



City of Madison
Meeting Minutes
Royster Clark Neighborhood
Planning Team Meeting

City of Madison
Madison, WI 53703
www.cityofmadison.com

Wednesday, April 23, 2008

6:30 PM

Pinney Branch Library m
204 Cottage Grove Road

1. Welcome, Introductions and Approval of Minutes

Royster Clark Neighborhood Planning Team Members Present:

Neighborhood Representatives:

Sheila Guilfoyle, Chair RCNPT, Neighborhood Resident-at-large

John Martens, Vice Chair, Neighborhood Resident-at-large

Kris Whitman, Eastmorland Neighborhood Representative

BJ Obermeyer, Lake Edge Neighborhood Alternate

Business Representatives:

Jim Mohrbacher, MG&E Representative

Ken Bowers, Bower Family Chiropractic

Elected Officials

Larry Palm, City of Madison Alderperson

Tom Stoebig, County Board Supervisor

City Planning Staff:

Michael Waidelich, Planning Division

Rebecca Cnare, Planning Division

Heather Stouder, Planning Division

Additional Attendees:

Paul Tesmer, Capitol Warehousing Inc.

Dave Porterfield

1. On a motion by Jim Mohrbacher, seconded by Larry Palm, the meeting minutes from the February 26th, meeting were approved with two small changes by unanimous consent.

- ***The date of the meeting was incorrect.***
- ***The #3 Last Bullet Point needed to be re-worded to the following:*** "The RCNPC were concerned about the nature/design/impact of many types of light industrial/flex space uses and would like additional information on these types of uses. The RCNPT would like to consider higher-quality employment uses. It was also noted that the large site might accommodate more than one use, and it was good to explore several options, at least for now."

2. Public Comment Period

- Paul Tesmer, Capitol Warehousing Inc.
Mr. Tesmer came to the meeting to tell the RCNPT that his business is interested in pursuing development on the Royster Clark Site. Capitol Warehousing is primarily interested in using the rail spurs and existing domes/conveyors to store coal and salt. They would potentially develop the remainder of the site with commercial uses. The rail traffic would be similar to when the fertilizer plant was in use, and he predicted that no more than 1 or 2 trucks would be entering and leaving the site per hour. Mr. Tesmer expressed interest in working with the RCNPT on ideas for the remainder of the site.

Questions from the RCNPT:

1. **Q:** How much of the site would they purchase?
A: All 26 acres.
2. **Q:** Were you involved with the Airport's Foreign trade Zone? Do you currently have other rail spurs? Which rail lines? Are you looking to get Canadian Pacific connections through this site?

A: The Foreign Free Trade Zone (FTZ) has not been activated at the Airport at this time. A FTZ is basically used to address cash flow issues related to warehousing imported goods. Taxes and tariffs are not due until the merchandise or goods actually leave the site. Capitol Warehousing already has Canadian Pacific rail spurs at other sites, with Class One daily service. Wisconsin Southern, which serves the Royster site, is actually part of the regional rail system, and is not Class One service.

3. **Q:** Who are your current customers, and what types of products are stored at your current sites?

A: In our food-grade warehouse facilities, Swiss Colony, Hormel (tomatoes), Ball (empty cans). In other facilities, products include bark for landscape wholesalers and plastic resin beads for local plastics manufacturers)

4. **Q:** Why get the coal off of the Charter Street site? Won't it further contaminate the Royster site?

A: Currently, the coal at Charter Street is stored outside causing contamination; at the Royster site, the coal could be stored inside the domes.

5. **Q:** Would you still clean up the site?

A: Agrium would be responsible for environmental clean-up – perhaps depositing money into an escrow account.

6. **Q:** Do the domes need repair/refurbishment?

A: No, they are in good shape, and we would just use the existing domes.

7. **Q:** Just so you know, the rail issue that you will continue to hear about from the neighborhood is primarily in regard to storage of railroad cars by Wisconsin Southern on the siding adjacent to the Royster site.

8. **Q:** Would the State have to go through an RFP process to hire your company to store their coal?

A: Yes. We haven't even confirmed that the State would be interested in this proposal; we are just exploring ideas at this point.

9. **Q:** Paul, you are listed as the president of Capitol Warehousing. Do you have other investors?

A: Yes, I have over 80% of the business; my former father-in-law has the remaining 20%.

10. **Q:** Do you have any experiencing in developing property other than for warehouse and storage facilities?

A: No, we would need to work with a more experienced team to develop the remainder of the property.

11. **Q:** The RCNPT and City staff seem to be at a disadvantage, as Agrium seems to be interested in talking to potential purchasers/developers about this property, but is not sharing any information with us. To try and be diplomatic, the neighbors are nervous about what can/will happen on the site, and rock-salt and coal storage seems a little scary at first thought. We would like to hear more about your proposal (and others) before making any formal recommendations about what the neighborhoods and City would like to see on his site---which is why we are currently involved in this larger planning process.

A: Thank you for inviting me to come and talk to you today.

3. Market Study Update

Staff said that John Stockham is currently completing the first draft of his market report this week, and the RCNPT will most likely have a lot to talk about at the next meeting.

Larry Palm asked if the market report needed to be adopted/accepted by the common Council. Staff indicated that they weren't certain and would check the contract and report at the next meeting.

Jim Mohrbacher asked if John Stockham could provide a general overview of how feasible housing really is at the next meeting. Staff clarified that Mr. Stockham was hired to analyze and report market feasibility conditions for various types of new development or future uses in the Planning Area---what types of uses might be successful here if they could be developed

on the site, from a market demand perspective. His contact does not include full evaluation of development feasibility that would also consider all of the site conditions and the costs of actually developing those uses on this site---including address of contamination issues, possible need for site grading or filling, and other site-specific factors. Full consideration of development feasibility would have been a much more expensive study, and at this point, it is up to potential developers to investigate and determine site development costs, explore the availability of environmental clean-up funding assistance, or other potential financial tools. As part of his market research, Mr. Stockham has talked to several residential and commercial brokers, developers, and economic development staff, and has formed some preliminary conclusions about the relative development feasibility of some of development, however. Most recently, about some types of flex space/storage employment uses. Depending on the recommendations made regarding desired types of re-uses, additional study of development costs and feasibility still might be considered at a future time.

Tom Stoebig asked if Mr. Stockham had done any additional research on the potential for business incubator types of buildings. Staff indicated that they were unaware of any further investigation of this specific use, but that small, relatively low-cost business spaces generally supported new business development. Incubator facilities often offer additional business-support services as well.

4. Neighborhood Survey Update

- Kris Whitman asked if anybody was interested in forming a small working group to look at correlation in the survey results should contact her. Staff agreed to send out an official e-mail list of everyone on the RCNPT.

5. Site Issues

- Tom Stoebig said he heard that Mike Hershberger, the former interested developer, said that there were wetlands on the site. Staff were not aware of any identified wetlands on the site but would look into it.
- Staff presented information on several site issues:
 - Potential remaining areas with excessive nitrogen levels, and the location and extent of past nitrogen and petroleum contamination remediation efforts
 - Other site characteristics and constraints, including site elevations and grades, existing overhead power lines along the street and railroad connecting to MGE sub-station, existing landscape features, potential stormwater management, water retention/detention needs, etc.
- Kris Whitman suggested that small versions be provided of the maps discussed by staff. Staff responded that, at this time, the maps are very much rough working drafts based on their summarization of very extensive DNR/DATCP files, and they preferred not to make copies available until there was an opportunity to confirm the maps' general accuracy with DNR and DATCP staff. Staff will provide copies of the maps once the data are reviewed and confirmed.

6. Discussion of Emerging Issues and Alternatives

Staff presented several very preliminary ideas and sketch maps illustrating some alternative potential development schemes that provide a broad picture of what different types of development could look like on the site, and how the development could be connected to the surrounding street network and other public infrastructure. The concepts were based upon initial findings of the Market Study, and concentrated on alternative mixes of relatively low-density housing and low-impact, clean light industrial and office employment uses. None of the concepts presented anticipated retaining and using the existing rail spurs, although alternatives that did that could be included if this was considered an option.

7. Neighborhood Planning Team Members Updates

No additional updates from members that had not already been discussed..

8. Next Steps in Planning Process

There was general agreement on continuing to have monthly RCNPT meetings, along with occasional extra meetings--- perhaps leading to another public meeting in late June to present the Market Study results and discuss some initial planning and design concepts for the planning area and Royster site.

9. Next Meeting Agenda items

- a. Market Study discussion
- b. Perhaps put some concept plans and sketches and other ideas up on the wall for members to draw on and comment on.

10. Next Meeting Scheduling / Future Meeting Scheduling

The next meeting of the RCNPT will be Wednesday, May 28, 6:30 pm at the Pinney Branch Library Meeting Room.

Future meeting have been tentatively scheduled for:

June 25, 6:30 pm, Pinney Branch Library

July 23, 6:30 pm, Pinney Branch Library

The possibility of scheduling additional extra meetings may be discussed, so everyone was asked to bring their calendars to the next meeting. The possibility of an extra May meeting was briefly considered, and staff will check RCNPT members' availability on some possible dates; but if the times do not work out and no meeting confirmation e-mail is sent, please assume that the next meeting will be the regular May 28th meeting..

11. Adjournment: The meeting adjourned at 8:30 pm.