



## Report to the Plan Commission

October 17, 2011

**Legistar I.D. #24231**  
**1501 Monroe Street**  
**Conditional Use**

Report Prepared By:  
Timothy M. Parks, Planner  
Planning Division

**Requested Actions:** Approval of a conditional use to allow a non-accessory beer garden associated with events taking place at Camp Randall Stadium and an outdoor eating area for a hotel located at 1501 Monroe Street. The applicant is also requesting approval of amendments to the restrictive covenant approved as a condition of approval for the hotel in 2008.

**Applicable Regulations & Standards:** Sections 28.09(3)(d) and 28.09(4)(d) identify outdoor eating areas as a conditional use in the C2 General Commercial District and C3 Highway Commercial District, respectively. Non-accessory uses associated with events taking place within Camp Randall Stadium limited to the sale of food and beverages to the public, and including the offering of live or amplified music are first identified as a conditional use in the C1 Limited Commercial District and telescope through the C2 and C3 districts. Section 28.12(11) provides the guidelines and regulations for the approval of conditional uses.

**Summary Recommendation:** The Planning Division recommends that the Plan Commission find the conditional use standards met and **approve** a conditional use for a non-accessory beer garden associated with events taking place at Camp Randall Stadium and an outdoor eating area for a hotel at 1501 Monroe Street, and **approve** amendments to the restrictive covenant for the hotel, subject to input at the public hearing and the conditions from reviewing agencies beginning on page 5 of this report.

### Background Information

**Applicant & Property Owner:** Michael Erikson & Jason Ilstrup, Red Hospitality, LLC/ HotelRED; 1501 Monroe Street; Madison.

**Proposal:** The applicant is requesting approval of a regular outdoor eating area for the hotel and a "special event" [s]eating area. The applicant wishes to begin use of the outdoor areas as soon as all regulatory approvals have been granted.

**Existing Conditions:** The site is developed with the four-story, 48-room HotelRED, zoned C2 (General Commercial District) and C3 (Highway Commercial District).

**Parcel Location:** Approximately 0.44 acres located at southeast corner of Monroe and Regent streets, Aldermanic District 13 (Ellingson); Madison Metropolitan School District.

#### Land Use and Zoning Surrounding Proposed Building:

North: University of Wisconsin Fieldhouse, Camp Randall Stadium, Fire Station #4;

South: Madison Chinese Christian Church, one and two-family residences, zoned R4A (Limited General Residence District);

West: New Orleans Takeout, Stadium Barbers, Mickie's Dairy Bar, Gulliver's Travels, zoned C2 (General Commercial District);

**East:** The Regent apartment tower, zoned R6 (General Residence District) and M1 (Limited Manufacturing District), various commercial business along Regent Street in C2 zoning.

**Adopted Land Use Plan:** The Comprehensive Plan identifies the south side of Monroe Street from Regent to Van Buren streets, including the subject site, for Neighborhood Mixed-Use development.

The site is also included in Area #3 of the Monroe Street Commercial District Plan, which recommends mixed-use redevelopment of the Monroe Street block face bounded by Oakland Avenue on the west and Regent Street on the east with two- to four-story buildings.

**Environmental Corridor Status:** The site is not located within a mapped environmental corridor.

**Public Utilities and Services:** This property is served by a full range of urban services.

**Zoning Summary:** Existing C2 (General Commercial District) & C3 (Highway Commercial District) zoning:

Requirements	Required	Proposed
Lot Area	6,000 sq. ft.	19,515 sq. ft. existing
Lot Width	50'	Existing, adequate
Front Yard	0'	Existing
Side Yards	5'	5' (residential lot to southwest)
Rear Yard	30'	35'
Floor Area Ratio	3.0 maximum	2.04
Building Height	N/A	4 stories
No. of Parking Stalls	48	51, existing
Accessible Stalls	3	3
Loading	1 (10' x 35') area	1, existing
No. Bike Parking Stalls	2	2
<b>Other Critical Zoning Items</b>		
Yes:	Barrier Free; Utility Easements	
No:	Local Historic District, Floodplain, Urban Design, Wellhead Protection, Adjacent to Park	
<i>Prepared by: Pat Anderson, Asst. Zoning Administrator</i>		

## Previous Approvals

On May 5, 2008, the Plan Commission approved a demolition permit to allow two commercial buildings located at 1501-09 Monroe Street to be razed and a four-story, 48-room hotel to be constructed. That approval included, among other conditions, the prohibition of beer gardens and a requirement that changes to the approved plans or operations, as well as complaints against said plans or operations, shall be subject to the conditional use procedures in Sec. 28.12(11)(h) and (i) of the Zoning Code.

The details of the hotel plans and operations were required to be made part of a restrictive covenant approved by the City Attorney's Office, executed by the property owner and recorded prior to issuance of the demolition permit. The Plan Commission approved the restrictive covenant for the hotel on June 16, 2008.

## **Project Review, Analysis & Conclusion**

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HotelRED at 1501 Monroe Street is requesting approval of conditional uses for a permanent outdoor eating area to be located adjacent to its hotel restaurant, and a non-accessory special event area for Camp Randall Stadium events to be located between the permanent outdoor eating area and the main hotel entrance. Both conditional use areas will be located below the top three floors of the four-story, 48-room hotel in an area recessed from the Monroe Street sidewalk. The applicants are also requesting approval of amendments to the restrictive covenant that was approved in 2008 as a condition of the demolition permit that preceded construction of the hotel.

### Outdoor Eating Area and Non-Accessory "Beer Garden" Conditional Use Requests

The conditional use application includes plans for three outdoor use configurations. The first configuration will be for an outdoor area to be located adjacent to the hotel lobby lounge and restaurant. "Outdoor Café – Area 1" as shown on Sheet 1, "Plaza/ Outdoor Seating Plan," is proposed as an outdoor eating area for 28 patrons to be seated at 7 tables. This area is proposed to be available for outdoor eating whenever the weather permits. Access to the permanent outdoor eating area will be provided from the interior of the hotel. Due to the grade of Monroe Street adjacent to this portion of the hotel, Area 1 will be slightly raised above the public sidewalk. The area will be enclosed by a combination of tall, large-diameter planters located along the Monroe Street edge of the patio and a stainless steel chain barrier. No public access to Area 1 is proposed from the public sidewalk or hotel entry plaza. Hours of operation for this outdoor eating area were not identified in the applicants' letter of intent.

The second area identified on Sheet 1 is an 850 square-foot space located between Area 1 and the main entry to the hotel, which is labeled as "Outdoor Seating Lounge – Area 2." The applicants indicate that this area is intended to be available for hotel guests to sit outside on four sofas at all times except when the same space is converted into an outdoor area for special events as described in the next paragraph. No enclosures are proposed for Area 2. The letter of intent does not specifically reference this area, but the applicant verbally indicated to City staff that food or beverage service or sales may occur in Area 2.

Lastly, the applicant is requesting approval of an outdoor eating area in the same 850 square-foot area described as Area 2 above. The letter of intent and discussions with the applicants indicate that this area, described on Sheet 2 as "Outdoor Seating Special Event – Area 3," will be used as a reception space for up to 85 persons and as an event area for the same number of persons from 3 hours before a game taking place at Camp Randall Stadium until 2 hours after. The plans for Area 3 show stainless steel chain barriers enclosing the special event area from the Monroe Street sidewalk, the permanent outdoor eating area (Area 1) and the hotel entry plaza. Fourteen tables with 56 seats and 3 sofas are shown in the Area 3 configuration. Access to the special event area will be provided from the interior of the hotel, and no public access will be allowed from the public sidewalk or hotel entry plaza.

Outdoor eating areas for restaurants are a conditional use beginning in the C1 Limited Commercial District, and telescope through the C2 General and C3 Highway Commercial Districts. Additionally, the use of Area 3 in conjunction with Camp Randall Stadium events qualifies that area as a non-accessory conditional use more commonly known as a beer garden requiring Plan Commission approval.

The Planning Division generally believes that, with conditions, the conditional use standards can be met with both of these requests. The proposed 28-person permanent outdoor eating area (Area 1) will be

located on the street side of the hotel, which primarily faces a variety of non-residential uses located to the north and west, including commercial establishments on Monroe Street, and the UW Fieldhouse and Camp Randall Stadium. Area 2, immediately adjacent, will be used as an outdoor seating area to accommodate up to 20 people. Staff recommends that approval of both of these areas include limitations on the hours of operation and a prohibition on outdoor amplified sound to ensure that they will not have an adverse impact on the surrounding area. Once Areas 1 and 2 are operational, the Plan Commission or Director of the Planning Division may consider in the future extending the proposed hours of operation by alteration to this conditional use.

Staff also believes that the establishment of a non-accessory "beer garden" for stadium events (Area 3, Sheet 2) can meet the conditional use standards subject to conditions, including subjecting the non-accessory area to the Uniform Operating Conditions for similar beer gardens in the vicinity of Camp Randall Stadium, which are included in the conditions of approval for this request and referenced in the attached 1998 letter. Separate conditions are recommended for Area 3 when it is used for other special events not associated with football game days.

#### Amendments to the Hotel Restrictive Covenant

In order to find the standards of approval for demolition permits met for the hotel project in 2008, the Plan Commission conditioned approval of the demolition of the commercial buildings that previously occupied the subject site and construction of the hotel on a restrictive covenant being executed by the developer, Robert Sieger, and recorded against the property to ensure that certain provisions of the approved project were implemented according to the plans and statements made by Mr. Sieger. The Plan Commission approved the final restriction on June 16, 2008, and it was recorded with the Dane County Registered of Deeds Office on October 30, 2008.

The 2008 covenant included provisions specifying a 700 square-foot fitness/ spa center, 1,200 square feet of conference facilities, a lobby lounge with a maximum occupancy of 150 persons except when an "event" was booked at the hotel, and a prohibition on the consumption of food or beverages in any outdoor area except the decks located off the hotel rooms. The covenant also included specific restrictions for any event at Camp Randall Stadium expected to draw 40,000 or more persons. Those restrictions included placing hotel security staff at each entry to the hotel and the entry to each guest room floor (floors 2-4) three hours before through three hours after the event, the closing of the outside plaza to the public, and the monitoring of guest room balconies by management.

The operators wish to amend these restrictions to better fit their operation of the hotel. The amendments proposed include deletion of the section specifying that a 700 square-foot fitness/ spa center will be provided in favor of using that space for additional conference space, clarifying the use of the rest of the first floor of the hotel to reflect the operations shown on the First Floor Plan (Sheet A1.1, attached), the ability to serve food and beverages outside the hotel as described in the preceding section if a conditional use permit is approved by the City, and removing the requirement to provide security personnel on each guestroom floor, though security personnel would continue to be posted at each entrance three hours before through three hours after the event.

The Planning Division is generally amenable to the revisions to the restrictive covenants proposed by the applicants with a couple of revisions, including a clarification that no food or beverage service or sales shall occur in the parking area located behind and below the hotel off of Regent Street (1B), and that the provision (6B), which states that "The Property's parking area shall be closed to the general public" further state that the access drive to the parking area also be restricted. With these changes, staff feels that the revised covenant will sufficiently limit impacts from the hotel on the uses, values and enjoyment of surrounding properties.

Staff believes that Ald. Sue Ellingson and the Vilas Neighborhood Association are generally support of the proposed conditional uses and amendments to the restrictive covenant for the hotel based on the attached correspondence.

### **Staff Recommendations, Conditions of Approval & General Ordinance Requirements**

Major/Non-Standard Conditions are shaded

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#### **Planning Division Recommendation** (Contact Timothy M. Parks, 261-9632)

The Planning Division recommends that the Plan Commission find the standards met and **approve** a conditional use for a non-accessory beer garden associated with events taking place at Camp Randall Stadium and an outdoor eating area for a hotel at 1501 Monroe Street, and **approve** amendments to the restrictive covenant for the hotel, all subject to input at the public hearing, the following Planning Division conditions, and the conditions from reviewing agencies:

1. That service in the outdoor eating area (Area 1) and seating area (Area 2) end by 10:00 PM Sunday–Thursday and by 11:00 PM on Friday and Saturday, except that service in Area 1 shall end at 10:00 PM on football game days as regulated by condition #5 below. Modifications to the hours of operation for Areas 1 and 2 shall be allowed only following the approval of a minor alteration to the conditional use by the Director of the Planning Division following a recommendation by the district alder.
2. That the occupancy of Area 2 be limited to 20 persons when being used as a seating area unrelated to special events.
3. That amplified sound is prohibited at all times in all outdoor areas of the hotel.
4. That a detail of the stainless steel chain barrier(s) that are proposed be submitted for Planning Division approval prior to occupancy of the outdoor eating and event areas.
5. That Outdoor Seating Special Event – Area 3 be subject to the Uniform Operating Conditions approved for beer gardens associated with events at Camp Randall Stadium whenever said area is to be used in conjunction with events occurring at Camp Randall Stadium, including the following but excluding the allowance for outdoor live or amplified music or sound, which is prohibited by condition #3 above:
  - 5a. Hours of Operation of the non-accessory event area for University of Wisconsin football games shall be open no later than 8:00 PM, except for games with a kickoff after 5:00 PM, when the outdoor eating area shall be open no later than 10:00 PM;
  - 5b. The conditions imposed by the Alcohol License Review Committee (including litter control, security, etc.) shall be complied with as required by the ALRC as part of the issuance of a license for a non-accessory event area.
  - 5c. Any use of a non-accessory event area for a concert at the stadium shall end one hour after the start of the concert and shall remain closed for the remainder of service.
6. When being used as a non-accessory beer garden for Camp Randall Stadium events, that food be available for purchase throughout the operation of the beer garden, and that employees wear easy to identify uniforms to aid in identifying hotel staff from the patrons.

7. That the occupancy of Area 3 be limited to 85 persons at all times and for all events.
8. That service in Special Event – Area 3 end by 10:00 PM Sunday–Thursday and by 11:00 PM on Friday and Saturday on non-Wisconsin Badger game days.
9. That the proposed amendments to the restrictive covenant for the hotel be revised as follows prior to their recording with the Dane County Register of Deeds and prior to occupancy of the outdoor eating and event areas:
  - 9a. section 1B shall be revised to state that no food or beverage service or sales shall occur in the parking area located behind and below the hotel, and;
  - 9b. section 6B shall be revised to state that “The Property’s parking area and access drive shall be closed to the general public.”
10. That Areas 1, 2, and 3 be set up and operated according to the layouts on Sheets 1 and 2.

**City Engineering Division** (Contact Janet Dailey, 261-9688)

This agency submitted a response with no conditions of approval for this request.

**Traffic Engineering Division** (Contact John Leach, 267-8755)

11. The applicant shall prevent encroachment of the café area and the special event area onto public sidewalk using a minimum 4-foot high barrier of some type. A detail of the barrier(s) shall be noted on the final plans.
12. The applicant shall submit two different plans: one showing the layout of the site with the special event area during Camp Randall events, and one showing the layout of the site without the special event area during normal working hours.
13. When the applicant submits final plans of one contiguous plan for approval, the applicant shall show the following: items in the terrace as existing (e.g., signs and street light poles), type of surfaces, existing property lines, addresses, showing all easements, all pavement markings, building placement, and stalls, adjacent driveway approaches to lots on either side and across the street, signage, percent of slope, vehicle routes, dimensions of radii, aisles, driveways, stalls including the 2 feet of overhang, and a scaled drawing at 1" = 20'.

**Zoning Administrator** (Contact Matt Tucker, 266-4569)

14. Meet applicable building/fire codes for the additional outdoor capacity and for ingress and egress of the establishment with both of the proposed outdoor occupancy areas and at the site. Occupancy is established by the Building Inspection Division. Contact Mike VanErem at 266-4559 to help facilitate this process for permanent outdoor seating, and Bill Sullivan, Madison Fire Department, at 261-9658 for temporary eating area site plan approval.
15. Beer garden site plan shall be in effect only for Wisconsin Badger home football games and stadium concerts, as outlined in 1998 Uniform Operating Conditions letter.

16. If you have a license to sell alcohol in an outdoor eating area, the Alcohol License Review Committee will establish conditions for operation, which involve fencing, security guards, toilet facilities, litter, etc. All businesses that sell alcohol must comply with the requirements imposed by the Alcohol License Review Committee at the time of issuance of your original application to expand or change your licensed premises to include the outdoor eating area. It is your responsibility to have the outdoor service area added to your licensed premise. Please contact the City Clerk's Office (266-4601) for ALRC-related issues.

**Fire Department** (Contact Bill Sullivan, 261-9658)

17. The Madison Fire Department does not object to the Outdoor Café Area 1, provided all exiting and alarm notification requirements are met.
18. Due to the occupant load proposed for the Special Event Area #3, the Fire Department would need to review proposed exiting modifications, occupant load calculations, and operational plans for approval.

**Water Utility** (Contact Dennis Cawley, 261-9243)

19. This property is in a Wellhead Protection District. This use is permitted in this district. Any proposed change in use shall be reviewed by the Madison Water Utility General Manager or his designee.

**Parks Division** (Contact Tom Maglio, 266-4711)

This agency did not submit comments for this request.

**Metro Transit** (Contact Tim Sobota, 261-4289)

This agency did not submit comments for this request.

**Police Department** (Contact Frank Chandler, 266-4238)

This agency did not submit comments for this request.