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March 18, 2016

City of Madison Plan Commission
215 Martin Luther King, Jr. Blvd.
Room LL-100
Madison, WI 53703

**Re: Redevelopment of Marling Lumber Site – 1801 East Washington Avenue
File Nos. 41183, 41011, 42084**

Dear Commission Members:

Before you is a proposal to significantly improve and transform the existing Marling Lumber Site at 1801 East Washington Avenue through a redevelopment project that will provide 228 apartment units and 20,000 square feet of commercial space along the growing Capitol East District Corridor.

We have appreciated the coordination with City staff and the neighborhood throughout the development process that began last August. We spent significant time obtaining neighborhood and staff input into the project prior to submitting land use and related applications. We have been working collaboratively with City staff and the neighborhood since last August and have worked diligently to incorporate their comments into the plans. We held large neighborhood meetings in September and February. We also met with a steering committee comprised of members from both the Marquette Neighborhood and the Schenk-Atwood-Starkweather-Yahara Neighborhood and have continued to have an ongoing dialogue with various members who represent committees and boards of those neighborhood associations.

During that time, we have also had a number of meetings with City staff, along with frequent communications regarding staff feedback and suggestions. We have worked to incorporate staff and UDC comments into the proposal and made considerable revisions to the initial plans in response to staff and UDC comments including significant site modifications related to site engineering to connect and integrate the site with the adjacent reconstructed East Washington Avenue right of way, Yahara River bridge and the Yahara River Parkway. The

WHD/12456783.2

revised plans are a reflection of our efforts to incorporate feedback from the neighborhood, City staff and the UDC.

At the neighborhood meetings, neighbors stated they appreciated that the height and massing of the proposal are sensitive to the surrounding neighborhood, and in particular that the proposed use is a good fit for the surrounding neighbors. Neighbors also appreciated that the proposal improves the interaction with the adjacent Yahara River Parkway. Neighbors provided constructive feedback on the addition of entries on East Main Street, improvements to the corner of the building at East Washington Avenue and the Yahara River, and design elements of the three courtyards included in the plans.

Similarly, the project has been well received by the UDC and the Landmarks Commission. At an informational meeting in October, the UDC suggested distinguishing building entrances through additional design elements, adding more entries on East Main Street, providing additional visual separation between the public plaza space and the private courtyard space, and including additional visual elements to blend the parking areas with the rest of the project. Following changes made to the plans based on that feedback, the UDC unanimously issued its Initial Approval of the project earlier this month.

Additionally, the Landmarks Commission issued a unanimous recommendation that the project be approved, concluding that the project is “not so large or visually intrusive as to adversely affect the historic character and integrity of the adjacent landmark site” (the Yahara River Parkway is a designated city landmark). The Landmarks Commission specifically discussed materials, setbacks, and landscaping elements as part of its conclusion.

Given the positive feedback we have received during our work with the neighborhood and City staff over the past several months, we were surprised to receive the letters from the Marquette Neighborhood Association and the Schenk-Atwood-Starkweather-Yahara Neighborhood Association indicating their support of the design and the significant improvements the project team has made but objecting to the project on two grounds—connection of the project with the Yahara River Parkway and lack of government-subsidized affordable housing.

The neighborhood associations have not objected to the project on its merits. The associations and members of the neighborhood have not indicated that they would oppose the project overall at any past meetings or in any communications we have had with them. The letters—authored by a few members of a steering committee that met several times over the past few months (but only invited the development team to attend once)—are the first time the project team has heard the groups oppose the project as a whole. Indeed, the letters and other individual correspondence from specific neighbors discuss the many positive aspects of the project and the way the project will significantly improve the neighborhood, including:

- Improving the pedestrian connection between East Washington Avenue and East Main Street;
- Improving the interaction of the project site with adjacent residential streets, including the use of individual entries and porches on East Main Street;
- Incorporating traditional building materials compatible with the fabric of the neighborhood and the history of the Yahara River Parkway; and
- Preserving several mature trees on East Main Street by agreeing to construct a portion of the public sidewalk on the project site instead of in the right-of-way.

The first point in the neighborhood letters addresses the interaction of the project with the Yahara River Parkway. This issue has and will continue to be discussed with City staff and has been identified as a key element of the project by us and City staff from very early meetings that occurred during the summer. As City parkland, the Parkway is controlled by the City and any improvements in that area would need to be performed by the City. This project will generate significant park fees that could be dedicated to improvements in the Parkway and we believe City staff has started this dialogue internally with the City Parks Department. We continue to be interested in working to coordinate improvements on the portion of the project site adjacent to the Parkway with any planned improvements by the City in the Parkway.

However, further increasing the setback or dedicating an additional part of the property as parkland is not feasible and will not provide additional measurable benefits to the public. It is important to note that **the project exceeds the required setback** along the Parkway, with setbacks ranging from 11 to 27 feet. Additionally, the project property line is set back an additional distance from the shoreline, **resulting in a setback from the river of 37 to 111 feet.** The existing area of the Parkway combined with the pedestrian path and public terrace included in the project will provide significant public space and the potential for new park amenities without the dedication of additional parkland or any additional setbacks. Finally, the project team has had multiple meetings with City staff in the planning, engineering and parks departments to ensure appropriate design of this area, taking into consideration not only the required setbacks from a zoning perspective, but also ensuring appropriate engineering of the site overall in consideration of the adjacent parkway and adjacent City rights of way and related improvements that must be preserved.

The second point regarding affordable housing is not a condition that can be tied to any particular development in the context of land use decisions. Affordability is an important consideration overall in any municipal housing policy, and it has been noted by the authors of the letters that it is most appropriately an overall discussion for the City as a whole. Affordable housing policy and related decisions need to be made in the context of considering the market as a whole and by those who will be responsible to build, pay for and operate a particular project. A robust and diverse housing market helps improve affordability for the market as a whole and projects like this increase tax base which then funds programs such as the City's Affordable

Housing Fund. There are developers in our City who specialize in developing affordable housing; this project will provide the additional tax base and investment in our community to help fund the programs that help those developers succeed in their area of expertise while also providing much-needed additional housing units to our market which continues to have an unhealthy vacancy rate.

For example, property taxes generated by this project may help fund other important projects happening in the corridor such as the proposed Stone House development on East Washington Avenue, which we understand will seek tax incremental financing and low income housing tax credits to provide affordable housing to the neighborhood. Other projects planned in the corridor which will help grow jobs in Madison are likely to also be dependent on the tax increment created from this project. Requiring every project to incorporate income restrictions or some other mechanism to provide affordable housing fails to recognize and appreciate the interaction of the housing market as a whole and the opportunity to maximize certain sites and certain resources for the development of market-rate housing which, in turn, provides revenue for other important projects and goals – including those providing affordable housing, creating new jobs and working toward affordable rents in the market as a whole by increasing the amount of available housing.

For the reasons discussed in this letter and in the Planning Division Staff Report, the project satisfies the applicable standards for approval and we respectfully request the Plan Commission approve the matters before you on Monday night.

Very truly yours,

A handwritten signature in blue ink that reads "Angela Black". The signature is fluid and cursive, with a long horizontal line extending to the right.

Angela Black
Jeffrey L. Vercauteren

AB/JLV/ifh