

SMART GROWTH GREATER MADISON

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To: City of Madison Economic Development Commission Members

From: Smart Growth Greater Madison, Inc

Date: September 8, 2010

Re: City of Madison Development Review Process Reform

In September of 2008, the Madison Common Council adopted a 3 to 5 Year Economic Development Plan that stated, “Cities and economic development organizations do not create jobs and tax base, they create the climate and remove the barriers so that private and non-profit basic sector employers can create jobs and tax base.” The City of Madison land use entitlement process is perceived to be complicated, cumbersome, time-consuming and laden with requirements that are detached from market realities. Smart Growth Greater Madison, an organization representing real estate developers and associated industries impacted by development in Dane County, supports land use entitlement process reform that eliminates barriers within the development review process and creates opportunities to enable job creation and growth.

The City of Madison needs to proactively work to attract basic sector jobs, even more so in the current economic climate. The surrounding communities are outpacing us in growth and prosperity, a disparity that did not exist 20 years ago, and should be of deep concern to the City. A development review process that is complicated, unclear, or overly daunting, has and will dissuade companies considering relocating or expanding from doing so in Madison.

This is a great opportunity to make positive changes and strengthen relationships between stakeholders. Ultimately, good development is beneficial for the City and developers, and requires a partnership to achieve a balance of design and economics.

- 1. Project Approval Time Horizon.** A major concern from the development community is the length of time the approval process can take. The market shifts, sometimes dramatically, in an 18-month period. The resulting holding and other affiliated costs can make the difference between a viable project and one that is economically infeasible.

- Establish a reasonable time horizon guarantee. No action within a given time by Council constitutes approval. The length of time could be tiered to reflect the size and scope of the project. It could also be extended by mutual agreement between the City and the developer.
 - Limit the number of times a project appears before the same bodies. Allow staff to determine if the developer has achieved the requests of the committees and commissions the project was referred to, and allow Council to make ultimate determination.
2. **Zoning Code Rewrite.** The City Zoning Code must enable the type of development we want and need in Madison. Staff has indicated most projects flow through the process smoothly, and that most projects are approved. However, larger scale projects, mixed use projects, or others that do not meet our current zoning code become Planned Unit Developments (PUD), which is far more complicated and time-consuming review process. It is crucial that the Zoning Code Rewrite results in a code that enables the type of development we claim to want as a City. The zoning code may be on a separate track from the entitlement process, but they are intrinsically linked.
- Height and density permitted should be maximized in appropriate commercial, mixed use, and employment districts. The 5 story height limit in these districts should be eliminated and modified to reflect increased allowable density and sustainability.
 - Parking requirements should match market realities today, while allowing for future reductions where appropriate.
 - Dependence on waivers, conditional use permitting, and variances for projects should be minimized.
3. **Madison Business Climate.** Madison needs to continue working to fundamentally improve the Madison business climate through customer service initiatives. Business-owners and developers are customers who will potentially invest in the City.
- Assign a liaison to large scale projects, who can work with the developer, business owners and impacted neighborhoods throughout the process.
 - Establish customer service benchmarks to measure customer satisfaction and to identify issues for future improvement.
 - Create the one-stop shop for developers called for in the Economic Development Plan, and approved by Council.
 - Provide consistent, clear leadership from the top down through staff and committee chairs and members to implement the vision, goals, and objectives of public and private projects. It is important that those involved in the decision-making process have a basic understanding level of all aspects of the development process and, equally importantly, the resulting economic impact projects may have on the City.

4. **Economic Development Tools:** Economic Development Tools, such as Tax Incremental Financing (TIF) policy should be designed to be accessible and transparent. Current TIF policy forces the Council to make numerous exceptions to accommodate projects. It is detrimental to good policy when the exceptions are applied in some cases and not others.
 - Simplify TIF policy to model statewide TIF statute.
 - Establish overarching policy goals, such as neighborhood revitalization or job creation delineated as priorities during each budget cycle.
 - Create a “toolbox team” of City officials, business groups, and higher education representatives to collaborate on creating incentives for businesses to start up or stay in Madison, and to make sure existing resources are being maximized.

5. **Role of Neighborhoods/Stakeholders:** Public input is a critical component of the development process. It is a required and important element of good development, and all stakeholders in a neighborhood should be entitled to weigh in.
 - A Neighborhood Association must include as voting members land owners, residents, and business representatives from within the district in order to have a Neighborhood Plan that receives City funding or is considered advisory to the Council.
 - Plans more than ten years old should have a mandatory review. If the ten year mark passes without review, the Neighborhood Plan should no longer be used as a consideration when conditional use permits, rezoning requests, or other land use requests are applied for.
 - Limit total neighborhood meetings and reviews to a reasonable number commensurate with the project’s size.

6. **Role of Commissions and Committees.** The modernization of the City Zoning Code includes the creation of required building forms and standards not currently included in the Euclidean, or use-based, code. The Zoning Code Rewrite Advisory Committee was advised by the consultants at the beginning of the rewrite process modernizing the code could prompt a reexamination of the role of commissions, such as the Urban Design Commission.
 - Make Urban Design and Land Marks Commission advisory to the Plan Commission.
 - Clarify scope of committees and commissions for the sake of both the commissioners and the applicants.
 - Provide additional training for committee and commission members.
 - Require mandatory training for the Chairs of city committees and commissions.

7. Other considerations.

- Keep a regularly updated “cheat sheet” of Planning and Zoning documents available online and in the Plan Department. There is a lack of clarity when it comes to what is advisory versus regulatory, which plan trumps what in the event of a conflict, and what the process is for making changes. One document with all the relationships laid out as simply as is practical would be helpful in clarifying and guiding applicants. Make it easily available to developers, business owners, neighborhood groups and the general public.
- Canvass peer communities approval process. Compare the entitlement process of cities of similar size and demographics and look for efficiencies and best practices.
- Modernize the Dept. of Planning & Community & Economic Development’s website. Currently it is very difficult to find relevant documents/personnel/contact info/etc. that might be applicable to a project in a given area, or to find links to an ongoing project or planning process. It should be easy to find relevant plan information on the department site, and the “Development Services Center” page should have strong links to relevant planning department information.