

## PLANNING DIVISION STAFF REPORT

September 16, 2019



PREPARED FOR THE PLAN COMMISSION

**Project Address:** 408 W Gorham Street (District 4 – Ald. Verveer)  
**Application Type:** Conditional Use  
**Legistar File ID #** [57104](#)  
**Prepared By:** Sydney Prusak, Planning Division  
Report Includes Comments from other City Agencies, as noted  
**Reviewed By:** Kevin Firchow, AICP, Planning Division

### Summary

**Applicant & Contact:** Michael Eitel; Caravan Hospitality Group; 2923 N Marietta Avenue; Milwaukee, WI 53211

**Property Owner:** Jongyeon Lee; 402 W Gorham Street; Madison, WI 53703

**Requested Action:** The applicant requests approval of a conditional use to convert an existing restaurant-tavern into a restaurant-nightclub on a property zoned Urban Mixed Use (UMX) at 408 W Gorham Street.

**Proposal Summary:** The applicant proposes to establish a restaurant-nightclub in a building that was previously used as a restaurant-tavern. The first floor, second floor, and third floor deck will have food and beverage service, with the third floor indoor space reserved for dancing and private events. There is an existing conditional use on the property for outdoor eating on the first floor back patio and third floor deck, and the applicant intends to carryover that approval. No site plan changes are proposed.

**Applicable Regulations & Standards:** This proposal is subject to the standards for Conditional Uses [MGO §28.183] as MGO §28.072 lists a *restaurant-nightclub* as a conditional use in the Urban Mixed Use (UMX) Zoning District. The Supplemental Regulations [MGO §28.151] contain further regulations for this use.

**Review Required By:** Plan Commission

**Summary Recommendation:** The Planning Division recommends that the Plan Commission find that the approval standards for conditional uses are met and **approve** the request to establish a restaurant-nightclub on a property zoned Urban Mixed Use (UMX) at 408 W Gorham Street. This request is subject to the input at the public hearing and the conditions recommended by the reviewing agencies.

### Background Information

**Parcel Location:** The 5,016-square-foot (0.12-acre) project site is located on the northwest side of Gorham Street near the Broom Street intersection. The site is within both Aldermanic District 4 (Ald. Verveer) and the Madison Metropolitan School District.

**Existing Conditions and Land Use:** The subject parcel contains a three-story, 11,417-square-foot commercial building. According to City Assessor data, the building was originally constructed in 1925 and was renovated in 2009 to include an additional story and rooftop eating area.

**Surrounding Land Use and Zoning:**

Northeast: A variety of one and three-story commercial properties, zoned Urban Mixed Use (UMX);

**Southeast:** A two-unit residential property, zoned UMX and a 12-story mixed-use apartment building, zoned Planned Development (PD);

**Southwest:** A six-story apartment building, zoned PD; and

**Northwest:** A variety of commercial and residential uses, zoned Downtown Core (DC) and UMX.

**Adopted Land Use Plan:** The [Comprehensive Plan \(2018\)](#) and [Downtown Plan \(2012\)](#) recommend downtown mixed-use (DMU) for the subject property.

**Zoning Summary:** The project site is currently zoned Urban Mixed Use (UMX).

Requirements	Required	Proposed
Lot Area (sq. ft.)	3,000	5,015
Lot Width	30 ft.	33 ft.
Front Yard Setback	None	No change
Max. Front Yard Setback	10 ft.	No change
Side Yard Setback	None	No change
Rear Yard Setback	10 ft.	No change
Maximum Lot Coverage	90%	No change

Site Design	Required	Proposed
Number Parking Stalls	None	None
Accessible Stalls	None	None
Loading	None	None
Number Bike Parking Stalls	5% of capacity	No change
Landscaping	Yes	No change
Lighting	No	No change
Building Forms	Yes	No change
<b>Other Critical Zoning Items</b>	Utility Easements	

*Table Prepared by Jacob Moskowitz, Assistant Zoning Administrator*

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

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

## Project History

The applicant, Caravan Hospitality Group, is requesting conditional use approval to convert an existing restaurant-tavern into a restaurant-nightclub. At their June 19, 2019 meeting, the City's Alcohol License Review Committee (ALRC) voted to approve a request for a 21+ Entertainment License for the subject site with the following conditions:

1. Must meet the definition of a restaurant as defined by MGO §38.02 at all times;
2. Amplification is not permitted on outside patios; and
3. No patrons are permitted to enter or re-enter the establishment after 1:30 am on Friday and Saturday nights.

According to MGO §28.211, a restaurant-night is defined as "an establishment in which meals are provided and fermented malt beverages or intoxicating liquors are sold for consumption upon the premises and which holds an

entertainment license under MGO §30.06.” Given that an entertainment license was approved for this property, the proposed establishment is now classified as a restaurant-nightclub, which is a conditional use in the UMX Zoning District.

Previously, in 2009, the Plan Commission approved a conditional use request for outdoor eating areas on this property, and the applicant intends to carryover that approval with this new use.

## **Project Description, Analysis, and Conclusion**

The applicant proposes to convert the third floor of the proposed restaurant-nightclub into a special event space offering live music and/or D.J. entertainment. The first floor, courtyard dining area, second floor, and third floor outdoor deck area will continue to be used as dining areas open to guests of all ages. According to the applicant, the interior third floor space will be used for private parties, corporate events, and receptions. The applicant also indicated that they will occasionally host their own events and intend on hosting a weekly Latin dance night in the space.

In terms of management of the event space, during private parties there will be event staff checking IDs and issuing wristbands for people age 21 and over. As for the venue’s public events, only people age 21 and over will be admitted into the space. Furthermore, all live music and amplified sound will occur inside the event space. According to the letter of intent, the doors to the third floor deck area will close nightly at 10:00 p.m. to reduce the impact on the surrounding neighborhood.

### **Conditional Use Standards**

In regards to the approval standards, the Plan Commission shall not approve a conditional use without due consideration of the City’s adopted plan recommendations, design guidelines, and finding that all of the Conditional Use Standards of MGO §28.183(6) are met. Staff believes that this proposed use is compatible with the [Comprehensive Plan \(2018\)](#) and [Downtown Plan \(2012\)](#), which both recommend Downtown Mixed Use (DMU) for the subject site. Staff believes that the Conditional Use Standards can be found met and provides further discussion on Standard 3.

Conditional Use Standard #3 states that, “The uses, values and enjoyment of other property in the neighborhood for purposes already established will not be substantially impaired or diminished in any foreseeable manner.” The Planning Division believes that this standard can be found met. Given that the subject property has operated as a restaurant-tavern with outdoor eating since 2009, the Planning Division does not anticipate that the addition of live entertainment and DJs in a controlled area will have significant impacts on surrounding properties. Staff notes that there are a variety of commercial uses in the surrounding area, including other restaurants and taverns. While there are residential properties immediately adjacent to the site, factors including the the downtown environment; proximity to a Primary Arterial Street (W Gorham); the fact that the event space is separated from the rest of the dining space, and that the outside doors to the event space will close at 10:00 p.m., the Planning Division believes that noise and traffic impacts from the site will be limited.

### **Supplemental Regulations**

Lastly, according to Table 28E-2 in MGO §28.072, a *restaurant-nightclub* must adhere to the Supplemental Regulations found in MGO §28.151:

- a) Maximum capacity to be established by the Director of Building Inspection Division, not to exceed the number of available seats, plus staff, plus a reasonable number of people waiting for seats.

*According to the applicant there will be 293 seats, which is in keeping with the ALRC approved capacity of 298.*

- b) Must serve food at all hours it is open.
- c) Shall hold an entertainment license under Sec. 38.06(11)
- d) Shall at all times operate consistent with and according to the requirements of a valid alcohol license issued by the City.

The Planning Division believes that all of the Supplemental Regulations can be met. As a condition of approval, staff recommends a final detailed seating plan for all three floors, and both outdoor eating areas, for the requested capacity to be approved by the Director of Building Inspection Division.

### **Conclusion**

Staff believes that the proposed restaurant-nightclub can be found to meet the Conditional Use Approval Standards and recommends that it be approved by the Plan Commission, subject to input at the public hearing and comments from reviewing agencies.

If approved, the Plan Commission retains continuing jurisdiction over this conditional use, meaning that should complaints be filed, the Plan Commission could take further action on this conditional use as allowed in MGO §28.183(9)(d). At the time of report writing, staff was not aware of any concerns on this request.

## **Recommendation**

### **Planning Division Recommendation** (Contact Sydney Prusak, (608) 243-0554)

The Planning Division recommends that the Plan Commission find that the approval standards for Conditional Uses are met and **approve** the request to establish a restaurant-nightclub on a property zoned Urban Mixed Use (UMX) at 408 W Gorham. This request is subject to the input at the public hearing and the conditions recommended by the reviewing agencies.

### **Recommended Conditions of Approval** Major/Non-Standard Conditions are Shaded

#### **Planning Division** (Contact Sydney Prusak, (608) 243-0554)

1. The door leading from the outdoor deck to the third floor space shall be closed from 10:00 p.m. to closing time seven days a week.
2. The applicant shall submit a seating plan that labels the number of available seats on three floors and outdoor eating areas to be approved by the Director of Building Inspection.

#### **Traffic Engineering Division** (Contact Sean Malloy, (608) 266-5987)

3. The applicant shall submit for review an operations plan, this plan shall include a pedestrian queuing model/plan. This is to ensure that the public ROW is not impacted by this site.

#### **Engineering Division (Mapping)** (Contact Jeff Quamme, (608) 266-4097)

4. Identify on the plans the lot and block numbers of recorded Plat.

5. Provide a site plan that includes all lot/ownership lines, existing building locations, driveways, sidewalks, existing and proposed signage, existing and proposed utility locations and landscaping. Also show and label the pedestrian access easement over the adjacent property to the northeast per Document No. 4481081.
6. Provide a full and complete legal description of the site or property being subjected to this application on the site plan.

**Zoning** (Contact Jacob Moskowitz, (608) 266-4560)

7. Maximum capacity to be established by the Director of the Building Inspection Division, not to exceed the number of available seats, plus staff, plus a reasonable number of people waiting for seats.
8. Must serve food at all hours it is open.

**Fire Department** (Contact Bill Sullivan, (608) 261-9658)

9. Any modifications to the building and/or furniture layout that changes the occupant load shall be approved through Building Inspection and coordinated with Madison Fire. Multiple occupant loads may need to be established if the operator is looking to have more than one layout configurations.