PLANNING DIVISION STAFF REPORT

September 17, 2018

PREPARED FOR THE PLAN COMMISSION

Project Address: 3630 Milwaukee Street

Application Type: Demolition Permit

Legistar File ID # 52756

Prepared By: Tim Parks, Planning Division

Report includes comments from other City agencies, as noted.

Summary

Applicant: Dennis Richardson and Wade Huston, R.G. Huston Co., Inc.; 2561 Coffeytown Road; Cottage Grove.

Property Owner: Duren Income Trust; 3602 Cascade Road; Madison.

Requested Action: Approval of a demolition permit to demolish a commercial building at 3630 Milwaukee Street with no proposed use.

Proposal Summary: The applicant and property owner are requesting approval to demolish a one-story commercial building in anticipation of future redevelopment of the property with unknown uses. Demolition will commence as soon as all regulatory approvals have been granted, with completion anticipated this fall.

Applicable Regulations & Standards: Section 28.185 provides the process and standards for the approval of demolition and removal permits.

Review Required By: Plan Commission

Summary Recommendation: The Planning Division recommends that the Plan Commission find the standards met and **approve** a demolition permit to allow a commercial building at 3630 Milwaukee Street to be demolished with no proposed use, subject to input at the public hearing and the conditions from reviewing agencies beginning on page 4 of this report.

Background Information

Parcel Location: The building occupies a long, narrow 3.0-acre parcel located on the north side of Milwaukee Street roughly midway between Walter Street and Schenk Street and approximately 750 feet west of West Corporate Drive; Aldermanic District 15 (Ahrens); Madison Metropolitan School District.

Existing Conditions and Land Use: The building to be demolished is a one-story, approximately 9,150 square-foot masonry commercial building zoned IL (Industrial–Limited District). A surface parking lot for the building is located immediately to its south.

Surrounding Land Uses and Zoning:

North: City of Madison stormwater greenway, zoned CN (Conservancy District)

South: Milwaukee Street;

East: Multi-tenant industrial building (former Swiss Colony distribution facility) and Metro Transit East Transfer

Point, zoned IL (Industrial-Limited District);



<u>West</u>: Undeveloped land in the Town of Blooming Grove and the City of Madison, zoned TR-C1 (Traditional Residential–Consistent 1 District) and CN.

Adopted Land Use Plans: The 2006 <u>Comprehensive Plan</u> identifies the subject site and properties located to the south and west of the site for Low-Density Residential uses. The City-owned land to the north is recommended for Park and Open Space uses, while the industrial land to the east is recommended for Community Mixed-Use development.

The demolition permit application was submitted just prior to the Common Council's adoption of the 2018 *Imagine Madison Comprehensive Plan*, which recommends the southern half of the site closest to Milwaukee Street for Community Mixed-Use development, while the northern half is recommended for Medium Residential development.

There is not currently an adopted neighborhood plan that includes the subject site and nearby properties. However, the site is located within the boundaries of the forthcoming Milwaukee Street Special Area Plan, which the Planning Division anticipates will be adopted at the end of 2018 or in early 2019 to provide detailed land use, development and transportation recommendations for the Milwaukee Street corridor between Fair Oaks Avenue and US Highway 51/Stoughton Road.

Zoning Summary: The subject property is zoned IL (Industrial–Limited District). No future use of the property is proposed at this time. Future use of the property will be reviewed for compliance with the Zoning Code prior to the issuance of permits for new construction subsequent to this demolition approval.

Environmental Corridor Status: The subject site is not located within a mapped environmental corridor. However, the City-owned greenway adjacent to the property is located in a corridor due to the presence of wetlands and floodplain.

Public Utilities and Services: The site is served by a full range of urban services, including seven-day Metro Transit service.

Project Description

The applicant and property owner are seeking approval of a demolition permit to raze a one-story, approximately 9,150 square-foot commercial building addressed as 3630 Milwaukee Street. City records indicate that the building was constructed in 1964 and has been used for various retail and service uses over time. The applicant indicates that the parking lot will be removed along with the building, and that the site will be graded and seeded. Following demolition, no future use is immediately proposed.

The building to be demolished appears from the street and adjacent industrial parcel to be part of the large, 227,500 square-foot former Swiss Colony distribution facility located at 3650 Milwaukee Street, with which the subject property shares access to Milwaukee Street. However, the two adjoining buildings are separate, and no impact on the larger building is anticipated with the proposed demolition.

The subject site is a 3.0-acre parcel with approximately 150 feet of frontage along Milwaukee Street. The building to be demolished is located on the northern third of the long, narrow parcel, which includes a parking lot primarily located adjacent to the south wall of the building. The portion of the parcel located between the parking lot and Milwaukee Street is undeveloped and features a variety of trees, brush and construction debris. The site is zoned

IL and is located adjacent to another long, narrow parcel owned by the subject property owner, which contains approximately 5.0 acres of undeveloped land zoned TR-C1.

Analysis and Conclusion

In order to approve the demolition of the existing commercial building, the Plan Commission shall find that the requested demolition or removal and the proposed use are compatible with the purpose of the Demolition and Removal section of the Zoning Code, Section 28.185, and the intent and purpose expressed for the zoning district in which the subject property is located, in this case, IL (Industrial–Limited District).

The statement of purpose in Section 28.185 encourages, in part, that it is "a matter of public policy that the good maintenance and rehabilitation of existing buildings...and the careful consideration and planning of changes in the urban landscape are a public necessity and are required in the interest of the health, prosperity, safety, and welfare of the people. The purpose of this section is to aid in the implementation of adopted City plans, protect neighborhood character, preserve historic buildings, encourage the reuse and/or relocation of existing buildings..." In the case of the existing building, the Planning Division believes that the Plan Commission can find that the standards are met to allow it to be demolished. Photos of the interior and exterior of the building submitted with the application suggest that it is in below average to poor condition. The Landmarks Commission informally reviewed the proposed demolition on July 9, 2018 and found that the building had no known historic value.

As noted earlier in this report, the applicant is proposing no reuse of the site following demolition, which is ordinarily the second and occasionally most scrutinized part of the question regarding consideration of a demolition permit by the Plan Commission, and the opportunity for the community to weigh whether the proposed use is compatible with adopted neighborhood plans and the Comprehensive Plan, as well as the impact the demolition and proposed use would have on the normal and orderly development and improvement of surrounding properties. In the case of the demolition of a non-residential building with no immediate proposed use, the Plan Commission has two procedural options: it may include a requirement that a property owner obtain subsequent approval from the Plan Commission for an alternative use that is not known at the time of application pursuant to approval standards discussed above, or it may find that the use, bulk, and design requirements of the existing zoning district designation are adequate to ensure that any future development will conform to existing adopted City plans.

Per the statement of purpose for the IL zoning of the subject site, the district was established to allow a mix of light manufacturing uses, offices, warehousing, flex-space, limited storage and warehousing, and limited retail and service uses that primarily serve the industrial uses, designed with adequate landscaping and screening, to ensure compatibility with adjoining uses. Industrial districts typically require relatively direct access to the regional highway system, and may require rail or air transportation service. The IL district is also intended to provide a variety of flexible sites for small, local or start-up businesses, as well as sites for large national or regional enterprises; discourage the proliferation of highway-oriented commercial uses that reduce the land area available for development or expansion of employment uses; and facilitate development consistent with the adopted goals, objectives, policies, and recommendations of the <u>Comprehensive Plan</u> and adopted neighborhood, corridor or special area plans. In general, the IL zoning district allows a wide array of non-residential land uses, with no limitation on the size, height or design of buildings developed in the district.

In the case of the subject site, the 2006 <u>Comprehensive Plan</u> identifies the subject site and properties located to the south and west of the site for Low-Density Residential uses. The demolition permit application was submitted just prior to the Common Council's August 7, 2018 adoption of the *Imagine Madison Comprehensive Plan*, which

recommends that the southern half of the site closest to Milwaukee Street be developed with Community Mixed-Use development, while the northern half is recommended for Medium Residential development.

There is not currently an adopted neighborhood plan that includes the subject site and nearby properties. However, the site is located within the boundaries of the forthcoming <u>Milwaukee Street Special Area Plan</u>, which is being developed to provide detailed land use, development and transportation recommendations for the portion of the Milwaukee Street corridor between Fair Oaks Avenue and US Highway 51/Stoughton Road. The Planning Division anticipates board and commission review of a draft plan this fall, with Common Council adoption anticipated at the end of 2018 or in early 2019.

While the Planning Division believes that the Plan Commission may find that the existing building meets the criteria for demolition due to its condition and lack of historic value, staff recommends that the Plan Commission condition approval of the demolition permit on the applicant executing a restrictive covenant on the property that requires the applicant or their successors and assigns to submit their plans for future development of the property for approval by the Plan Commission following a public hearing using the standards in Section 28.185 of the Zoning Code. Staff feels that the industrial zoning of the property will not ensure that future development conforms to the existing adopted City plans that recommend residential and community mixed-use land uses for the site. Although the existing IL zoning affords a certain high degree of land use entitlement for the property, a Plan Commission review of the alternative future use pursuant to the approval standards in Section 28.185 will allow the community and Commission to weigh how the use comports to the normal and orderly development and improvement of surrounding properties. The subsequent review of the future use of 3630 Milwaukee Street will also allow the Plan Commission to stipulate conditions on the proposed alternative use appropriate to promote the public health, safety and general welfare of the community, and to secure compliance with the standards and requirements in Section 28.185.

Recommendation

Planning Division Recommendation (Contact Timothy M. Parks, (608) 261-9632)

The Planning Division recommends that the Plan Commission find the standards met and **approve** a demolition permit to allow demolition of a commercial building at 3630 Milwaukee Street with no proposed use subject to input at the public hearing and the following conditions:

Recommended Conditions of Approval: Major/Non-Standard Conditions are Shaded

1. The applicant shall execute a restrictive covenant on the property in a form approved by the Director of the Planning Division. That restriction shall require the applicant or his successors and assigns to submit their plans for future use of the property for approval by the Plan Commission following a public hearing using the standards in Section 28.185 of the Zoning Code.

City Engineering Division (Contact Tim Troester, 267-1995)

2. Prior to final approval of the demolition permit, the owner shall obtain a permit to plug each existing sanitary sewer that serves a building that is proposed for demolition. For each lateral to be plugged, the owner shall complete a sewer lateral plugging application and pay the applicable permit fees.

- 3. The applicant shall demonstrate compliance with Section 37.07 and 37.08 of Madison General Ordinances regarding permissible soil loss rates. The erosion control plan shall include Universal Soil Loss Equation (USLE) computations for the construction period. Measures shall be implemented in order to maintain a soil loss rate below 5.0 tons per acre peryear.
- 4. Provide restoration plan for the demolition area or updated the restoration plan included with the existing or new erosion control permit for this site.
- 5. For commercial sites less than one (1) acre in disturbance the City of Madison is an approved agent of the Department of Commerce and Wisconsin Department of Natural Resources (WDNR). As this project is on a site with disturbance area less than one (1) acres, and contains a commercial building, the City of Madison is authorized to review infiltration, stormwater management, and erosion control on behalf of the Department of Commerce. No separate submittal to Commerce or the WDNR is required.

City Engineering Division – Mapping Section (Contact Jeff Quamme, 266-4097)

6. The site plan shall include a full and complete legal description of the site or property being subjected to this application.

<u>Traffic Engineering Division</u> (Contact Eric Halvorson, 266-6527)

The agency reviewed this request and has recommended no conditions or approval.

Zoning Administrator (Contact Jenny Kirchgatter, 266-4429)

7. Provide a reuse/recycling plan, to be reviewed and approved by the City's Recycling Coordinator prior to a demolition permit being issued. MGO Section 28.185(7)(a)5 of the Zoning Ordinance requires the submittal of documentation demonstrating compliance with the approved reuse and recycling plan. Please note, the owner must submit documentation of recycling and reuse within 60 days of completion of demolition. A demolition or removal permit is valid for one (1) year from the date of the Plan Commission approval.

Fire Department (Contact Bill Sullivan, 261-9658)

8. Note: Please consider allowing Madison Fire Department to conduct training sequences prior to demolition. Contact Division Chief Tracy Burrus at tburrus@cityofmadison.com or 266- 5959.

Water Utility (Contact Adam Wiederhoeft, 266-9121)

- The Madison Water Utility shall be notified to remove the water meter at least two working days prior to demolition. Contact the Water Utility Meter Department at 266-4765 to schedule the meter removal appointment.
- 10. All operating private wells shall be identified and permitted by the Water Utility and all unused private wells shall be abandoned in accordance with MGO Section 13.21.

Parks Division (Contact Janet Schmidt, 261-9688)

The agency reviewed this request and has recommended no conditions or approval.

Metro Transit (Contact Tim Sobota, 261-4289)

The agency reviewed this request and has recommended no conditions or approval.