

**PLANNING DIVISION REPORT  
DEPARTMENT OF PLANNING AND COMMUNITY  
AND ECONOMIC DEVELOPMENT  
Of December 12, 2007**

**RE: ID #08166: Zoning Map Amendment ID 3328 & 3329 to Rezone 702 N. Midvale Blvd.  
from PUD-GDP-SIP to Amended PUD-GDP-SIP**

1. Requested Actions: Approval of a request to amend the previously approved PUD-GDP-SIP (Planned Unit Development, General Development Plan; Specific Implementation Plan) for Hilldale Shopping Center to allow construction of a 140-room hotel in place of a previously approved 90-unit condominium building.
2. Applicable Regulations: Section 28.07 (6) of the Zoning Ordinance provides the requirements and framework for Planned Unit Developments; Section 28.12 (9) provides the process for zoning map amendments.
3. Report Prepared By: Timothy M. Parks, Planner

**GENERAL INFORMATION**

1. Property owners: Hilldale Land Company, LLC, Hilldale Building Company, LLC and HD Annex, LLC  
  
Applicant & Owner Representatives: Joseph Freed & Associates; 220 N Smith Street, Suite 300; Palatine, Illinois; Adam Fink, representative.
2. Development Schedule: Development of the second phase of the Hilldale redevelopment is ongoing. Completion of the hotel is scheduled for September 2009.
3. Location: The entire Hilldale planned unit development consists of approximately 37 acres generally bounded by N. Segoe Road and Sawyer Terrace on the west, University Avenue on the north, N. Midvale Boulevard on the east and the prolongation of Heather Crest on the south, in Aldermanic District 11; Madison Metropolitan School District; Urban Design District 6.
4. Existing Conditions: The 528,664 square foot Hilldale Shopping Center site is comprised of eleven buildings including the 349,450 square foot indoor shopping mall (Macy's, Sentry, etc.) and Ace Hardware. Phase I of a redevelopment project focused primarily east of the main retail mall building and included two parking structures containing 649 parking spaces, four retail buildings opposite the east wall of the mall totaling 71,190 square feet and 40 condominium units in four townhouse buildings located along N. Midvale Boulevard. Other Phase I projects included a 7,900 square-foot restaurant at the northeastern corner of the site, the six-screen Sundance Cinema at the southern end of the mall and a

13,200 square-foot commercial building located at the southeastern corner of Price Place and Heather Crest.

5. Proposed Phase: This application varies the improvements approved for Phase II of the Hilldale redevelopment in the area previously occupied by the Humana office park and the Hilldale Theater and Peking Palace restaurant, which have been demolished. Phase II was previously approved for development of a 65,000 square-foot grocery store, 25,000 square feet of additional retail space, 13,000 square feet of office space, a 40,000 square-foot gym, 238 condominium units and approximately 1,100 structured parking spaces. The application also includes a future phase consisting of 220 residential units and one hotel. The applicants now propose to relocate the hotel, which will contain 140 rooms, to the site of 90 of the 238 condominium units originally proposed.
6. Land Use and Zoning Surrounding Site:  
North: Single-family residences, a multi-story condominium building, Border's Books, Walgreen's, McDonald's, Copp's Supermarket and multi-tenant retail, located in the Village of Shorewood Hills; State of Wisconsin office building, zoned C2 (General Commercial District) in the City of Madison;  
South: M & I Bank, Anchor Bank and various multi-tenant retail/ office buildings, zoned C2;  
West: Hill Farms State Office Building (Dept. of Transportation), zoned C2; Normandy Apartments, zoned R6 (General Residence District); Karen Arms Condominiums and Rennebohm Park, zoned R5 (General Residence District);  
East: US Bank, zoned C1 (Limited Commercial District); multi-unit residence buildings, zoned R4 (General Residence District).
7. Adopted Land Use Plan: The Comprehensive Plan identifies Hilldale as a site for transit-oriented and community mixed-use redevelopment.
8. Environmental Corridor Status: The property is not located within a mapped environmental corridor.
9. Public Utilities & Services: The property is served by a full range of urban services.

## **STANDARDS FOR REVIEW**

This application is subject to the standards for zoning map amendments and planned unit developments.

## **PREVIOUS APPROVALS**

On February 1, 2005, the Common Council approved rezoning of the 37-acre Hilldale Shopping Center and Humana Office complex from C2 (General Commercial District) to PUD-GDP-SIP to allow the addition of two parking structures containing 668 parking spaces, four retail buildings opposite the east wall of the mall totaling 71,190 square feet and 40 condominium units in four townhouse buildings located along N. Midvale Boulevard.

On December 13, 2005, the Common Council approved an amendment to the Hilldale PUD-SIP to allow demolition of the former US Bank office and the construction of the 7,900 square-foot Fleming's restaurant near the southwest corner of N. Midvale Boulevard and University Avenue.

On May 16, 2006, the Common Council approved an amendment to the Hilldale PUD-SIP to allow construction of a 13,200 square-foot commercial building containing the Great Dane Brew Pub and retail space located at the southeastern corner of Price Place and Heather Crest.

On January 2, 2007, the Common Council approved a major amendment to the Hilldale PUD-GDP-SIP to allow demolition of the former Humana office complex and the construction of a 65,000 square-foot grocery store, 25,000 square feet of additional retail space, 13,000 square feet of office space, a 40,000 square-foot gym, 238 condominium units and approximately 1,100 structured parking spaces. The amended GDP also approved a future phase consisting of 220 residential units and one hotel.

On August 7, 2007, the Common Council approved a Certified Survey Map, preliminary plat and final plat subdividing the Hilldale property into a total of 12 lots.

## **ANALYSIS, EVALUATION & CONCLUSION**

The developer, Joseph Freed & Associates, is requesting approval of a major alteration to the previously approved planned unit development for Hilldale Shopping Center. The proposed amendments to the general development plan and specific implementation plan will focus on the Phase II area in the northwestern corner of the overall 37-acre development on the land generally bounded by University Avenue, N. Segoe Road, Frey Street and Hilldale Way that was previously occupied by the Humana office park and Hilldale Theater.

This portion of the mixed-use redevelopment project was approved in early 2007 as a PUD-GDP-SIP to allow construction of:

- a 65,000 square-foot Whole Foods grocery store at the corner of N. Segoe Road and University Avenue, which was subsequently reduced in size to a 55,000 square foot store by a staff-approved minor alteration (the bulk, mass and design of the store is generally the same with a smaller floor plate and a more generous entrance plaza on the east);
- an eleven-story structure extending along a portion of the University Avenue frontage containing 13,450 square feet of leaseable office space and a ten-story, 144-unit residential tower;
- a nine-story structure to be located at the corner of University Avenue and Hilldale Way that will include 19,000 square feet of ground floor retail space, a 40,000 square-foot space for a future gym and a seven-story, 90-unit residential tower;
- a one-story, 5,500 square-foot commercial space located at the southeastern corner of the Phase II development along the easterly prolongation of Frey Street;
- a four-unit townhouse along the Frey Street frontage, which will abut a 1,095-space parking structure that will primarily serve the Phase II development.

Construction of Phase II commenced in August and will continue through 2010. The most recent general development plan for the project also included a master plan for the remainder of the site that proposed development of a 100-unit residential building located at N. Segoe Road and Heather Crest, a 120-unit residential building located at Sawyer Terrace and N. Segoe Road, and a 125-room hotel to be constructed along the west wall of the mall in the area currently occupied by the mall food court. The master plan also proposed a terraced greenspace to extend between Sawyer Terrace and the drive located adjacent to the west wall of the mall.

The major alteration to the general development plan and specific implementation plan proposed calls for the hotel use conceptually approved on the most recent general development plan for the western wall of the mall building in the vicinity of the food court to be relocated to the University Avenue frontage of the phase. The 140-room hotel will replace the 90-unit condominium tower previously approved at the eastern end of the phase adjacent to the corner of University Avenue and Hilldale Way above 19,000 square feet of retail space on the ground floor and a 40,000 square-foot space gym on the second floor. The previous location of the hotel is now shown as "future mixed-use," which will be further defined as part of a future amendment to the Hilldale planned unit development.

The first floor of the hotel/ gym/ retail building will feature a bar/ restaurant, reception desk, meeting rooms and offices for the hotel as well as the lobby for the second floor gym and approximately 19,000 square feet of leaseable retail space, which will be located at the corner of Hilldale Way and University. A circular drop-off lane for hotel guests is proposed off of Hilldale Way adjacent to the lobby area. The second of the floor of the hotel will largely be open to the

lobby below and will also include various office and housekeeping functions, with the remainder of the second floor devoted to the gym, which will include a lap pool, spa and basketball court.

Above the second floor, the building transitions into a six-story tower with guest rooms on floors 3-8. A hotel fitness room and pool wing and secondary hotel entrance is proposed at the third floor. A rooftop terrace is proposed along the eastern side of the mixed-use building within the stepback between the second and third floors, while the area west of the building is shown as a substantial private open space amenity for the overall development. Parking for the hotel, gym and first floor retail space will be accommodated within the 1,095-space parking structure that will serve the rest of the uses in Phase II.

Architecture of the hotel/ gym/ retail complex will feature a modern, angular structure with a variety of projecting and recessed elements to add visual interest to the building. The exterior of the gym and retail spaces will be comprised of masonry and metal paneling, while the hotel will feature a two-toned stucco exterior accented prominently with metal panels and accents. The hotel lobby will feature a two-story glass curtain wall located above a canopy extending over the hotel entrance. In all, the 8-story building will stand approximately 103 feet in height when measured from the corner of Hilldale Way and University Avenue.

Staff generally supports the proposed relocation of the hotel from the western wall of the mall to the site of the former 90-unit condominium tower. In general, staff feels that the developer has done a good job of integrating the hotel into the existing design of the eastern portion of Phase II. The design of the proposed hotel preserves the scale, mass and general architectural character established for this portion of the development with the January 2007 PUD-GDP-SIP approval. Generally, staff feels that the addition of a hotel at Hilldale enhances both the existing and future mixed-use character of the development and surrounding neighborhoods while further enhancing the vitality of not only this phase of the Hilldale redevelopment but the project overall and this section of the University Avenue corridor. Overall, the Hilldale redevelopment project continues to conform to the community mixed-use and transit-oriented development land uses recommended for the site by the Comprehensive Plan.

The Urban Design Commission reviewed the plans for the proposed hotel/ gym/ retail office complex on November 21, 2007 and recommended final approval (see attached reports).

An Inclusionary Dwelling Unit Plan (IDUP) and Land Use Restriction Agreement (LURA) were approved with the Phase II development plans. Staff recommends a condition of approval that the applicant work with the Community Development Block Grant Office and Planning Division on a revised IDUP and LURA for Phase II that addresses the reduction in dwelling units created by the reduction of units in The Heights building and the replacement of the 90-unit condominium tower with the 140-room hotel.

## **RECOMMENDATION**

The Planning Division recommends that the Plan Commission forward Zoning Map Amendment 3328 & 3329, rezoning 702 N. Midvale Boulevard from PUD-GDP-SIP to Amended PUD-GDP-SIP, to the Common Council with a recommendation of **approval**, subject to input at the public hearing and the following conditions:

1. Comments from reviewing agencies.
2. That the conditions from the January 2007 ordinance approval and August 2007 final approval of the Phase II PUD-GDP-SIP including but not limited to the screening of rooftop mechanical equipment and adherence to the 65 decibel limit noted in MGO Section 24.08 for the Whole Foods Store, construction, operation and maintenance of the private open space at the southwestern corner of Frey Street and Sawyer Terrace, hours of construction and the project construction traffic management plan be carried through the approval of this Amended PUD-GDP-SIP except as modified herein.
3. That the applicant receive approval of a revised Inclusionary Dwelling Unit Plan for Phase II and execute a revised Land Use Restriction Agreement (LURA) as required by the Community Development Block Grant Office and Planning Division.