

From: [Bill Connors](#)
To: [Transportation Commission](#)
Cc: [Gritzmacher, Philip](#); [Lynch, Thomas](#)
Subject: Smart Growth Comments re New TDM Program - Legistar 74423
Date: Tuesday, November 29, 2022 12:23:31 PM
Attachments: [SGGM Requested Changes to New TDM Ordinance and Program 2022-11-29.pdf](#)

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Members of the Transportation Commission:

For your consideration, I have attached an updated version of the changes that Smart Growth Greater Madison is respectfully requesting to improve the proposed new Transportation Demand Management (TDM) program, Legistar 74423, which is item 5 on the agenda for your meeting on Tuesday evening.

For your information, I am providing below an email I sent to alders on the Plan Commission with additional information after the Plan Commission considered the proposed new TDM program on Monday, November 21.

Alders Currie, Heck and Paulson:

Thank you to the Plan Commission for recommending that the word “impossible” should be changed to “impractical” in the section of the Transportation Demand Management (TDM) program document that establishes the standard Transportation Department staff will use when deciding whether to grant an application by an owner of an existing building to reduce the number of points (up to a five-point reduction) that must be included in a TDM plan.

I strongly encourage you to speak with Matt Wachter and Matt Mikolajewski about whether they have any concerns about the impacts of any elements of the proposed new TDM program on the economic vitality and competitiveness of the City of Madison before the new program comes to the Common Council for final action.

I am writing to you to provide you with accurate information regarding some of the points discussed during the Plan Commission’s meeting on Monday evening, since you will have an opportunity to amend and vote for or against the proposed new TDM ordinance and program in the near future. Smart Growth’s goal is not to oppose the proposed new TDM program, but to help shape it into a program that will have a positive impact while minimizing unintended negative consequences for residents, employees who work in Madison, and businesses.

Appeal Processes for Existing Buildings

Even if the word “impossible” is changed to “impractical,” the appeal processes included in the proposed new TDM program will be of little help. According to Philip Gritzmacher, an owner of an existing building cannot submit an application for a point reduction for a vacant or soon-to-be-vacant space until it has identified a potentially interested replacement commercial tenant with a different use or sub-use. Potential commercial tenants usually are simultaneously considering spaces in several buildings. If the owner of a potential tenant’s first choice of space cannot agree to lease the space until the owner obtains a point reduction from city staff and it takes many days or weeks for city staff to act on a point-reduction application, it is likely that the potential tenant will change its focus to space in another building. There is no assurance in the proposed new TDM program that city staff will act on a point-reduction application in time to keep a potential commercial tenant interested in the

applicant's space. Furthermore, there is no way the Transportation Commission will be able to act on a point-reduction application swiftly enough to make a difference. The Transportation Department staff provided no response to this concern.

Impact of Applying New Program to Changes in Use or Sub-Use

Transportation Director Tom Lynch said the following during Monday evening's meeting (I am quoting every word rather than using ellipses so you do not wonder if I am changing the gist of what Tom said with what I omitted):

It is an incremental change, meaning that, for instance, changes, uses that do not change take longer to get into the program. Right? So we could say that any change in lease or whatever does that, but that would be rather dramatic and difficult. I think that the development community just would have serious problems with that. However, if you think about it, over ten years, you know, over ten years, probably most places will be in the program. And that's a win.

I agree with Tom Lynch that if the new TDM program were proposing to make the new program apply to an existing building anytime a space changed from one commercial tenant to another, the entire business community in Madison would be up in arms, not just developers and owners of commercial buildings.

However, the prediction that most places will be subject to the new program after ten years is incredibly optimistic. Please keep in mind that even if a use or sub-use changes in an existing building, according to the proposed ordinance (and confirmed by Philip Gritzmacher), only the new use or sub-use is subject to the proposed new TDM program—the rest of the building remains exempt from the new program. The vast majority of existing multi-family housing units, even if they are located in a mixed-use building where there are changes in uses or sub-uses on the ground floor, will remain exempt from the new program. Unless the market for office space in Madison becomes substantially worse than it already is, most general office uses will be replaced by other general office uses, in which case those office uses will remain exempt from the new program. Some hotel uses might change to multi-family residential uses, but most hotel uses will remain hotel uses and remain exempt from the new program.

The inclusion of changes in use or sub-use as triggers for application of the proposed new TDM program to existing buildings will contribute little to the aggregate coverage of the new program, but will have profound negative consequences to the tenant spaces that it impacts. In addition, changes in use in existing buildings are adequately addressed by another trigger included in the TDM program document: "The overall composition of uses of the site changes (e.g. a building with 50% employment and 50% commercial, becomes 60% employment and 40% commercial)." This is why Smart Growth is requesting that making the new program apply to changes in use or sub-use in existing buildings be removed from the TDM program document.

Adverse Impacts on Residents and Employees Who Work in Madison

Transportation Department staff pointed out that the goal of the proposed new TDM program is not to get everyone out of their cars and onto transit or bicycles or walking, but to increase the number of people using alternative means of transportation for some of their trips. We understand that. But for a single parent who must drive to work and will have to pay to park at work because the building owner had to include a 10-point parking provision in their TDM plan in order for the plan to contain enough points, or the two unrelated adults sharing an apartment far from transit service who cannot get parking spaces for both of their vehicles because the developer had to under-park the new apartment building to be able to produce a

TDM plan that complies with the new program, the harm is real. The fact that proponents of the new program have acknowledged that the program's incentives won't work for everyone is of no consolation to them.

Unbundle Parking and Parking Cash-Out TDM Measures in New Apartment Buildings

During the discussion of the challenges developers of new apartment buildings or complexes will face to use the 10-point Unbundle Parking TDM measure as the Transportation Staff is interpreting it, Tom Lynch suggested that developers could use the 10-point Parking Cash-Out TDM measure instead. However, the TDM program document says that residential developments cannot use the Parking Cash-Out measure.

Increasing Points for TDM Measures Developers Can Actually Control

In response to Smart Growth's request to increase the points for TDM measures that developers can actually control, Transportation Department staff pointed out that the proposed new program already had been changed to add a modifier to reduce the number of points required in the periphery of the city. That response misses the point of this request.

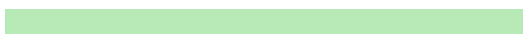
Many new development projects in the Downtown area, as well as other parts of the city, will not be able to produce TDM plans that meet the requirements of the new program, because potential new commercial tenants will not agree to implementing any of the 10-point TDM measures (Parking Cash-Out, Unbundle Parking, Market Rate Parking Fees). Without those 10 points, it will be extremely challenging to find enough implementable TDM measures that produce enough points to meet the requirements of the new program.

Written Report Reviewing New Program, Including Input from Affected People, After Three Years

Transportation Department staff pointed out that there will be a review of the new program six months after it becomes effective. However, during those first six months, few TDM plans will be submitted for new development projects, because, according to Philip Gritzmacher, development projects already in the review process on the effective date of the new program will be considered existing buildings (exempt from the new program) rather than new buildings. And even for those few TDM plans for new development projects that are submitted during the first six months of the program, construction of the buildings will not be finished and the buildings will not be occupied until after the first six months of the program, so it will be impossible to obtain feedback from commercial tenants, employees of commercial tenants, or residential tenants during the first six months of the program. This is why Smart Growth is requesting that a written report reviewing the new program, including input from commercial tenants, employees of commercial tenants, residential tenants and commercial brokers, be required between three and three and a half years after the effective date of the new program (in addition to the review six months after the program becomes effective).

Robust Regional Transit System

Minneapolis and St. Paul have enacted TDM programs. Twin Cities Metro Transit's service extends beyond Minneapolis (in Hennepin County) and St. Paul (in Ramsey County) to Anoka in western Anoka County, Mound in western Hennepin County, Carver in Carver County, Shakopee in Scott County, Apple Valley in Dakota County, Woodbury in southern Washington County, Stillwater on the St. Croix River, White Bear Lake in northern Washington County, and Centerville in eastern Anoka County. Below is a link to a map of Twin Cities Metro Transit's routes.



<https://www.metrotransit.org/system-map>

In contrast, even after BRT is implemented and even if Madison Metro begins providing bus service within Sun Prairie and Monona, many of the cities and villages in Dane County that are home to many people who work in Madison will not have transit service.

For your reference, I have attached Smart Growth's requested changes to improve the proposed new TDM program.

Thank you for your consideration. Have a great Thanksgiving!

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