	810	1000			520	810	900		

CONTINUE →

PART 5 – INCENTIVES: Section 28.04 (25) of the Zoning Ordinance provides the opportunity for applicants in projects where affordable dwelling units are required or where the developer has agreed to pay money in lieu of inclusionary dwelling units, to receive one or more incentives as compensation for complying with the Inclusionary Zoning requirements. Each of the eleven incentives listed below are affixed a point value. The incentive points available to an applicant is dependent upon the number of affordable dwelling units proposed at the various area median income (AMI) levels. The program rewards projects both for having a higher number of affordable dwelling units provided at lower AMI levels, and for having a higher percentage of affordable dwelling units incorporated into the development. The incentive and the corresponding number of points available are listed below. (MAP=Maximum Available Points) Please mark the box next to the incentives requested.

Incentive	MAP	Incentive	MAP
<input type="checkbox"/> Density Bonus (varies by project)	3	<input checked="" type="checkbox"/> Cash subsidy from Inclusionary Unit Reserve Fund up to \$10,000 per unit for up to 50% of the affordable units provided.	2
<input checked="" type="checkbox"/> Parkland Development Fee Reduction	1	<input checked="" type="checkbox"/> Cash subsidy from Inclusionary Unit Reserve Fund of \$5000 for up to 50% of on-site afford-able units in projects with 49 or fewer detached units or projects with four or more stories and 75% of parking provided underground.	2
<input type="checkbox"/> Parkland Dedication Reduction	1	<input type="checkbox"/> Neighborhood Plan preparation assistance	1
<input type="checkbox"/> Off-street Parking Reduction up to 25%	1	<input type="checkbox"/> Assistance obtaining housing funding information	1
<input type="checkbox"/> Non-City provision of street tree planting	1		
<input type="checkbox"/> One addl. story in Downtown Design Zones	1		
<input type="checkbox"/> Residential parking permits in a PUD/PCD	1		
<input type="checkbox"/> Incentives Not Assigned a Point Value by Ordinance (Explain): _____			

PART 6 – WAIVER: The Plan Commission may waive the requirement to provide inclusionary dwelling units in the development if the applicant can present clear and convincing financial evidence that providing the required number of inclusionary dwelling units on-site renders providing the required number of inclusionary units financially infeasible. In such a case, a developer may request a waiver to provide the units off-site, assign the obligation to provide the units to another party, or pay cash in lieu of the units, or any combination of the above. If the waiver is granted, the required units may be provided as new construction off-site in another development within **one mile** of the subject development; off-site units shall be provided at least 1.25 times the number of units if provided within the subject development. Off-site units must be constructed within one year of the time that they would have been constructed within the subject development. The applicant may opt to pay money into the Inclusionary Unit Reserve Fund based on contribution rates established in Section 28.04 (25) of the Zoning Ordinance. If provision of the inclusionary dwelling units through the waiver is still financially infeasible, the developer may seek a reduction in the percent of units to the point where the project becomes financially feasible. If such a waiver is requested, a detailed explanation shall be provided in the required project narrative demonstrating the financial infeasibility of complying with the ordinance requirements and the rationale for the alternative proposed.

- If a waiver is requested, **please mark this box** and include all of the necessary information required by the Zoning Ordinance and IZ Program Policy & Protocols to support your request.

PART 7 – APPLICANT’S DECLARATION:

The signer shall attest that this application has been completed accurately and includes all requests for incentives or waivers; that they have attended both required pre-application staff meetings and given the required notice to the district alderperson and neighborhood association(s) prior to filing this application; and that all required information will be submitted on the corresponding application for zoning and/or subdivision approval by the Plan Commission. The applicant shall begin the declaration by stating below whether or not the project complies with the various requirements of the inclusionary zoning ordinance. Check the applicable box and provide any supporting comments.

Standards for Inclusionary Dwelling Units (IDUs)	Will Comply	Will not comply	Additional comments
Exterior Appearance of IDUs are similar to Market rate.	X		
Proportion of attached and detached IDU units is similar to Market rate.	X		
Mix of IDUs by bedroom size is similar to market rate.	X		

CONTINUE →

Standards for Inclusionary Dwelling Units (IDUs) (continued)	Will Comply	Will not comply	Additional comments
IDUs are dispersed throughout the project.		X	
IDUs are to be built in phasing similar to market rate.			N/A
Pricing fits within Ordinance standards		X	Developer requests subsidy from Unit Reserve Fund.
Developer offers security during construction phase in form of deed restriction.			N/A
Developer offers enforcement for for-sale IDUs in form of option to purchase or for rental in form of deed restriction.			N/A
Developer describes marketing plan for IDUs.	X		
Developer acknowledges need to inform buyers/renters of IDU status, responsibilities for notification.	X		
Terms of sale or rent.			
	Yes	No	Additional comments
Developer has arranged to sell/rent IDUs to non-profit or CDA to meet IDU expectations.		X	
Developer has requested waiver for off-site or cash payment.		X	
Developer has requested waiver for reduction of number of units.		X	
Other:			See Attached Letter

- The applicant discussed this development proposal with representatives from the Planning Unit, Zoning Administrator and Community Development Block Grant Office on: → _____
- The applicant presented a preliminary development plan for this project to the Interdepartmental Review Staff Team on: → _____
- The applicant notified Alderperson Tim Gruber of District 11 of this development proposal in writing on: → _____
- The applicant also notified numerous meetings held of the _____ neighborhood in writing on: → _____
- The Inclusionary Dwelling Unit Plan Application package contains ALL of the materials required as noted on this form. I, as the undersigned, acknowledge that incomplete or incorrect submittals may cause delays in the review of this project. I am also familiar with the ongoing developer responsibilities summarized on page #2 of this application and outlined in the Inclusionary Zoning Ordinance and Program Policy and Protocols.

Applicant Signature

Joseph D. Krupp

Date

9-26-06

Printed Name

Joseph D. Krupp

Phone

(608) 249-2020

May 17, 2006

To City of Madison Plan Commission
Re: Midvale Plaza Redevelopment
Developer: Midvale Plaza Joint Venture

Letter of Intent

Dear Plan Commission Members:

Midvale Plaza Joint Venture LLP submits the following information as the developer of the proposed redevelopment of the Midvale Plaza Center, a 40,000 square foot neighborhood shopping center and a vacant 5000 square foot commercial building, located at the intersection of Tokay Blvd. and S. Midvale Blvd. Redevelopment of the 3.61-acre site will involve the demolition of both buildings on the site; however, it will occur in two phases to allow the continued use of the existing shopping center and the Sequoia Branch Library during the construction of Phase 1 of the project.

Application for rezoning is being submitted as a GDP for the entire site and a request for SIP approval for Phase 1 of the project. A CSM two lot subdivision application also accompanies the application, creating separate parcels for Phase 1 and 2 of the project. Easements will be provided to allow both lots to function as a single commercial site. The total site area of the rezoning application consists of 157,193 square feet.

The current site access is provided by two curb cuts on Midvale Blvd, two curb openings on Tokay Blvd, and a single curb cut on Caromar Drive. Redevelopment plans call for a two curb openings and single median cut on Midvale Blvd, elimination of all openings on Tokay Blvd, and three curb cuts on Caromar Drive. The median cut on Midvale is to permit left turn access from the north and right turn only when exiting the site on Midvale Blvd. Additionally, the median cut will allow southbound traffic to make a U-turn and access the residential apartment underground parking entrance for Phase 2. Exiting movements from this entrance will be limited to right turn only. Curb cuts on Caromar Drive will be limited to private residential access to underground parking. The residential curb cut at the north end of the site is designated as a potential **future access to underground parking and will be installed only in the event that Phase 2 SIP is submitted as an owner-occupied condominium project verses apartments as submitted in the GDP.** The third curb opening on Caromar Drive provides access/egress to the combined surface parking court and will align directly with South Owen Drive. The applicant requests that on street parking be permitted on Tokay Blvd. to the south of the library condominium.

A storm water management plan will be implemented utilizing a bio-filtration system that will retain approximately 63% of the annual rainfall on paved parking areas through infiltration on the site. An additional 12% of the annual rainfall on this area will be treated prior to discharging into the city storm system. Additionally, when possible, roof

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water will be directed to separate bio-filtration areas on the site. Currently, 100% of storm water leaves the site and flows into the Lake Wingra watershed.

Phase 1 of the redevelopment involves the construction of a four story mixed use building with approximately 27,000 square feet of grade level commercial retail space, including a 20,000 square foot condominium purchased by the City of Madison for the expansion of a Sequoya Branch library. The balance of grade level space will be neighborhood commercial/retail uses. Upper residential levels of the building incorporate architectural design techniques utilizing setbacks, residential materials and colors, rooftop terraces and decks to minimize the massing and scale of the building.

The project will include 43 residential owner-occupied condominium homes. Units sizes will range from 740 to 1800 square feet, with a 50% mix of one bedroom/one bedroom plus den and 50% two bedroom and two bedroom plus den units. All units will be served by an elevator and will be handicap accessible. Underground parking will be provided for approximately 85 vehicles in Phase 1 of the project, resulting in approximately 2 stalls per unit parking ratio. The building gross square footage including underground parking is 123,000 square feet. The project is served by a bus stop at the corner of Midvale and Tokay and is within a quarter of a mile of the Capital City bike trail system, facilitating the use of alternative transportation modes. Consideration may also be given to providing a shared community car for residents of both phases of the development.

The developer is familiar with provisions of the Inclusionary Zoning ordinance and will comply with requirements of the ordinance as of the submittal date of the GDP/SIP application for Phase 1 of the project. The developer assumes that any changes to the ordinance that occur prior to the submittal application of the SIP for Phase 2 will apply to Phase 2 of the project.

The schedule for the project anticipates a fall of 2006 construction start with completion of Phase 1 by December 31, 2007. Upon completion of Phase 1 and relocation of the current library branch into the expanded space, demolition associated with Phase 2 would commence. The developer anticipates a SIP application for Phase 2 to be submitted in April 2007, with construction of Phase 2 commencing late 2007.

The GDP zoning request for Phase 2 is based on a mixed-use project consisting of approximately 10,000 square feet of grade level retail commercial space and two to four stories of residential apartments occupying upper levels of the project. Phase 2 includes approximately 175,000 gross square feet including an underground parking garage for 139 vehicles, resulting in a 1.4 stall per unit parking ratio. Preliminary density studies project up to 100 apartment units (39 units per acre) surrounding a raised central courtyard "green roof". All levels of residential apartments will be served by an elevator and will be handicap accessible.

The applicant may elect to submit Phase 2 SIP as an owner-occupied condominium project rather than apartments as currently planned. In the event that this change is made, the number of residential units in Phase 2 will be reduced from 100 units to approximately 75 units. Furthermore, this change would require the utilization of the designated future curb cut/underground access drive on Caromar Drive and would eliminate the northern curb cut on Midvale. This option is necessary to address buyer resistance to underground access from Midvale and limited egress from the site. Under this scenario, parking ratios would increase to approximately 1.85 stalls per unit.

The Phase 2 retail space fronts on a 98-stall surface parking court that serves both phases of the project. Upon completion of Phase 1, the developer anticipates providing approximately 70 of the surface stalls with the balance of spaces provided with the completion of Phase 2. This approach is required to accommodate site access and staging during the construction of Phase 2.

The project development team includes the following individuals and firms:

Developer/Members: Midvale Plaza Joint Venture LLP
Jack Kelly
Scott Kelly
Jerome Kelly
Joseph D. Krupp
Christopher Armstrong
120 East Lakeside Street
Madison, WI 53711
Phone: 608-284-0120 Fax: 608-294-9344

Architects/Landscape: SGN+A
1190 West Druid Hills Drive NE
Suite T65
Atlanta, GA 30329
Phone: 404-634-4466 Fax: 404-634-4433

Civil: Burse Surveying & Engineering
1400 East Washington Avenue #158
Madison, WI 53703
Phone: 608-250-9263 Fax: 608-250-9266

Contractor: Krupp General Contractors LLC
2020 Eastwood Drive.
Madison, WI. 53704
Phone: 608-249-2020 Fax: 608-249-2053

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May 24, 2006
Page 4

Contact Person:

Joseph D. Krupp
2020 Eastwood Drive
Madison, WI 53704
Phone: 608-249-2020

Fax: 608-249-2053

Signed:

Date:

Joseph D. Krupp

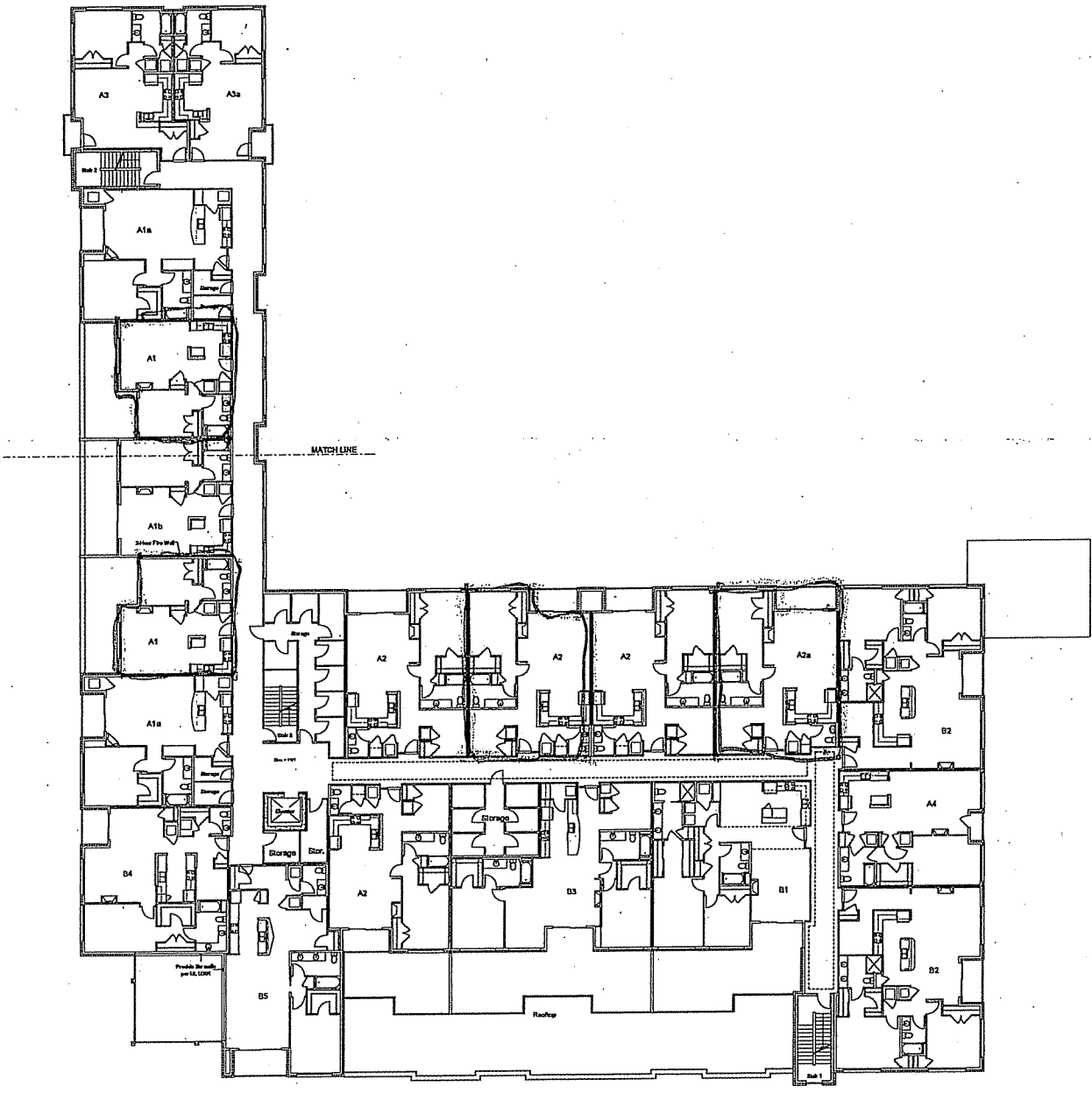
Apartment Building (all areas include exterior walls)

Level	Total Area Gross	Garage	Retail	Residential	Storage
Parking	51,115	51,115	0	0	0
Main Level	38,299	0	5,173	22,322	882
2nd Level	36,762	0	0	30,969	1,486
3rd Level	29,966	0	0	24,116	1,486
4th Level	19,645	0	0	16,324	743
Total Area	175,787	51,115	10,346	93,731	4,597

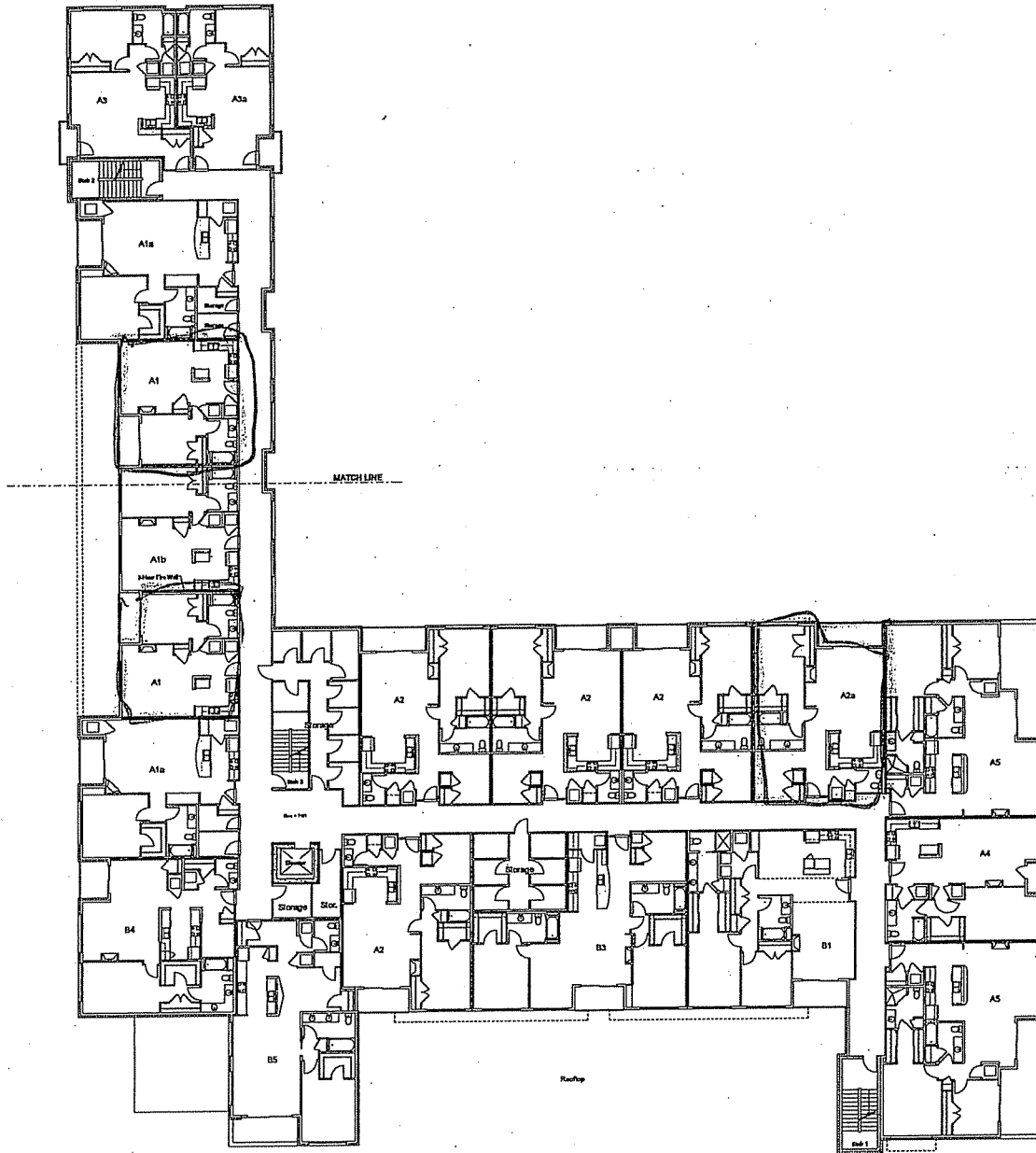
Unit Mix

Unit Type	No. of Units
Unit A (520-650sf)	12 - Efficiency
Unit B (811sf)	38
Unit C (929sf)	12
Unit D (1002sf)	15
Unit E (1093sf)	17
Unit F (1129sf)	5
Total	99

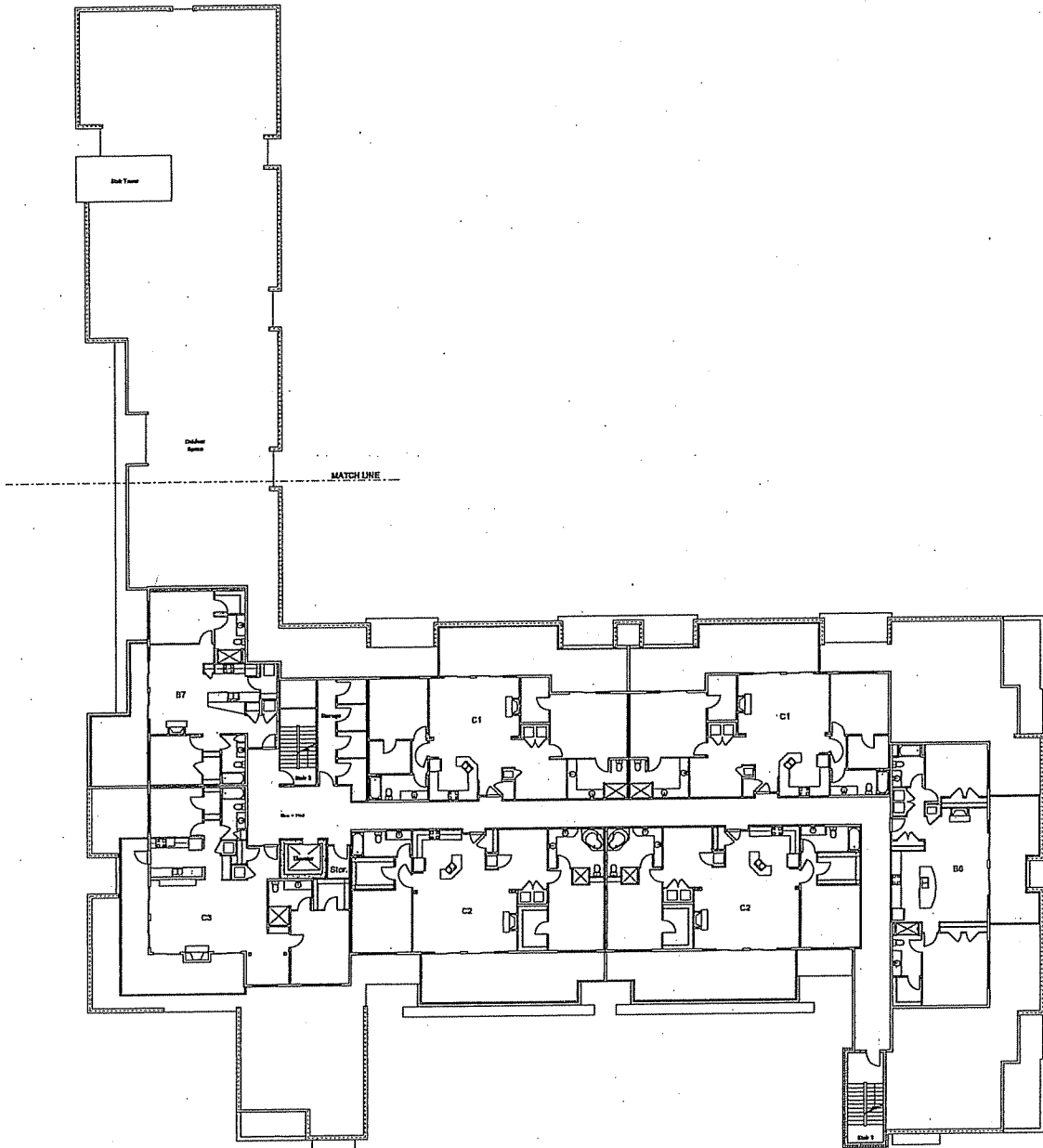
} 1 Bedroom
} 2 Bedrooms



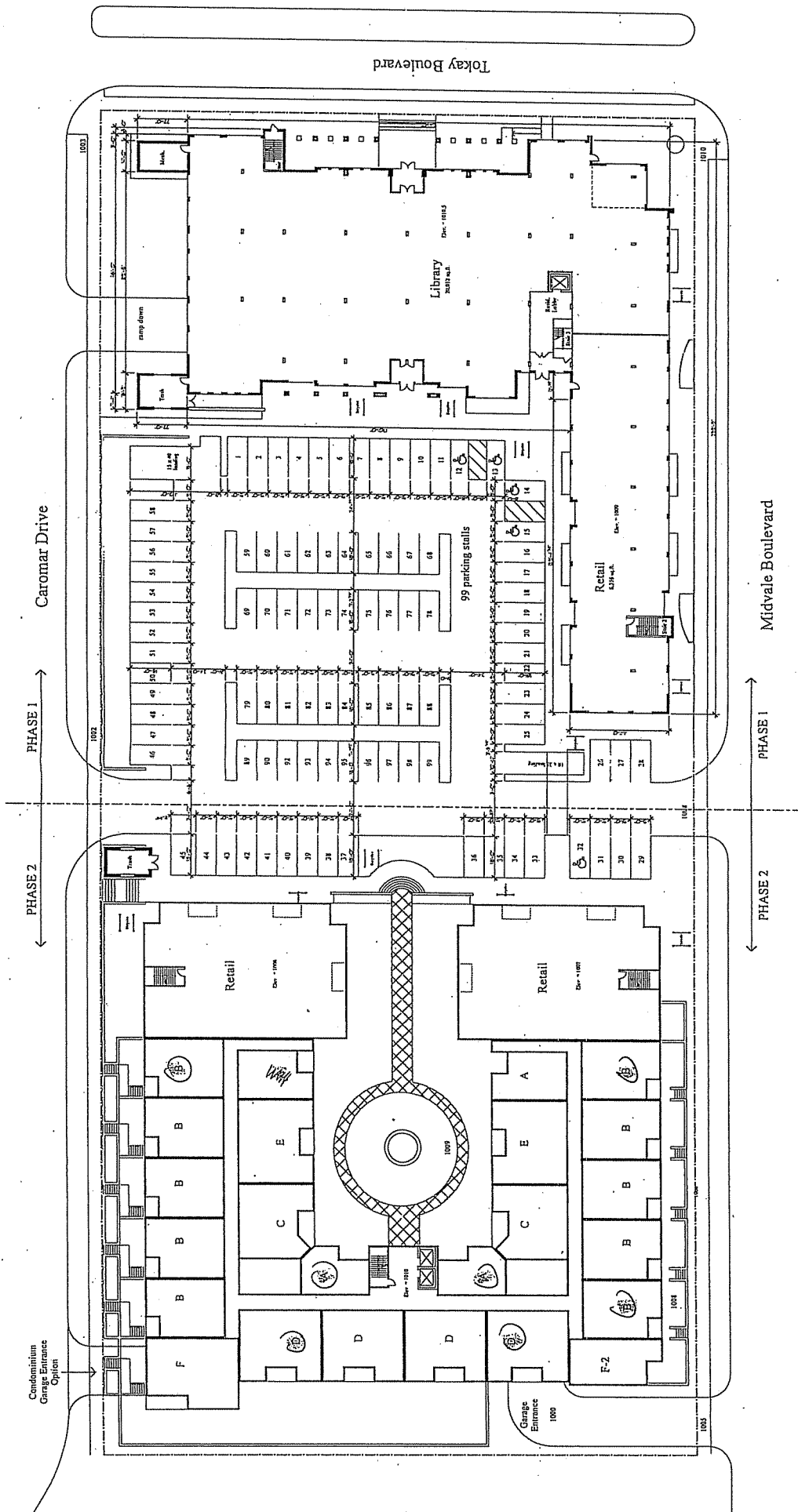
2nd Floor



3rd Floor



4th Floor 9



Scale: 1" = 20'-0"

First Floor Plan

MIDVALE PLAZA JOINT VENTURE

May 17, 2006

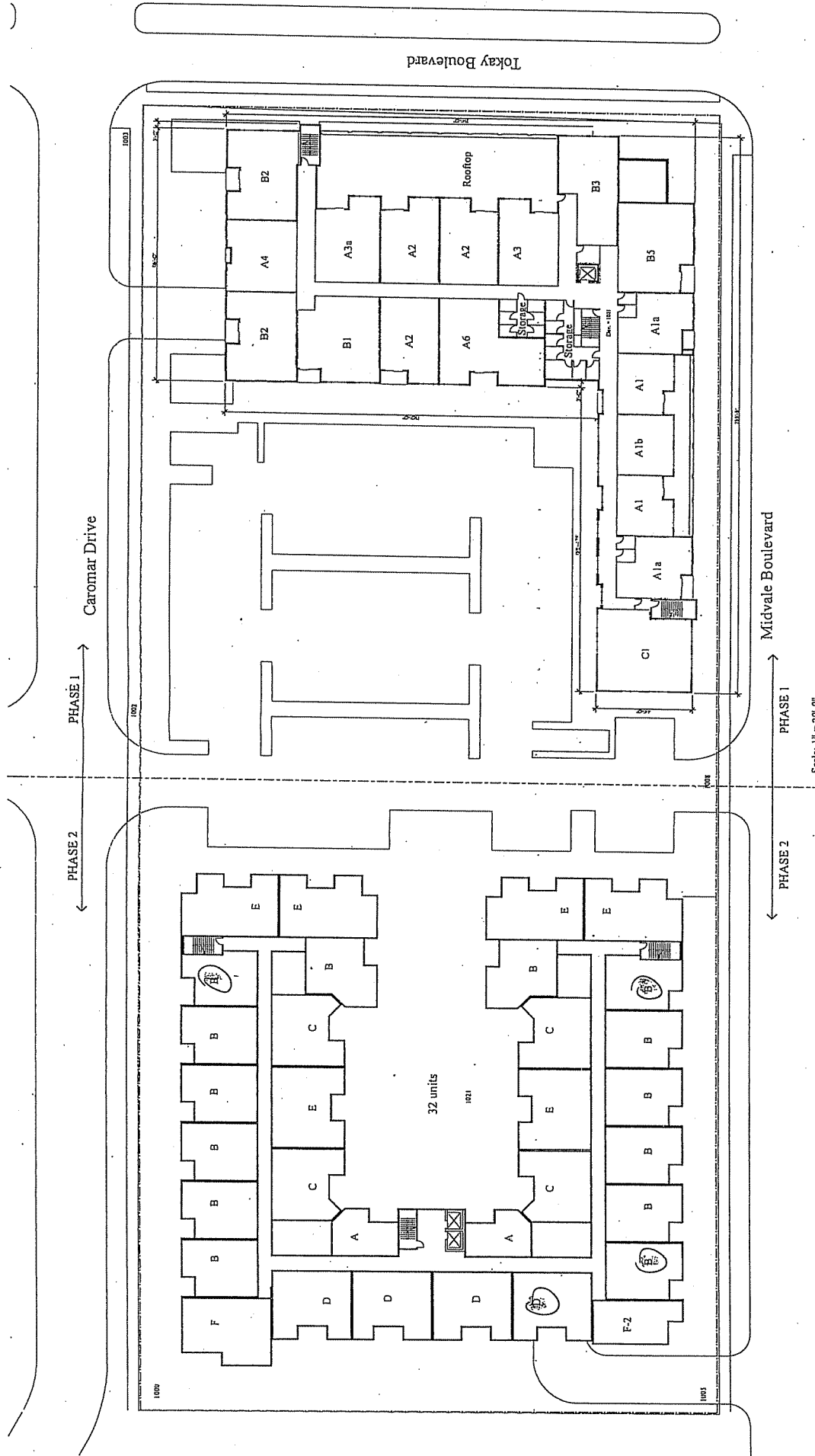
SGN+A and MSTSD

Joseph G. Sweeney & Associates, Inc.
 Planning Architecture Landscape Architecture

Midvale Plaza Redevelopment

Madison, Wisconsin

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Scale: 1" = 20'-0"

Second Floor Plan

MIDVALE PLAZA JOINT VENTURE

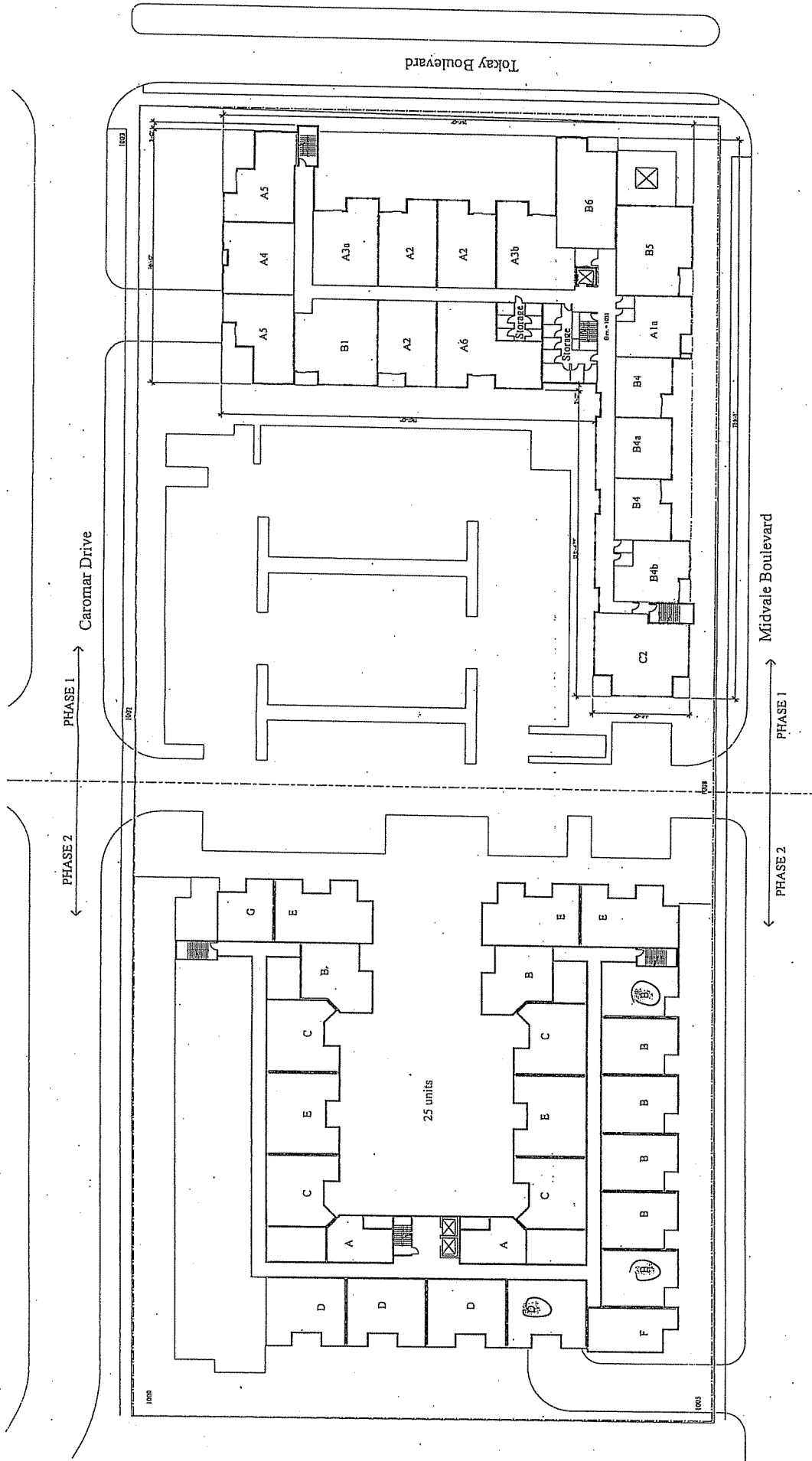
May 17, 2008

SGN+A and MSTSD

Emergent Creative Architecture
Planning Architecture Landscape Architecture

Midvale Plaza Redevelopment
Madison, Wisconsin

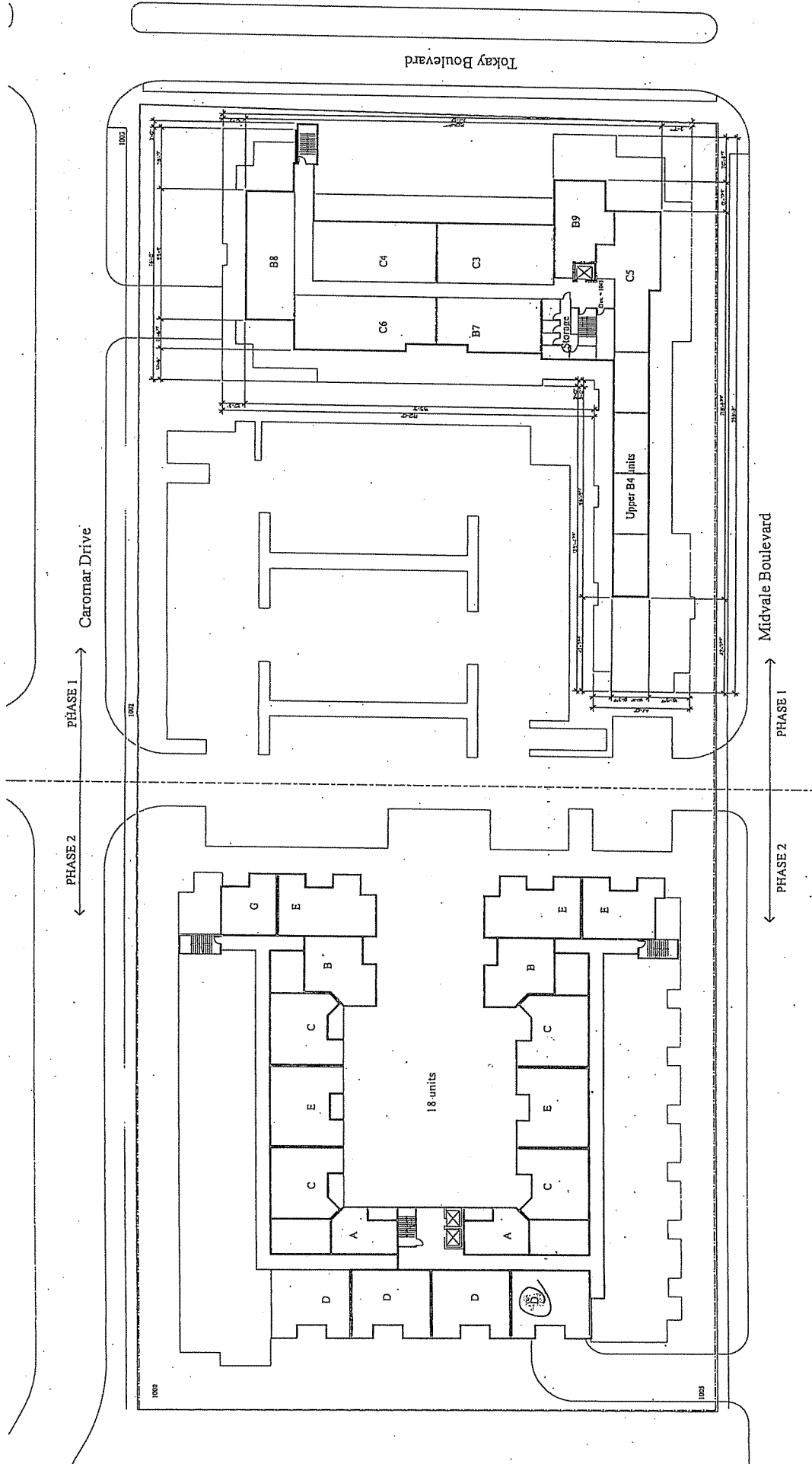
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Scale: 1/16" = 1'-0"

Third Floor Plan

Midvale Plaza Redevelopment
Madison, Wisconsin



Scale: 1/16" = 1'-0"

Fourth Floor Plan

Midvale Plaza Redevelopment
 Madison, Wisconsin