# PLANNING DIVISION STAFF REPORT

March 22, 2021



PREPARED FOR THE PLAN COMMISSION

Project Address:	924 Williamson Street (6 <sup>th</sup> Aldermanic District – Ald. Rummel)	
Application Type:	Conditional Use	
Legistar File ID #:	<u>64093</u>	
Prepared By:	Chris Wells, Planning Division Report Includes Comments from other City Agencies, as noted	
Reviewed By:	Kevin Firchow, AICP, Principal Planner	

## Summary

Applicant:	Mitchell Turino; I/O Arcade Bar; 924 Williamson Street; Madison, WI 53703	
Contact:	Steve Shulfer; Sketchworks Architecture; 7780 Elmwood Avenue, #208; Middleton, WI 53562	
Property Owner:	Chvala Ventures, LLC.; 131 W. Wilson Street. #301; Madison, WI 53703	

**Requested Action:** Approval of a conditional use in the Traditional Shopping Street (TSS) District for indoor recreation with incidental alcohol sales; and a conditional use for a parking reduction of more than 20 automobile spaces and 25 percent or more of the required parking, to allow an existing building to be converted into an arcade bar at 924 Williamson Street.

**Proposal Summary:** The applicant proposes to establish an indoor video arcade (classified as *indoor recreation* by the City's Zoning Administrator) with incidental alcohol sales in a single-tenant building. While 24 automobile parking stalls exist on site, because of the use and proposed 300-person capacity, a 21-stall parking reduction is required and is therefore being requested. No exterior changes are proposed with this application.

**Applicable Regulations & Standards:** This proposal is subject to the Approval Standards for Conditional Uses, MGO §28.183(6)), as Table 28D-2 in MGO §28.061 lists *indoor recreation* as a conditional use in the Traditional Shopping Street (TSS) Zoning District. Additionally, since the proposed building is greater than 10,000 square-feet of floor area (which is occupied by a single tenant), the exception listed for the TSS District per Table 28I-2. *Districts With No Minimum Automobile Parking Requirements; Exceptions* in MGO §28.141(3) is met. Therefore, Table 28I-4. *Minimum Parking Adjustments/Reductions* in MGO §28.141(5) states that parking reductions greater than 20 automobile spaces and 25 percent or more of the required parking, requires conditional use approval. Finally, the Supplemental Regulations [MGO §28.151] contain further regulations for *indoor recreation*.

### Review Required By: Plan Commission (PC).

**Summary Recommendation:** The Planning Division recommends that the Plan Commission find that the Conditional Use Standards are met and **approve** the requests to allow indoor recreation with incidental alcohol sales and a parking reduction of more than 20 automobile spaces and 25 percent or more of the required parking, to allow an existing building to be converted into an arcade bar at 924 Williamson Street. This recommendation is subject to input at the public hearing and the conditions recommended by the Planning Division and other reviewing agencies.

## **Background Information**

**Parcel Location:** The subject site is approximately ½-acre in area on the north side of Williamson Street, mid-block between Paterson and Brearly Streets. The site is located in Aldermanic District 6; Madison Metropolitan School District; and the Third Lake Ridge Historic District.

**Existing Conditions and Land Use:** The property is currently developed with a one-story, roughly 12,200-square-foot commercial building occupying the western half of the site and a surface parking lot occupying the eastern. The property is zoned Traditional Shopping Street (TSS).

#### Surrounding Land Use and Zoning:

Northwest: Office buildings; zoned Traditional Shopping Street (TSS);

Northeast: Two-flat residence; zoned TSS;

- Southwest: A multi-tenant commercial building; zoned TSS; and
- Southeast: Across Williamson Street is a restaurant (zoned TSS); and a small mixed-use building and two-family residences zoned TR-V2 (Traditional Residential Varied 2).

Adopted Land Use Plan: The <u>Comprehensive Plan (2018)</u> recommends Neighborhood Mixed-Use uses for the subject site. The <u>Marquette-Schenk-Atwood Neighborhood Plan</u> (1994) identifies the subject site in the *Williamson Street Downtown Commercial (District B)* for which it recommends to "*recruit businesses that serve the downtown worker, outside patrons, and commuters, but also contributes to the vitality of the neighborhood.*" While the geographic reach of the <u>Williamson Street Guidelines (BUILD II Plan)</u> (2004) includes the subject site, because its subject matter solely involves design guidelines for new construction and exterior repairs, it is not relevant to the proposed use.

Requirements	Required	Proposed
Front Yard Setback	None	None
Side Yard Setback: Other cases	None unless needed for access	None
Rear Yard Setback	The lesser of 20% of lot depth or 20'	Existing rear setback
Maximum Lot Coverage	85%	Existing lot coverage
Maximum Building Height	3 stories/ 40'	Two-story existing building

Zoning Summary: The property is zoned Traditional Shopping Street (TSS)

Site Design	Required	Proposed
Number Parking Stalls	Indoor recreation: As determined by Zoning Administrator based on number employees & use characteristics- 15% of capacity of persons (45)	24 (See Comment #2)
Accessible Stalls	Yes	2 (See Comment #3)
Loading	Not required	None
Number Bike Parking Stalls	Indoor recreation: 5% of the capacity of persons (15)	16
Landscaping and Screening	Not required	Existing landscaping
Lighting	Not required	Existing lighting
Building Forms	Not required	Existing building
Other Critical Zoning Items:	Historic District (Third Lake Historic District	); Barrier Free (ILHR 69); Utility Easements

Tables Prepared Jenny Kirchgatter, Assistant Zoning Administrator

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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.

## **Related Approvals**

On February 2, 2021, the Common Council approved a request (Legistar ID #<u>63494</u>) for a Class B Combination Liquor & Beer license for the I/O Arcade with the following conditions: 1) Amplified sound restricted to 60 db limit at the property line; 2) Establishment shall close by midnight Sunday through Thursday; 3) Capacity is the lesser of 300 or as determined by Building Inspection; 4) The sale of alcoholic beverages shall account for 75% or less of the establishment's gross receipts; 5) Food served until 90 minutes before closing; 6) Promote use of outdoor designated smoking patio on side of building

Previously, the subject site received multiple approvals related to a parking-stall reduction to establish a restaurant/bar and nightclub. This included the following:

- On March 9, 2009, the Plan Commission approved a 58-stall parking reduction to allow establishment of a restaurant / bar in an existing building. (Legistar ID #<u>13882</u>)
- On April 26, 2010, the Plan Commission approved major alteration to an approved conditional use to allow for an additional parking reduction and the addition of an outdoor eating area for a nightclub at 924 Williamson Street. 6th Ald. Dist. (Legistar ID #<u>17824</u>)
- On May 16, 2011, the Plan Commission approved a major conditional use alteration to an approved conditional use to expand existing parking lot for nightclub to create seven additional parking stalls. (Legistar ID #21979)

## **Project Description**

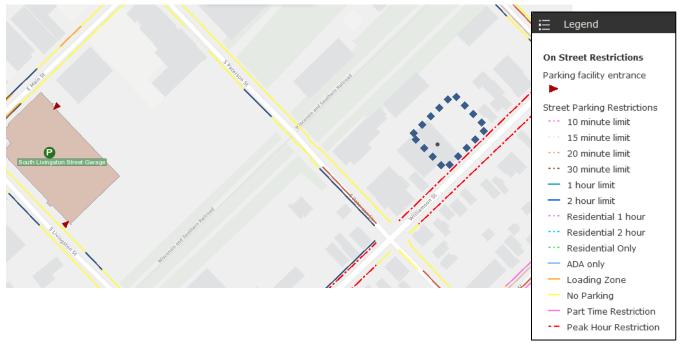
The applicant proposes to establish indoor video arcade (which is classified as *indoor recreation* by the Zoning Administrator) with incidental alcohol sales, within an existing two-story, single-tenant commercial building. The building is the former location of the Prism / Plan B night club and, according to submitted materials, has been the location of a bar for the preceding 11 years. According to the submitted materials, the applicant will be the building's sole tenant and occupy the entire roughly 6,550-square-foot first floor. While the vast majority of the space will be occupied with arcade games, as part of the interior build out, the applicant will provide a small bar area that will serve alcoholic beverages. Given that alcohol sales will be a small percentage of total sales, the Zoning Administrator has deemed this use incidental to the indoor recreation. Note that *incidental alcohol sales* are a permitted use in the Traditional Shopping Street (TSS) District.

The applicant also requests approval of an automobile parking stall reduction as the size of the existing building is roughly 12,200 square-feet and the minimum parking requirement applies to "buildings, uses or additions exceeding 10,000 sq. ft. in floor area for an individual establishment in the TSS district." Regarding the required number of automobile parking spaces to be provided on site, the City's Zoning Code requires "indoor recreation" to provide the number of parking spaces "as determined by the Zoning Administrator (number employee & use characteristics)." Accepting the 300-person capacity recommendation made by the Alcohol License Review Committee (ALRC), and approved by the Common Council for this establishment, the Zoning Administrator has determined that automobile parking shall be provided on-site equal to 15-percent of the building's capacity. This works out to 45 required stalls on site. The existing parking lot provides 24 stalls which leaves a required reduction of 21 stalls. Because this reduction is greater than 20 stalls and exceeds 25% of the required off-street parking (per Table 28I-4. *Minimum Parking Adjustments/Reductions* in MGO §28.141(5)), conditional use approval is required.

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In justifying the 21-stall parking reduction, the applicant notes the viable alternatives to driving that are available nearby. First, they anticipate significant use of rideshare services like Uber and Lyft since they saw similar use at their old location, just down the street at 700 Williamson Street. Second, heavy bicycle use is also anticipated since many of the nearby roads either have bicycle accommodations or else are bicycle-friendly and the Capital City Bike Trail, one of the City's most heavily-used off-street cycle tracks, is located just to the north of the site. Sixteen bicycle stalls are located on site, which is one more than required by the Zoning Code. It should also be noted that Madison Sourdough, which is located immediately to the west, has 10 bicycle stalls located adjacent the public sidewalk. As Madison Sourdough closes daily at 3:00pm, there is very little overlap with the hours of the Arcade Bar and one can therefore assume that these stalls will be available during off-hours. Third, Metro transit is another very viable option as there is all-day Metro service with 30-minute headways in both directions provided along Jenifer Street, with the nearest stop located one block south of the subject site at the intersection with S. Brearly Street.

Finally, regarding off-site automobile parking options, on-street parking along Williamson Street exists in both directions during the proposed business hours, except along the outbound direction daily from 4:00 to 5:30pm. While there is limited parking available along the side streets, the City's S. Livingston Street garage, which offers 50 stalls to the public at all times and all 600 stalls on weekday evenings after 6:00 PM and on weekends, is located just a 1/3-mile walk to the northwest. (see the image below)



According to the letter of intent, no exterior changes and only minor interior changes are proposed with this application. The applicant indicates there will be an estimated 20 employees on staff, however, the letter does not specify how many are expected to work per shift. It also notes that low-level music will be played within the bar and that there are no plans for live music. Regarding the proposed hours of operation, which have been updated to be consistent with those approved for their liquor license, they will be: Monday through Thursday, 4:00pm to 12:00am; Friday, 4:00pm to 2:30am; Saturday, 11:00am to 2:30am; and Sunday, 11:00am to 12:00am.

Staff also note that the Secretary of the Landmarks Commission has reviewed this proposal, since it is located within the Third Lake Historic District, and does not have concerns given the fact that they are not proposing any exterior changes to the building.

## **Analysis and Conclusion**

This proposal is subject to the Approval Standards for Conditional Uses, MGO §28.183(6)), as Table 28D-2 in MGO §28.061 lists *indoor recreation* as a conditional use in the Traditional Shopping Street (TSS) Zoning District. Additionally, since the proposed building is greater than 10,000 square-feet of floor area (which is occupied by a single tenant), the exception listed for the TSS District per Table 28I-2. *Districts With No Minimum Automobile Parking Requirements; Exceptions* in MGO §28.141(3) is met. Therefore, Table 28I-4. *Minimum Parking Adjustments/Reductions* in MGO §28.141(5) states that parking reductions greater than 20 automobile spaces and 25 percent or more of the required parking, requires conditional use approval. Finally, the Supplemental Regulations [MGO §28.151] contain further regulations for *indoor recreation*.

### **Conformance with Adopted Plans**

Regarding adopted plan recommendations, Staff believes that this proposal is generally compatible with the <u>Comprehensive Plan (2018)</u>, which recommends Neighborhood Mixed-Use (NMU) uses for the subject site. The Plan describes NMU areas as including residential uses, as well as retail, restaurant, service, institutional, and civic uses primarily serving nearby residents. Staff also believe it to be compatible with the <u>Marquette-Schenk-Atwood</u> <u>Neighborhood Plan</u> (1994) which identifies the subject site in the *Williamson Street Downtown Commercial* (*District B*) for which it recommends to "recruit businesses that serve the downtown worker, outside patrons, and commuters, but also contributes to the vitality of the neighborhood." Finally staff note that while the geographic reach of the <u>Williamson Street Guidelines (BUILD II Plan)</u> (2004) includes the subject site, because its subject matter solely involves design guidelines for new construction and exterior repairs, it is not relevant to the proposed use.

#### **Conditional Use Standards**

The conditional use approval standards state that the Plan Commission shall not approve a conditional use without due consideration of the City's adopted plan recommendations, design guidelines, supplemental regulations, and finding that all of the conditional use standards of MGO §28.183(6) are met. Please note, recent changes to state law requires that conditional use findings must be based on "substantial evidence" that directly pertains to each standard and not based on personal preference or speculation.

The Planning Division anticipates that if well-managed, the proposed indoor recreational use (arcade bar) should not result in significant negative impacts to the surrounding properties. Factors such as the indoor nature of the use; the on-site automobile and bicycle parking; the viable bicycling and metro infrastructure located within a block of the subject site; the plans to have only low-level music playing within the bar; and the various conditions associated with their approved liquor license, including a sound restriction (*amplified sound restricted to 60 db limit at the property line*), and requirement that the establishment shall promote the use of outdoor designated smoking patio on side of building, Staff believe the Plan Commission can find the conditional use standards met and therefore recommends that it be approved.

Regarding the parking reduction, as described in the previous section, staff note the viable bicycling and metro infrastructure options located within a block of the subject site, the on-street parking available along Williamson Street, and the 600-stall public parking ramp located within a 0.3-mile walk. Staff also note that while a 21-stall parking reduction is needed, the conditional use review is only triggered because the request is one more than the number which can be reduced by the Zoning Administrator (i.e. 20 stalls). Staff note that a 58-stall parking reduction was previously approved for the previous night club use. As staff believe the aforementioned alternative

transportation options and additional automobile parking available nearby will mitigate the parking concerns, Staff believe it possible for the Plan Commission to find the conditional use standards met and approval the request for the reduction of the one additional stall.

Finally, if approved, the Plan Commission retains continuing jurisdiction over both conditional uses, meaning that should complaints be filed, the Plan Commission could take further action on either, as allowed in MGO Section 28.183(9)(d).

### **Supplemental Regulations for Indoor Recreation**

Indoor Recreation is also subject to the Supplemental Regulations of M.G.O. §28.151. The lone supplemental regulation for this use is the following:

In the NMX and TSS Districts, the facility shall be located at least fifty (50) feet from the boundary of any residential use or district.

The Planning Division believes the supplemental regulation listed above is satisfied by the proposal as the nearest residentially zoned property, located to the south across Williamson Street, is roughly 65 feet away.

### **Public Input**

At the time of report writing, staff has not received any comments on the proposed request.

### Conclusion

Staff do not believe either the proposed indoor recreational use (arcade bar) or the 21-stall automobile parking reduction will result in significant negative impacts to the surrounding properties. Therefore. Staff believe the conditional use approval standards are met with this proposal and recommend approval by the Plan Commission.

## Recommendation

### Planning Division Recommendation (Contact Chris Wells, (608) 261-9135)

The Planning Division recommends that the Plan Commission find that the Conditional Use Standards are met and **approve** the request to allow indoor recreation with incidental alcohol sales and a parking reduction on a property zoned Traditional Shopping Street (TSS) at 924 Williamson Street. This recommendation is subject to input at the public hearing and the conditions recommended by the Planning Division and other reviewing agencies.

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

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

1. LOI indicates an office on the second floor. Provide a second floor schematic. Submit a Floor Plan in PDF format to Lori Zenchenko (<u>Izenchenko@cityofmadison.com</u>) that includes a floor plan for each floor on a separate sheet for the development of a complete interior addressing plan. The Addressing Plan for the entire project shall be finalized and approved by Engineering (with consultation and consent from the Fire Marshal if needed) prior to the application submittal for the final Site Plan Approval with Zoning. The approved Addressing Plan shall be included in the final application.

For any changes pertaining to the location, deletion or addition of a unit, or to the location of a unit entrance, (before, during, or after construction), a revised Address Plan shall be resubmitted to Lori Zenchenko to review addresses that may need to be changed and/or reapproved. The final revised Addressing Plan shall be submitted by the applicant to Zoning to be attached to the final filed approved site plans.

## Zoning (Contact Jenny Kirchgatter, (608) 266-4429)

- 2. The parking lot is only for use by the principal use on the site (the proposed arcade). Parking arrangements with other off-site users must be approved. Submit documentation of any shared parking arrangement or lease of the off-street parking facility to non-users of the principal use for review by Zoning staff.
- 3. Parking requirements for persons with disabilities must comply with Section 28.141(4)(e). The accessible parking stalls need to be located nearest the accessible entrance. The angled parking stalls do not have an accessible aisle for the full depth of the parking stall. Relocate and reconfigure the accessible stalls to meet code compliance.
- 4. 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.
- 5. 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.

## The following agencies have reviewed this request and has recommended no conditions or approval:

Engineering Main Office; Traffic Engineering; Fire Department; Parks Division; Forestry; Water Utility; Metro