PLANNING DIVISION STAFF REPORT

October 18, 2021

PREPARED FOR THE PLAN COMMISSION

Project Address: 1501 Monroe Street

Application Type: Conditional Use

Legistar File ID # 67279

Prepared By: Timothy M. Parks, Planning Division

Report includes comments from other City agencies, as noted.

Summary

Applicant: Dan Seeley, Steve Brown Apartments; 120 W Gorham Street; Madison.

Property Owner: Michael Erikson, Red Hospitality, LLC; 1501 Monroe Street; Madison.

Requested Action: Consideration of a conditional use in the Traditional Shopping Street (TSS) District for a mixed-use building containing more than 48 dwelling units to allow a hotel to be converted into a mixed-use building containing 3,000 square feet of commercial space and 50 apartments.

Proposal Summary: The applicant is requesting approval of a conditional use to convert the former Hotel RED into a mixed-use building with approximately 3,000 square feet of first floor commercial space and 50 apartments. Conversion of the building into commercial and multi-family will commence this winter, with completion anticipated in spring 2022.

Applicable Regulations & Standards: Table 28D-2 in Section 28.061 and Section 28.151 of the Zoning Code identify mixed-use buildings with greater than 48 dwelling units in the TSS (Traditional Shopping Street) zoning district as a conditional use. Section 28.183 of the Zoning Code provides the process and standards for the approval of conditional use permits, including major alterations.

Review Required By: Plan Commission.

Summary Recommendation: The Planning Division recommends that the Plan Commission find the standards met and **approve** a conditional use to convert a hotel at 1501 Monroe Street into a mixed-use building with 50 dwelling units subject to input at the public hearing and the conditions from reviewing agencies beginning on page 5 of this report.

Background Information

Parcel Location: An approximately 0.44-acre site generally located at the southeasterly corner of Monroe and Regent Streets, Aldermanic District 13 (Evers); Madison Metropolitan School District.

Existing Conditions and Land Use: The existing four-story, 48-room Hotel RED, zoned TSS (Traditional Shopping Street District).

Surrounding Land Uses and Zoning:

North: University of Wisconsin Field House and Camp Randall Stadium, zoned PD;



<u>South</u>: Madison Chinese Christian Church, single- and two-family residences along Madison Street, zoned TR-C4 (Traditional Residential–Consistent 4 District);

<u>West</u>: Stadium Takeout, Don the Barber, Mickie's Dairy Bar on southerly side of Monroe Street; Crazylegs Lane open space on northwesterly side of Monroe Street, all zoned TSS (Traditional Shopping Street District);

<u>East</u>: The Regent Apartments northeast across Regent Street, and various commercial business along the south side Regent Street east of Madison Street, all zoned TSS.

Adopted Land Use Plans: The 2018 <u>Comprehensive Plan</u> identifies the subject site for Community Mixed-Use, while other nearby properties on the south sides of Monroe Street and Regent Street are recommended for Neighborhood Mixed-Use development.

The site is also included in Area #3 of the 2007 Monroe Street Commercial District Plan, which includes detailed development recommendations for each blockface along Monroe Street from Regent Street to Glenway Street, including urban design recommendations for building placement, height and articulation. The plan recommends mixed-use redevelopment for the Monroe Street blockface bounded by Oakland Avenue on the west and Regent Street on the east with two- to four-story buildings. The plan includes the opportunity for a projecting or tower-type element at the Regent Street intersection.

Finally, the subject site is also located within the limits of the 2008 Regent Street/South Campus Neighborhood Plan, which guides redevelopment activities along Regent Street from Breese Terrace to East Campus Mall. The plan incorporates the recommendations contained in the 2006 Comprehensive Plan for land use and those contained in the Monroe Street Commercial District Plan for building height for the subject site.

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

	Requirements	Required	Proposed
Lot Area (sq. ft.)		None	19,517 sq. ft.
	Lot Width	None	170′
	Front Yard	5′	Existing, no change
	Side Yards	6′	Existing, no change
	Rear Yard	20'	Existing, no change
	Usable Open Space	40 sq. ft. per unit = 2,000 sq. ft.	See Zoning conditions
Maximum Lot Coverage		85%	Existing, no change
Maximum Building Height		3 stories/ 40'	Existing, no change
Auto Parking		58	59
Accessible Stalls		3	3
Bike Parking		57	75 (See Zoning conditions)
Loading		None	0
Building Forms		Commercial Block Building	Existing, no change
Other	Critical Zoning Items		
Yes:	Barrier Free, Utility Easements, Wellhead Protection (WP-27)		
No:	Urban Design, Floodplain, Landmarks, Waterfront Development, Adjacent to Park		
		Prepared by: Jacob Mos	kowitz, Assistant Zoning Administrato

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

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

Previous Approvals and Requests

On May 5, 2008, the Plan Commission approved a demolition permit to allow two commercial buildings located at 1501-1509 Monroe Street to be razed and a <u>four</u>-story, 48-room hotel to be constructed. That approval included, among other conditions, the prohibition of beer gardens and a requirement that changes to the approved plans or operations, as well as complaints against said plans or operations, shall be subject to the conditional use procedures in Sec. 28.12(11)(h) and (i) of the [1966] Zoning Code. Following an appeal of the Plan Commission decision by the district alder, the Common Council upheld the Plan Commission approval on June 3, 2008 and added a condition that the deed restriction be reviewed by the Plan Commission and recorded prior to issuance of permits to ensure that it reflected all of the project elements presented in the Plan Commission public hearing and to clarify the enforcement mechanism in the restriction. The Plan Commission approved the restrictive covenant for the hotel on June 16, 2008. [At the time of approval, hotels and motels up to 40,000 square feet of gross floor area were permitted uses in the C2-General Commercial and C3-Highway Commercial zoning of the site under the 1966 Zoning Code.]

Previously on December 17, 2007, the Plan Commission placed on file a demolition permit to construct a <u>five</u>-story, 48-room hotel on the subject site. In so doing, the Plan Commission found that the proposal did not meet the standards for approval, stating that the project did not comply with demolition standard that both the requested demolition and the proposed use be compatible with the purpose of [the demolition permit] section and the intent and purpose expressed in the Zoning Code for the zoning district in which the property is located [then C2-General Commercial and C3-Highway Commercial zoning]. The Plan Commission expressed concerns about the proposed demolition and proposed hotel use of the subject property would have on the normal and orderly development and improvement of surrounding properties..." The Plan Commission cited the nature of the proposed use and the concerns about it being detrimental to the neighborhood and stated that they did not believe the hotel met the recommendations of the <u>Monroe Street Commercial District Plan</u> in regard to the scale, height and setback or the <u>Comprehensive Plan</u> in regard to scale.

On October 17, 2011, the Plan Commission approved a conditional use to allow a non-accessory beer garden associated with events taking place at Camp Randall Stadium [1966 Zoning Code] and an outdoor eating area for Hotel RED, and also approved amendments to the restrictive covenant approved for the hotel in 2008.

On March 20, 2017, the Plan Commission placed on file without prejudice a request for conditional use approval to construct a four-story addition to the hotel with up to 57 additional rooms and eighth floor event and lounge space. In placing the four-story addition on file, the Commission specifically stated that standards #9 and 12 were not met, concluding that the four-story addition to create an eight-story building would not create an environment of sustained aesthetic desirability compatible with the intended character of the area as recommended by the Comprehensive Plan and the Monroe Street Commercial District Plan, that the height of the eight-story building would be out of scale with adjoining streets, alleys, and public rights of ways; and that the public interest in exceeding the TSS district height limits was not met.

On August 14, 2017, the Plan Commission found the standards met and conditionally approved a major alteration to an approved conditional use to construct a three-story addition to the four-story hotel, including approval of

an additional outdoor eating area. However, permits for the hotel addition were not obtained within the time provided by the Zoning Code, and the 2017 approval has expired.

Project Description

The applicant is seeking Plan Commission approval to convert the four-story Hotel RED at 1501 Monroe Street into a mixed-use building containing approximately 3,000 square feet of first floor commercial space and 50 apartments. The 48-room hotel closed at the beginning of the COVID-19 pandemic in March 2020 and has not reopened; the building is currently for sale.

In addition to the 48 guest rooms, the hotel contains a restaurant-tavern, lobby, and guest services spaces on the first floor. The applicant plans to convert the 48 guest rooms on floors 2-4 into apartments, while reconfiguring the first floor to create the approximately 3,000 square-foot commercial space in the same general location as the former restaurant-tavern space on the southwesterly portion of the floor. The commercial space will have a separate entrance from the ground floor plaza adjacent to Monroe Street, with a demising wall to be added in the lobby to separate the commercial space from the residential lobby. At the rear of the first floor, two one-bedroom apartments will be added, which will require the addition of windows for the dwelling units along the southeasterly rear wall overlooking the parking court and public alley. In all, the mixed-use building will contain 42 studios, five one-bedroom apartments, and three two-bedroom apartments. Other than the reconfiguration of the first floor and addition of windows along the rear wall, modifications to the existing building will be limited primarily to modifying the former guest rooms to reflect a more standard apartment configuration.

Parking for the building will be provided in 59 automobile stalls on the two existing parking levels located below the first floor, maintaining the current layout of open air parking at the grade of the alley (26 spaces), and 33 stalls on an underground level, including in eight tandem parking stalls (the lower parking level had been for valet use only during the hotel's operation). Seventy-five (75) bike parking stalls will be provided in and around the building.

Analysis and Conclusion

Mixed-use buildings with greater than 48 dwelling units are a conditional use in the TSS zoning district. The Plan Commission may not approve a conditional use unless it can find that all of the standards found in Section 28.183(6)(a), Approval Standards for Conditional Uses, are met. That section states: "The City Plan Commission shall not approve a conditional use without due consideration of the recommendations in the City of Madison Comprehensive Plan and any applicable, neighborhood, neighborhood development, or special area plan, including design guidelines adopted as supplements to these plans. No application for a conditional use shall be granted by the Plan Commission unless it finds that all of the following conditions are present."

The Planning Division believes that the conditional use standards are met to allow the existing four-story hotel to be converted into a mixed-use building. The proposed mixed-use building will be consistent with the recommendations for the site in the <u>Comprehensive Plan</u>, <u>Monroe Street Commercial District Plan</u>, and <u>Regent Street/ South Campus Neighborhood Plan</u>, all of which call for mixed-use development of varying intensity along Monroe Street and Regent Street. Staff has no information to suggest that the proposed use will have a negative impact on the uses, values, and enjoyment or normal and orderly development of surrounding properties, and have received no comments from reviewing agencies to suggest that the conversion to residential and commercial use will have an undue impact on the City's ability to provide services to the site.

Recommendation

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

The Planning Division recommends that the Plan Commission find the standards met and **approve** a conditional use to convert a hotel at 1501 Monroe Street into a mixed-use building with 50 dwelling units subject to input at the public hearing and the following conditions:

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

Planning Division

- 1. The applicant shall submit a revised plan for the first floor that clearly identifies the commercial space and residential tenant spaces, including the total square-footage of the floor and the final square-footage of the commercial space.
- 2. Revise Sheet C100 to include the full extents of the building footprint and upper parking level.
- 3. Provide a note for Planning and Zoning staff approval on Sheet C101 outlining the operation of the lower parking level, particularly the use and operation of the eight tandem automobile parking stalls.
- 4. Provide a project data table on the coversheet that includes the number of dwelling units proposed by type, the number and type of automobile and bike parking spaces to be provided, and the amount of usable open space. [A separate sheet showing how the usable open space requirements are being met may be needed to meet this condition.]
- 5. The applicant shall work with Planning and Zoning staff prior to issuance of building or occupancy permits for the conversion to residential/ commercial use to release the restrictive covenant on the property governing the former hotel use.

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

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

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

6. Submit a floorplan in PDF format to Lori Zenchenko (Izenchenko@cityofmadison.com) that includes a floorplan for each floor on a separate sheet for the review and 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 verification review submittal for this application with Zoning. The approved Addressing Plan shall be included in said final submittal. 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 added, changed and/or reapproved.

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

7. The applicant shall submit one contiguous plan for approval showing proposed conditions and one contiguous plan showing existing conditions. The plan drawing shall be scaled to 1" = 20' and include the following, when applicable: existing and proposed property lines; parcel addresses; all easements; 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 2 feet of vehicle overhang; drive aisle dimensions; semitrailer movement and vehicle routes; dimensions of radii; and percent of slope.

- 8. 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.
- 9. 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.
- 10. All parking facility design shall conform to the standards in MGO Section 10.08(6).
- 11. Per Section MGO 12.138 (14), this project is not eligible for residential parking permits. It is recommended that this prohibition be noted in the leases for the residential units.
- 12. "Stop" signs shall be installed at a height of seven (7) feet from the bottom of the sign at all Class III driveway approaches, including existing driveways, behind the property line and noted on the plan. All directional/regulatory signage and pavement markings on the site shall be shown and noted on the plan.

Zoning Administrator (Contact Jacob Moskowitz, 266-4650)

- 13. Clearly show the useable open space areas on the final plans. In addition to showing structured useable open space at balconies or rooftop areas, identify each qualifying at-grade usable open space area on the final plans. Roof decks and balconies may be used to meet up to seventy-five percent (75%) of the minimum open space requirement, provided that minimum dimensional requirements are satisfied.
- 14. Show the required five-foot bicycle parking access aisle on the plans. Provide a detail of the bicycle rack to be used.
- 15. Exterior lighting provided shall be in accordance with MGO Section 10.085. Provide an exterior lighting plan and fixture cut sheets with the final plan submittal.
- 16. Provide elevations with glass detail consistent with Sec. 28.129 Bird-Safe Glass Requirements. Sec. 28.129 applies only to the added windows.

Fire Department (Contact Bill Sullivan, 261-9658)

- 17. The Building Code change of use from an R-1 Hotel Occupancy to an R-2 Apartment Occupancy will require compliance with the current building and fire codes. Also, allowances for fire sprinkler omissions in R-1 would no longer be applicable. Ensure the fire protection and alarm systems comply with the current codes for Group R-2 occupancies.
- 18. Obtain addressing plan approval from City Engineering.

Water Utility (Contact Jeff Belshaw, 261-9835)

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

Parks Division (Contact Ann Freiwald, 243-2848)

19. Park Impact Fees (comprised of the Park Infrastructure Impact Fee, per MGO Sec. 20.08(2)), and Park-Land Impact Fees, per MGO Sec. 16.23(8)(f) and 20.08(2) will be required for all new residential development associated with this project. Please reference ID# 21032 when contacting Parks Division staff about this project.

Metro Transit (Contact Tim Sobota, 261-4289)

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

Forestry Section (Contact Bradley Hofmann, 267-4908)

- 20. The contractor shall take precautions during construction to not disfigure, scar, or impair the health of any street tree. Contractor shall operate equipment in a manner as to not damage the branches of the street tree(s). This may require using smaller equipment and loading and unloading materials in a designated space away from trees on the construction site. Any damage or injury to existing street trees (either above or below ground) shall be reported immediately to City Forestry at 266-4816. Penalties and remediation shall be required. Add as a note on the plan set.
- 21. As defined by the Section 107.13 of *City of Madison Standard Specifications for Public Works Construction*: No excavation is permitted within 5 feet of the trunk of the street tree or when cutting roots over 3 inches in diameter. If excavation is necessary, the Contractor shall contact Madison City Forestry (266-4816) prior to excavation. City of Madison Forestry personnel shall assess the impact to the tree and to its root system prior to work commencing. Tree protection specifications can be found on the following website: https://www.cityofmadison.com/business/pw/specs.cfm Add as a note on the plan set.
- 22. On this project, street tree protection zone fencing is required. The fencing shall be erected before the demolition, grading or construction begins. The fence shall include the entire width of terrace and, extendat least 5 feet on both sides of the outside edge of the tree trunk. Do not remove the fencing to allow for deliveries or equipment access through the tree protection zone. Add as a note on the plan set.
- 23. Street tree pruning shall be coordinated with Madison Forestry at a minimum of two weeks prior to the start of construction for this project. All pruning shall follow the American National Standards Institute (ANSI) A300 Part 1 Standards for pruning. Add as a note on the plan set.
- 24. Section 107.13(g) of *City of Madison Standard Specifications for Public Works Construction* addresses soil compaction near street trees and shall be followed by Contractor. The storage of parked vehicles, construction equipment, building materials, refuse, excavated spoils or dumping of poisonous materials on or around trees and roots within five (5) feet of the tree or within the protection zone is prohibited. Add as a note on the plan set.
- 25. All proposed street tree removals within the right of way shall be reviewed by City Forestry before the Plan Commission meeting. Street tree removals require approval and a tree removal permit issued by City Forestry. Any street tree removals requested after the development plan is approved by the Plan Commission or the

Board of Public Works and City Forestry will require a minimum of a 72-hour review period which shall include the notification of the alderperson within whose district is affected by the street tree removal(s) prior to a tree removal permit being issued. Add as a note on the plan set.

26. An existing inventory of street trees located within the right of way shall be included on the landscape, site, demo, and utility plans. The inventory shall include the following: location, size (diameter at 4 1/2 feet), and species of existing street trees. The inventory should also note if a street tree is proposed to be removed and the reason for removal.