

AGENDA # 1

City of Madison, Wisconsin

REPORT OF: LANDMARKS COMMISSION

PRESENTED: November 14, 2011

TITLE: 100 Block State Street: 117-119, 121-123, 125, 127-129 State Street; 120, 122 West Mifflin Street. 4th Ald. Dist. (24481)

REFERRED:

REREFERRED:

REPORTED BACK:

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ADOPTED:

POF:

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ID NUMBER:

Members present were: Marsha Rummel, David McLean, Stuart Levitan, Robin Taylor and Eric Fox Gehrig.

SUMMARY:

At its meeting of November 14, 2011, the Landmarks Commission **RECEIVED AN INFORMATIONAL PRESENTATION** for the 100 Block of State Street. Appearing on behalf of the project were Eric Lawson and Doug Hursh, representing Potter Lawson, Inc; and George Austin, representing the Block 100 Foundation. Registered and speaking in support were Steve Fix, Gus Paras. Registered and speaking in opposition were Jason Tish, representing the Madison Trust for Historic Preservation; Joe Lusson, Rosemary Lee, Donna Hellenbrand, and Carolyn Freiwald. Registered in opposition but not wishing to speak was Larry Lester. Registered as neither in support nor opposition were John Caputo, Daniel L. Milsted and Maria Milsted. Lawson and Hursh presented plans for the 100 Block of State Street. Mr. Lawson explained the process of the design team to date. He explained that a public meeting was held with the Capitol Neighborhoods and City Planning staff. The project contains 3 goals: Maintain the character of State Street, to transform Fairchild Street across from the Overture Center, and to support the community. Net proceeds would benefit the Overture Center and increase the tax base, as well as add jobs to the downtown area. This project will pursue LEED certification, and will enhance the visual image for residents and visitors to the City of Madison, and create a hierarchical node for the emerging cultural arts in the city. He described the six properties that would be affected by this development:

- 127-129 State Street, constructed in 1867.
- 125 State Street, two-story building originally Firehouse No. 2, now the Castle & Doyle building originally constructed 1921-1922.
- 121-123 State Street, 3-story building, C.E. Buell building dating to 1912, currently apartments.
- 117-119 State Street, tallest on the block at 4-stories, constructed in 1916 and remodeled in 1959. The façade was transformed in 1994 to what you see today.
- 120 West Mifflin Street is the Andrew Schubert building constructed in 1908.
- 122 West Mifflin Street is a 2-story building constructed in 1925.

Lawson continued with the zoning restrictions for the area; the proposed project meets the height, mass and density requirements and will require a conditional use permit, as well as meet the Urban Design District and Landmarks guidelines. Lawson further described the uses for the buildings and their orientations. The concept as the buildings are removed and reconstructed is that the floor levels along State Street start to line up for

accessibility into the retail spaces. Hursh detailed building materials and how those will be incorporated into the new construction.

Jason Tish, representing the Madison Trust for Historic Preservation spoke in opposition to the project. He cited that this proposal entails a full on demolition of six buildings, two of which are landmarks. Portions of the State Street façade materials would be salvaged from three of the facades, on Mifflin Street one designated landmark building and another two-story building in good condition would simply go away. It would completely reconstruct the flatiron building with all new materials. This is not maintaining the architectural and historical character of the block. This is a blatant violation of City policies. These buildings contribute a great deal to our sense of place and our sense of identity. These buildings are all in good condition and are economically viable. Discussions of green or sustainable aspects to this project are false; consider the energy it takes to demolish six buildings, the additional debris transported in diesel trucks to the landfill, the energy it takes to extract, refine and manufacture materials for new construction, the energy it actually takes to construct the new buildings; a green roof LEED certification and sustainable materials is simply a green wash with this project. \$10 Million could go a long way, perhaps all the way, in restoring and rehabilitating the buildings under this proposal. In terms of jobs, rehabilitation and restoration projects create more jobs per million dollars of investment than does new construction.

Steve Fix spoke in support of the project. He sees it as a benefit to downtown Madison. He stated Fairchild Street now is ugly, the fire escape is not aesthetic at all. All the recommendations in the Downtown Plan need to be weighed to make a decision.

Joe Luson, downtown homeowner and member of the Tenney Lapham Neighborhood Association spoke in opposition. This plan is wasteful, unnecessary and divisive. This plan disrespects the architecture and history that makes Madison unique. The building owners have money so it appears imagination is what they lack. It is not acceptable to tear down landmark buildings to replace them with brand new buildings with new materials that look vaguely similar. If you want to make a glass fantasy land, please do it somewhere other than on one of Madison's most historic and iconic blocks. If you want to tear down buildings please be sure they are not of historic value that the people of Madison and Common Council have said is too valuable to be lost. I hope we are less enamored with the LEED certification which is a joke. If the fire escape you own is rusty, paint it; if there are garbage bags stored on them, ask your tenants to remove them. Please go back to the drawing board and make sure your plans include restoring these wonderful buildings rather than demolishing them.

Gus Paras spoke in support of the project as a building owner who sees his building as not worth saving. The walls are leaning in and the foundation is not in good condition. He will not spend any more money to fix up this building.

Rosemary Lee spoke in opposition as a downtown resident. This development will not complement the historical or architectural aspects of our most iconic block. Landmark buildings must not be sacrificed for new glass and metal buildings. Saving what they can is not good enough. Façade-ectomies are not historic preservation. To deconstruct and then reconstruct these great façades are not thoughtful stewardship of these buildings. The Castle & Doyle tiles are irreplaceable; no one left today can duplicate those. There are too many unanswered questions about the fate of the small business people who are the spine of our downtown economy. Will Mr. Frautschi make them whole for their financial losses due to this construction? Just because Mr. Frautschi gave us Overture and is very affluent does not give him the privilege or the right to destroy our most iconic block and rebuild it to what he thinks it should be.

Carolyn Freiwald spoke to the penchant for developers and other esteemed members of our community who contribute a lot to Madison buy a lot of property and try to bypass City rules and regulations that are supposed

to guide our development and help our City grow in a way that's planned. It is shocking to think about demolishing two landmark buildings and six other historic buildings that form a coherent block that tells the story of our history from 1867 until the 1920s and represents about every type of architecture. In order for us to understand and know our history we need to have something that represents that; something you can see, go into and feel. You don't demolish buildings for views.

Donna Hellenbrand spoke in opposition, making note of the thought of some to just tear down buildings that are not in ideal shape. As the owner of a 1925 home, she sought to rehab it rather than tear it down and start over. Most buildings can be saved and are structurally sound. It's a bad idea to just get rid of them. As a walking tour guide of State Street, people come from around the world (to understand and appreciate the character). They get excited to look at the buildings and learn their history.

Questions and comments from the two Commissions were as follows:

- (Rummel) What is the problem you are trying to solve?
 - It's not so much a problem we're trying to solve but an opportunity we're trying to capitalize on. This block as developed in such a way as to have significant civic structures and investment, which creates a different situation than any of the other blocks. The Block 100 Foundation see the opportunity to strengthen the block. To preserve the architectural character of State Street while creating a vibrant new use along Fairchild Street, in the sponsors' views, will do something very special.

I assume you looked at the floor plans of the existing buildings and tried to determine what could you do for Fairchild Street. Did you do those iterative kind of steps you could share with us so our committees can understand how you bypassed internal remodeling and repurposing the back of the buildings.

When we file our applications we'll have additional materials for you to review. The opportunity to repurpose the backs of the buildings in a way that would create a sense of vibrancy that plays off the three civic buildings became the key issue. Thinking of how to do that in relation to how much work the buildings needed, the opportunity to create something to attract people as a destination was the real reason for the strategy. The idea of creating a complementary side to Fairchild and Mifflin corner was thought to be very important. In doing that strategies to how much of the buildings could be saved, at what point in there a break point where that investment may not provide a return, those all played a role in the proposal you see before you.

Did you do any market studies for new offices, small businesses, are you seeing a need you are filling as far as this new building?

The buildings you're seeing here are essentially the same footprint. Ground floor spaces will remain retail and restaurant. The 2nd, 3rd and 4th floors would be all office environment with no residential. The existing apartments are middle-range and not handicapped accessible. The desire of the sponsor is to make them into office spaces. These spaces are unique being on upper floors with a pedestrian walkway beneath. It will have physical accessibility and new HVAC in the heart of our downtown.

Have you done market research or are you just assuming?

We have not spent money on market research and frankly I don't think it's needed.

- Having architecture that's expressive of modern materials and techniques is a necessity. The landmark structures as well as the 122 West Mifflin are special, unique pieces of architecture that should remain. The Frank Riley stone building very much has a dialogue with the Yost building. That opportunity should be studied. The concept of eroding the urban/street edge to create the outdoor space is one thing I wonder if it has been studied by the City regarding West Mifflin; making that edge of the block a public street and narrowing that to create an opportunity for outdoor dining while not eroding the street edge. (O'Kroley)

- Central to the concept is the idea of the open space and the node it creates and the ability to represent the emerging cultural arts district. Studying that building and have it relate to the Yost building has not been done because of the central desire for that separate node to be created.
- (Fox-Gehrig) Why? Why replace that building with a brand new building of the same size and essentially the same use? Why not retain a restoration/preservation architect who could look at reusing those buildings as they exist.
 - In regards to the Schubert building, the opportunity to connect that frontage to a front door on North Fairchild and State Street presents itself. In so doing it creates a unified front along Fairchild at the corner of Fairchild/Mifflin Streets and our sponsors thought that was very important. In trying to use that building in trying to line it up, the floor heights don't line up in particular, and to utilize the building separately as retail space, we questioned the viability of leaving the building exactly as it is and thought the connection to the broader floor plan on the first floor would be a better long-term use.

And why is it not currently being used as a retail space?

There isn't a lot of demand for it. We haven't had any people contact us to rent it and it is in need of significant repair.

- Recreating the façade with new material is something that unfortunately for your development, the buildings are special and just recreating them after you've torn them down has a certain Disney quality that we try to avoid. It would be nice to see construction done in an appropriate place where you don't have landmark buildings that could be modern construction with modern materials. I wonder if the Historic Museum would have pictures of 120 Mifflin that people could look at. If you could talk about the LEED versus deconstruction; the cost to haul off materials and demolish the buildings, and the value of the LEED versus the cost of demolition. (Slayton)
 - The reason for LEED is to make energy conscious decisions for the reconstruction. Reusing materials that are there but putting them into energy efficient systems. Paying the premium to get a better mechanical system now, which saves money in the long run and that money can go back to Overture.
- I would think that if you're proposing to raze these buildings, the first thing I would do is research, "is it really as bad as we think?" If you raze them, how do you rebuild? To rebuild these buildings as facsimiles seems like a lost opportunity. It's faux design. As I understand it this is what your client wants. I assume the decision to rebuild this as facsimiles was something your sponsor wanted, is that correct? (Barnett)
 - The important part we thought is to maintain the character of State Street. I don't think you could say all of them is representative of the original historic structure. The general desire was to have buildings that maintain that character and not remove that from the fabric of the City.

You're referring to character of style as opposed to character of rhythm and scale and massing. One can design a building that keeps that massing and rhythm but is built in the 20th Century as opposed to the 19th Century. These are meant to look like 19 and early 20th Century buildings. Is this something you wanted to do or the sponsor wanted to do?

It's a vision for what collectively we felt the downtown, this development, would be used for. You've traveled, you've done research, etc. I understand that when a building has reached a difficult point maybe it is easier to take it down. Projects become easier with a clean slate, not richer in terms of their value and meaning to the city. Did you look at other historical precedents of projects that are similar to this that worked well and didn't work well? When you arrived at this design, can you describe some of the other general concepts that you came up with.

- We have not done extensive research on other projects outside the City of Madison. Regarding other architectural styles...

Not architectural styles, the footprint, the rhythm, concept of where the open space goes, whether it's a solid block.

- Like I said earlier one of the central concepts was to create this node for the emerging cultural arts district. The idea of a garden space and the removal of 121 has always been what we've talked about because it's at the intersection of the Library, Overture, future museum complex. There's a greater opportunity here than to maintain 122 West Mifflin Street.

To a certain extent the desire was to keep State Street; retail, commercial uses above and changing the housing to office. Create something new on Fairchild Street and as those two concepts intersected the constructability issues and issues in terms of the nature of the construction, old vs. new, tying it together in a reasonable way, creating an economically feasible project collided and I think it's fair to say that the solution we ended up with that you see tonight is farther than we intended to go but felt that what we were trying to achieve justified that approach. We haven't filed an application yet so we're going to take all this into consideration.

I assume at some point if requested, I know people are living there but I assume we'll have access to those spaces, to take a look at them, for Landmarks and Urban Design Commission.

- (McLean) I'm curious how you arrived at the square footage.
 - From a gross square footage standpoint, we are at 40,950 square feet. That is exactly 8,618 square feet less than what's on the block right now. A lot of the removal is at the corner building, a bit less than 9,000 square feet of removal.

As far as tenant space, what do they pay out for residential versus commercial?

It's all apartments but for 117-119, they have two office floors on the top.

Rental per square foot?

I don't have those figures. It's a combination of having efficient floor plates. The apartments rent for about \$750/month. The rent on office space would be greater than that in terms of square footage, as well as a maintenance responsibility. Looking for an efficient use that can allow the net operating income to not be encumbered by a lot of operating costs so the bottom line can be as large as it can, and go to support Overture Center in the future.

The removal of existing rental space to provide new rental space, the amount of energy and resources going into that, the buildings are already owned by the foundation that is going to benefit, the income would already be there, I'm curious to how much you'd gain. Have you studied that, have you looked at it or was it not even a thought about using the existing spaces to support the Overture, as opposed to creating new to do the same.

The short answer is yes. We will have that when we file the applications.

- I appreciated your packet because I like to look at pictures of old buildings, and one that really struck me was the Vallender building (127), was once three-stories and I wonder if you looked at restoring that additional story, from what I've learned that architectural style is really rare and unique and probably under-appreciated because of the paint job. I will want to see that you've studied the existing building and rehabbing them before I can even think about demolition. It struck me that the spaces between 117, 119 and 121-2, could you look at creating some connection between the two streets there, opening a pathway? Maybe there are some ways to fix the façade on Fairchild that gets a more attractive full street. I really want you to look at what you can do with what you have. You have some incredible, beautiful buildings that should not be torn down. It seems like a lot of money that you could do other things with. (Rummel)
- (Fox-Gehrig) Your first goal to maintain the character of State Street. In order to do that I think the best thing is to restore the buildings that are there. Your sponsors, having invested a significant amount of money into the emerging cultural arts district, I think there's a great opportunity here to have new building, new library, potential new historical society/veteran's museum, and this excellent little jewel of a historic block restored in the middle. That makes a really nice story of the City of Madison. The second goal would be to transform Fairchild Street. You want a restaurant, I think a great opportunity there is the Silver Dollar, why not tie that to the Fairchild building that we also call the Stark building.

Gigantic windows on the first floor right across the street from the Overture, what a great place for a restaurant. It seems like a great opportunity to use what's there. What about a green roof on the top of the existing building. Wouldn't all the people at the Overture like to look down at the green roof across the street? Restore the backs of those buildings and consider that they are a part of the fabric of our City. The third goal, support the community, I wonder if when these buildings started to get purchase in the last five years, at a significantly higher sum than their assessed value, was that their intention at the beginning of purchasing that this would help the Overture or was that not an issue?

The primary purpose in the acquisition of properties was to be able to maintain the scale on the block and that improvements could be made along Fairchild Street. The decision of whether to support Overture Center or some other public charity had not been made yet.

- In this case there's an obligation to talk about a larger context in terms of urban design. How in Madison do public facilities or major buildings like Overture relate to their surroundings and open space. What things actually work in town? I think we need a broader discussion of how Madison's achieves solutions there as we're considering this proposed project. Those would be part of a context discussion that would be helpful for urban design. Marsha's discussion about potential walkway through the block, which in a way your restaurant is doing, it seemed in the plain view there was a remnant alley in that block and I wondered if that had actually gone through at any point. Does the use of that kind of a space and how the façades work is something I'd be interested in seeing. I would urge you to think broader than just these blocks for that discussion. (Wagner)
- (Levitan) Your comment that you will save as much stone from the Castle & Doyle building as you can raises in my mind that you might not be able to save it all. Is that correct?
 - The Castle & Doyle building doesn't have stone, it has terra cotta façade. What I said was we were taking tiles off the building and putting them back up.

How exactly will you go about that and what precedent do you have to make us comfortable that that will work?

- I don't have any personally. We're working with Jacob Arndt; one of the things they said to us was working around trying to save that façade and leave it up could damage some of the tiles and it would be safe to take them off. When they looked at it they were satisfied they'd be able to take them off and put them on again.
- (Levitan) Mr. Paras stated that the Schubert building said that if the building stays closed with no heat it will be falling down. What steps have you taken and what steps are you taking to maintain and preserve 120 West Mifflin?
 - Care has been taken to maintain it. We've added structural reinforcement in the basement to keep it from falling in on itself. There are no HVAC leaks and it's monitored on a regular basis by the property manager.

In terms of it falling in on itself, when the Common Council and Landmarks Commission considered the landmark status for 120 West Mifflin, Marty Rifken in opposing the landmark designation submitted an engineering report which as I read it did not say the building was in danger of falling down. Did I misread that report?

- I don't know if you misread something or not, all I know is we'll have that information as part of the submittal.

And when you talk about office space, what class?

- It will have Class A amenities but Class B space because it doesn't include underground parking.

And have you projected, since the economics of this are critical, have you projected what the assessments and the rents will be when you're all done?

- Regarding assessments, since we're not asking for any public assistance or TIF we haven't focused on the value afterwards. It will be on the tax roll and taxes will be paid. That's an assessor's decision based on income and cash flow of the property, I assume it will be at least the \$3.842 Million that it's assessed at today.

But less than the \$7.5 Million it was purchased for?

- It may be.

Looking at the garden perspective, Mr. Hursh referred to this as outdoor dining for the restaurant. Where is the public access and where is the private access?

- It's in a series of terraces to make up the 3.5-foot variation in height. There is an opportunity to have a larger area for tables if the restaurant desires to have outdoor seating. If not, that would be eliminated and become garden space.

So where those people are walking is all private space?

- That's correct.

You use the phrase "we're going to submit in order to make this timetable." Have you changed that timetable, are you entertaining changing that timetable?

- We're looking at submitting on January 4th, which is the preliminary schedule for next year's meetings. Capitol Neighborhoods expressed concern about filing over the holidays so we will wait.

We appreciate that. I am going to require a tour, that will be necessary.

- (Barnett) Can you talk a little bit about the decision to make the open space "non-activated" versus activated. It's an interesting composition of terraces and different landscape materials but it's not a people place or a space where you can have an outdoor performance. It's fairly controlled.
 - I would say it's an activated space because it's a front door to the restaurant at that location. It will have tables outside the restaurant. We want the space to feel and look attractive. As you come around the corner it's an "aha" moment. We also don't feel that as a public space that was appropriate. It is private property and will remain as so. It's designed in a way to be walked by, but the corner to the restaurant, possibly some testimonial to the architecture of the block could be included.
- Do I infer correctly that this plan goes back to the original days of the Overture Center? (Levitan)
 - Not the original days, since 2006 when Overture was completed.
- How is the space going to be controlled because it seems pretty public to me. (Harrington)
 - It's a very small space and a good half of it will be the platform where the seating is outside of the restaurant. The elevation change will be a cue. It's not a flat space and won't have benches. The planting scheme a is very horizontal pattern to Fairchild will be planted densely so there is no lawn for sitting.

What percent to that space would be able to have tables and chairs?

- Just this upper area would make room for a few tables. Again it's up to that restaurateur. Otherwise we'll turn it into garden space.

It seems like the space, being across from Overture Center, you're only using a small portion that might use the restaurant, the idea of activating the space and have some public events would make a lot of sense and really make this an art spot rather than a planted area. And given the state of the State these days, how sure are we that the State Historical Museum building is going to get built, and what if it doesn't? Does it matter?

- It doesn't matter if it's part of this. Ideally it would be but the State has not said if they are going to build it or not.

It seems like everything you're saying is the reason why you want this open space is because of these three buildings, that they are important.

- (Levitan) In 2007 when the Council voted unanimously to make the Schubert building a designated landmark, it knew that Marty Rifken wanted to tear it down and do a development there. The Council fervently rejected the plan of tearing that down and doing a new development. Knowing that, was there any point where you thought about approaching this project from the standpoint that the Schubert building doesn't get demolished?

- I think I answered that on an earlier question. In part it's a function of a building concept, and they proceeded to given what's there and create a new edge to Fairchild Street, one issue buildings on another issue. It led the project to a solution that calls for more construction, new construction than we originally envisioned necessarily undertaking. But faced with the choices we had and the outcomes, we're representing what we feel is the best choice. And based on the feedback we've gotten we'll continue to look at it before we file.

The Chair asked Austin if he had any comments in response to the Department's letters. He replied that the project team and sponsors are in possession of the Department's comments, they will be reviewed carefully as they think through the next month in terms of applying for land use approvals for this block. They will continue to work closely with the neighborhood.

ACTION:

Since this was an **INFORMATIONAL PRESENTATION** no formal action was taken by the Commission.