PLANNING DIVISION STAFF REPORT

April 13, 2020

PREPARED FOR THE PLAN COMMISSION

Project Address: 2021 Winnebago Street (District 6 - Ald. Rummel)

Application Type: Conditional Use

Legistar File ID # 59522

Prepared By: Sydney Prusak, AICP, Planning Division

Report Includes Comments from other City Agencies, as noted

Reviewed By: Kevin Firchow, AICP, Principal Planner

Summary

Applicant, Contact

& Property Owner: Peter Kursel, Datcha House, LLC; 2188 Heywood Circle; Fitchburg, WI 53575

Requested Action: The applicant requests approval of a conditional use to allow limited production and processing of coffee and baked goods in a restaurant within a mixed-use building on a property zoned Traditional Shopping Street (TSS) at 2021 Winnebago Street.

Proposal Summary: The applicant proposes to establish an onsite coffee roaster and bakery facility with a restaurant in an existing mixed-use building at 2021 Winnebago Street.

Applicable Regulations & Standards: This proposal is subject to the standards for Conditional Uses [MGO §28.183] as MGO §28.067(2) lists *limited production and processing* at a food and related goods sales business as a conditional use in the Traditional Shipping Street (TSS) Zoning District. The Supplemental Regulations [MGO §28.151] contain further regulations for this use.

Review Required By: Plan Commission

Summary Recommendation: If the Plan Commission can find that the approval standards for Conditional Uses are met, then the Planning Division recommends that the Plan Commission **approve** the request to allow limited production and processing for coffee roaster and bakery on a property zoned Traditional Shopping Street (TSS) District at 2021 Winnebago 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 subject site is located on the east side of Winnebago Street between Sutherland Court and S Second Street, near the Atwood Avenue intersection. The site is within Aldermanic District 6 (Ald. Rummel) and the Madison Metropolitan School District.

Existing Conditions and Land Use: The 5,808-square-foot (approximately 0.15-acre) subject parcel contains a 3,588-square-foot multi-tenant commercial building. As proposed, the new facility will occupy a 2,030-square foot tenant space. There is a 1,120-square-foot artist studio located in the back portion of the building. The roastery will occupy 600 square feet over three different rooms and the bakery will occupy 500 square-feet, with the café/restaurant occupying the remaining 930 square feet. There is an existing loading and bicycle parking area located in the rear of the site.



Surrounding Land Use and Zoning:

North: A childcare center and a mix of commercial buildings, zoned Traditional Shopping Street (TSS)

District;

East: A 19-unit apartment building and mixed-use commercial building zoned TSS;

South: A variety of food and beverage establishments, zoned TSS and a mixed-use condominium building,

zoned Planned Development (PD) across Atwood Avenue; and

<u>West</u>: A one-story multi-tenant building and surface parking lot, zoned TSS.

Adopted Land Use Plan: The Comprehensive Plan (2018) recommends Neighborhood Mixed Use (NMU) for the subject property. The Marquette-Schenk-Atwood Neighborhood Plan (1994) does not contain specific land use recommendations for the subject site, but a goal in the plan is to "Continue to support the continuing development of businesses that would be compatible to neighborhood residents and the Madison shopping community. Although the neighborhood encourages new business development, it discourages the future growth in number or size of bars and taverns in the area."

Zoning Summary: The project site is currently zoned Traditional Shopping Street (TSS).

Requirements	Required	Proposed
Front Yard Setback	None	4'4" existing front yard
Side Yard Setback: Where proposed buildings or abutting buildings have window openings in side wall(s) within 6 feet of lot line	One-story: 5"6	0 existing north side yard 7'6" existing south side yard
Rear Yard Setback	The lesser of 20% of lot depth or 20'	4' existing rear yard
Maximum Lot Coverage	85%	97.4% existing lot coverage
Maximum Building Height	3 stories/40'	1 story existing building

Site Design	Required	Proposed	
Number Parking Stalls	Restaurant: 15% of capacity of persons (TBD)	None	(9)
Accessible Stalls	None	None	
Loading	Not required	Existing loading areas	
Number Bike Parking Stalls	Limited production and processing: 1 per 5 employees (2) Restaurant: 5% of capacity of persons (TBD)	4	
Landscaping	Not required	None	(10)(11)
Lighting	Not required	None	
Building Forms	Not required	Existing building	

Other Critical Zoning Items	Barrier Free (ILHR 69); Utility Easements

Table Prepared by Jenny Kirchgatter, 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 Description

The applicant, representing Kin-Kin Coffee Roasters and Madison Chocolate Company, proposes to convert a portion of a mixed-use building into a coffee roastery, bakery, and restaurant/café. According to the submitted materials, 2,050 square-feet of the space will be used as a limited production and processing site for the roastery and bakery, with a separate 930 square-foot café. As proposed, the café will sell coffee, baked goods and other food items, and retail items related to the roastery and bakery. Both the roastery and bakery will have a wholesale component, with shipping occurring in the small off-street loading area in the rear of the site.

According to the letter of intent, roasting will occur two to three times per week from 9:00 a.m. to 3:00 p.m. The bakery will operate three to five times per week between 7:00 a.m. and 3:00 p.m. The proposed hours of operation for the café are 7:00 a.m. to 6:00 p.m. Monday through Saturday and 8:00 a.m. to 5:00 p.m. on Sundays. The applicant stated that the café will have educational opportunities related to specialty coffee, with 12-15 people attending these special events. The proposed exterior changes to the building are minor, including a new accessible entry on the east elevation and new windows on all sides of the building.

According to the applicant, their coffee is roasted at "first crack", which they say produces less exhaust by-products than "second crack" roasting processes. In regards to the bakery, the main products prepared on site will be chocolates and gluten free baked goods.

Project Analysis

This proposal is subject to the standards for Conditional Uses [MGO §28.183] as MGO §28.067(2) lists *limited* production and processing at a food and related goods sales business as a conditional use in the Traditional Shopping Street (TSS) Zoning District. 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.

In regards to the adopted plans, staff believes that this proposal is consistent with the commercial portion of the Neighborhood Mixed Use (NMU) recommendation in the Comprehensive Plan (2018). According to the Plan, "Nonresidential uses in NMU areas typically focus on serving nearby residents, though some buildings may also include specialty businesses, services, or civic uses that attract customers from a wider area." The Planning Division believes that this proposal fits into the specialty business category that can serve both nearby residents and those coming to the area for the coffee experience. Further, a goal in the Marquette-Schenk-Atwood Neighborhood Plan (1994) is to "Continue to support the continuing development of businesses that would be compatible to neighborhood residents and the Madison shopping community." Staff believes that the proposed facility and auxiliary restaurant/café is generally compatible with the neighborhood and greater Madison community.

Conditional Use Approval Standard #16 specifically relates to the proposed uses and states that, "When applying the above standards to an application for limited production and processing use, the Plan Commission shall consider the effect of such a use on the surrounding properties, including the effects of odors, noise, vibration, glare, hours of operation, and other potential side effects of a manufacturing process." The Planning Division believes that the bakery aspect of this proposal will have limited effects on surrounding properties. Additional detail is given to the roastery aspect of this request, as there may be potential impacts on surrounding properties.

The applicant provided information in their letter of intent, which details their roasting process and the potential odor by-products that can occur from roasting. The letter references the fact that they are a "first crack" roaster,

which they say produces milder odor by-products than traditional "second crack" roasters. While the exact odor from the roastery cannot be predicted by Planning Staff, specific conditions of approval can limit the potential impacts on surrounding properties.

Considering surrounding land uses, the properties immediately adjacent to the site are listed as commercial businesses according to the City Assessor's data. However, there are a significant amount of residential units along Atwood Avenue and further northeast along Winnebago Street and Rusk Street, with the closest measuring at approximately 35 feet from the property line. Staff also notes that there is a child care facility across the Winnebago Street, which may experience greater impacts than other commercial or institutional uses. The applicant provided graphics depicting the amount of residential properties in proximity to the proposed use in comparison to other roasting and limited production and processing facilities in the City. While helpful, staff notes that the graphics refer to the number of residential buildings and not the number of residential units. The graphics do not show how many units are located in the nearby apartments or mixed-use buildings. Further, staff does not believe that adjacent properties should be compared on the basis of single-family versus multi-family occupancy.

The Planning Division believes that one way to minimize impacts is by limiting hours of operation for the roaster. Staff does not believe that the proposed uses will result in significant noise, vibration, or glare on surrounding properties. According to the letter of intent, roasting will occur two to three times per week from 9:00 a.m. to 3:00 p.m., currently scheduled for Mondays and Thursdays. The bakery will operate three to five times per week between 7:00 a.m. and 3:00 p.m. Staff believes that the proposed hours of operation would limit impacts and are in keeping with the hours of operation for other limited production and processing facilities in the City. The Planning Division recommends a condition of approval prohibiting roasting on Saturdays and Sundays. The Director of the Planning Division may consider a minor alteration to expand the hours and days of the week that roasting occurs in the future, following a recommendation by the District Alder. While there are residential uses to the east and south, staff believes that this standard can be found met given the scale and proposed hours of operation for both the bakery and roastery.

Supplemental Regulations

MGO §28.151 contains further regulation for limited production and processing. In addition to being compatible with adjacent nonindustrial uses, all such uses must be accompanied by a retail component. The retail and café area in the space selling coffee and baked goods fulfills this requirement. Any change in the use, either changing the product being produced or the intensity with which it is produced and processed, will require a conditional use alteration.

Public Input

At the time of report writing, Staff received two letters of support from neighbors a letter of support from the Schenk-Atwood-Starkweather-Yahara (SASY) Neighborhood Association, which are included in the Plan Commission materials. The SASY letter states that it does not think the proposed operation will negatively impact the surrounding area, and that the café will be an excellent addition to the neighborhood.

Conclusion

The Planning Division notes that the Plan Commission denied a similar request in 2016 for limited production and processing in the TSS Zoning District for a coffee roaster on S Park Street (<u>Legistar #41731</u>). In making their finding, the Plan Commission cited that Approval Standards 1, 3, 4, and 16 were not met. Given these circumstances, the Planning Division requests that the Plan Commission carefully consider the Standards of Approval in making their

motion and subsequent action. As for the current request before the Plan Commission, staff notes that this proposal has different operators with different products, and that the impacts of both facilities are not necessarily comparable.

The Planning Division anticipates that if well-managed, it is possible that the proposed limited production and processing facility would not result in significant impacts to the surrounding properties. While all of the potential impacts are not known, staff believes that the proposed limited production and processing operation can be found to meet the Conditional Use Approval Standards. While there is dense residential development near the subject site, staff notes that Winnebago Street and Atwood Avenue are neighborhood commercial corridors, with a variety of commercial and service businesses. If the Plan Commission chooses to add additional conditions of approval to limit impacts, Planning and Zoning staff discourage the Commission from attempting to regulate the proposed conditional use with conditions that rely on uncontrollable variables, such as weather conditions, which will be very difficult to enforce and will create an environment of uncertainty for the stakeholders involved.

Furthermore, 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 Section 28.183(9)(d).

Recommendation

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

If the Plan Commission can find that the approval standards for Conditional Uses are met, then the Planning Division recommends that the Plan Commission **approve** the request to allow limited production and processing at a food sales business at a property zoned Traditional Shopping Street (TSS) Zoning District at 2021 Winnebago Street. These requests are 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

- 1. That the actual roasting of coffee only be permitted from 9:00 a.m. to 3:00 p.m. (consistent with the proposed hours) Monday through Friday and exclusive of City holidays. No roasting is allowed on Saturday or Sunday. This condition does not prohibit the applicant's activities to prepare for roasting, or for the non-roasting aspects of the coffee production, including the packaging and handling of products before or after they are roasted. Any change of hours or days for roasting shall require approval of a conditional use alteration.
- That no change in the coffee roasting equipment to increase roasting capacity shall be allowed unless
 approved by the Plan Commission following a public hearing. Modifications to equipment to improve exhaust
 quality may be considered as minor alterations by the Director of the Planning Division following a
 recommendation by the District Alder.

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

3. The applicant shall submit one contiguous plan showing proposed conditions and one contiguous plan showing existing conditions for approval. The plan drawings shall be scaled to 1" = 20' and include the following, when applicable: existing and proposed property lines; parcel addresses; all easements; vision triangles; pavement

markings; signing; building placement; items in the terrace such as signs, street light poles, hydrants; surface types such as asphalt, concrete, grass, sidewalk; driveway approaches, including those adjacent to and across street from the project lot location; parking stall dimensions, including two (2) feet of vehicle overhang; drive aisle dimensions; semitrailer movement and vehicle route s; dimensions of radii; and percent of slope.

- 4. The City Traffic Engineer may require public signing and marking related to the development; the Developer shall be financially responsible for such signing and marking.
- 5. The Developer shall post a security deposit prior to the start of development. In the event that modifications need to be made to any City owned and/or maintained traffic signals, street lighting, signing, pavement marking and conduit/handholes, the Developer shall reimburse the City for all associated costs including engineering, labor and materials for both temporary and permanent installations.
- 6. All bicycle parking adjacent pedestrian walkways shall have a 2 foot buffer zone to accommodate irregularly parked bicycles and/or bicycle trailers.
- 7. Developer shall provide a recorded copy of any joint driveway ingress/egress and crossing easements and shall be noted on face of plan.

Zoning (Contact Jenny Kirchgatter, (608) 266-4569)

- 8. Any change in the limited production and processing uses (coffee roasting and bakery), either through changing the product being produced or the intensity with which the product is produced and processed, requires a conditional use alteration pursuant to Sec. 28.183(8).
- 9. Vehicle parking is required for the restaurant (café). The vehicle parking requirement is a minimum number of stalls equal to 15 percent of capacity of persons. For non-residential uses, the applicant may reduce the parking requirement by the greater of (5) parking spaces or ten percent (10%) of the required parking. A further reduction of up to 20 spaces may be approved by the Zoning Administrator. Work with Zoning staff to determine the vehicle parking requirement and to submit the request for a parking reduction.
- 10. Show the refuse disposal area on the site plan. All developments, except single family and two family developments, shall provide a refuse disposal area. If the refuse disposal area is located outside the building, it shall be screened on four (4) sides (including a gate for access) by a solid, commercial-grade wood fence, wall, or equivalent material with a minimum height of six (6) feet and not greater than eight (8) feet. Submit a detail of the trash enclosure if provided outside the building. Note that City issued trash containers are not required to be screened.
- 11. Verify whether rooftop or ground level mechanical equipment is proposed. All rooftop and ground level mechanical equipment and utilities shall be fully screened from view from any street or residential district per Section 28.142(9)(d). Provide screening details if new rooftop or ground level mechanical equipment is proposed.
- 12. Per Section 28.186(4)(b), the property owner or operator is required to bring the property into compliance with all elements of the approved site plans by the date established by the Zoning Administrator as part of the site and building plan approval. Work with Zoning staff to establish a final site compliance date.
- 13. Signage approvals are not granted by the Plan Commission. Signage must be reviewed for compliance with

Chapter 31 Sign Codes of the Madison General Ordinances. Signage permits are issued by the Zoning Section of the Department of Planning and Community and Economic Development.

City Forestry (Contact Bradley Hofmann, (608) 267-4908)

- 14. An existing inventory of trees (location, species, & DBH) and any tree removal plans (in PDF format) shall be submitted to the plans and Brad Hofmann bhofmann@cityofmadison.com or 266-4816. All proposed street tree removals within the right of way shall be reviewed by City Forestry. Approval and permitting of street tree removals shall be obtained from the City Forester prior to the approval of the site plan.
- 15. Existing street trees shall be protected. Please include the following note on the site plan: Contractor shall install tree protection fencing in the area between the curb and sidewalk and extend it at least 5 feet from both sides of the tree along the length of the terrace. No excavation is permitted within 5 feet of the outside edge of a tree trunk. If excavation within 5 feet of any tree is necessary, contractor shall contact City Forestry (266- 4816) prior to excavation to assess the impact to the tree and root system. Tree pruning shall be coordinated with City Forestry prior to the start of construction. Tree protection specifications can be found in section 107.13 of City of Madison Standard Specifications for Public Works Construction http://www.cityofmadison.com/business/pw/documents/StdSpecs/2018/Part1.pdf. Any tree removals that are required for construction after the development plan is approved will require at least a 72 hour wait period before a tree removal permit can be issued by Forestry, to notify the Alder of the change in the tree plan.

Engineering Division – Mapping Section (Contact Jeffery Quamme, (608) 266-4097)

16. Revise the label of the shared driveway to Joint Driveway Easement per Document No 70663.