

LETTER OF INTENT
August 23, 2006

PUD/SIP Submission - THE **Livingston Railroad Corridor**
Residential/Commercial Mixed-use

300 Livingston Street

Proposed by

Scott Lewis
106 East Doty Street
Madison, WI 53703

(608) 256-4200

Prepared by

Sutton Architecture
104 King Street
Madison, WI 53703

(608) 255-1245

KEE Architecture, Inc.
621 Williamson Street
Madison, Wisconsin 53703

(608) 255 9202

STATEMENT OF RATIONALE (MARKET)

We are submitting for PUD zoning for this site to allow us to develop the kind of project we feel this location warrants. There is easy access to the Central Business District (CBD) and Williamson Street area from this location, and our marketing studies and all housing studies show the need for higher density in an area this close to the Capitol Square.

According to our data, obtained from the downtown development groups, all housing projects in this area have strong occupancy and 60% of the units are rented months in advance of completion. The downtown has fewer vacancies than outlying areas. Some development groups are receiving up to 30 calls a week, even without advertising. This is across the board—condos, market apartments, and student units. Apartment buildings on the west side of Madison have a vacancy rate of 11%, while the east side of Madison is 8½%.

There have only been 1,400 apartment units built in the downtown area in the last 10 years, as compared with 12,600 units around the city. This is due more to development capability, not demand. The CBD area is a more complex construction site than the outlying areas. Also, it is more difficult to get approval in this area.

This is still a good time to develop this site as the demand for market rate housing close to the CBD remains strong. There is no doubt that the market is there. All reports written in the last 10 years, along with all of the evidence in housing trends, bears this out. The number of apartment units is clearly less than the current demand. And that demand is stable.

FEASABILITY

We have recently surveyed the apartment market with respect to cost. We surveyed apartment projects with at least 20 units and have placed these into two categories. The first category is taller, higher density units. The second category includes the four story or less, lower density units. We priced studios through 3 bedroom apartments. We found that high density units are priced at \$1.10 - \$1.85 per square foot. Lower density wood frame construction was \$1.15 - \$1.80 per square foot. The target rents for our project fall in the lower to middle part of that range.

All apartment projects in the downtown area have been renting very well. Tenants have had the good fortune to see an interesting mix and type of projects being developed in recent years. Even the restoration of apartments has been doing quite well, showing a strong need.

The feasibility of our project is further enhanced by the size and location of the site. No housing stock is being taken down to make room for this new project

PROJECT DESCRIPTION

The proposed project occupies .6-acre (26,136 s.f.) on Livingston Street. The site has no structures on it and is relatively flat. The new building will have one level of parking with 35 inside stalls (plus 18 on the surface), 2 stories of commercial space off Livingston, and 3 stories of adjacent apartment. They will share parking, a main entry with elevator, and stairs. The commercial space will have 6,600 square feet, while the market rate apartments will have 26,600 square feet. There is an additional 13,000 square feet in the parking garage. The number of apartment units will be 39. The typical floor level will have 13 units. The units will vary from studio units to two-bedrooms. We will have 6 studio units (400 s.f.), 27 one-bedroom units (490-640 s.f.), and 6 two-bedroom units (860-960 s.f.). With 39 units and 45 bedrooms, we average 1.15 bedrooms per apartment.

There will be a laundry room on each floor. The commercial and residential will share a common entrance, two stairs, and the elevator. There will be secured separation between the two uses. This project will total 46,200 square feet with parking. After numerous discussions with planning staff, the alderperson, and neighborhood groups, and incorporating both the Build II Study and Railroad Corridor Study, we reworked the mix of units, massing, and number of structures. This resulted in combining some commercial space with the residential component while making this project viable.

POTENTIAL IMPACTS (AMENITIES)

With the scale of the project we are proposing, amenities are provided that we feel are needed. This includes a service bay, underground parking, bike storage, and a resident manager. We concluded that there were more than sufficient additional services within the area, as you can see below.

Within a 4-block area there are 21 restaurants, 3 coffee shops, 13 retail businesses, 15 services (e.g., dry cleaning, travel agencies, medical), 3 churches, 1 bank, and recreation areas that will serve these tenants. The King Street area is only 5 blocks away. This provides an additional 12 restaurants, 3 coffee shops, 3 retail stores, 14 services, 1 pharmacy, and 5 banks. We do not want to duplicate any of these amenities, but provide more housing as close to the downtown area as possible.

Our site is very near the city bus route for easy access to anywhere in the city. Also, we have a bike path that runs along our north property line. These are great transportation amenities.

We are also proposing terrace improvements on Livingston Street, which will allow for more street parking and minimize potential flooding on the site. This proposal is being pursued in a separate process with city planning and engineering

This development will also be an easy fit for all city services and utilities, not adding to the cost for the city. With a predominantly adult population, there will be no significant increase for local public schools. With new construction, there will be very little demand for city services.

NEIGHBORHOOD CONTEXT (DENSITY)

The proposed development takes into consideration the character of the neighborhood as well as the use. Architectural features draw from the neighborhood. The structure will be similar in height and proportions to the immediate buildings surrounding it along Williamson Street and along the Capitol Corridor

OPEN SPACE

The open space on the site will be predominantly along the south side and will be landscaped. The front will have bike parking for visitors. The street terrace will have trees that will be improved and maintained.

Overall, the proposed project provides approximately 2,400 square feet of open space. This is equal to 62 square feet of open, useable space per unit, 54 square feet per bedroom.

PARKING AND ACCESS

We are constructing as many underground parking spaces as this site will allow without adverse structural or maintenance problems due to high ground water. We feel the scale of this project will be better served in the long run with as many parking stalls as we can get in excess of 1 to 1. To achieve this, we will provide 18 surface parking spaces along with the 35 underground stalls. We will also benefit from the mixed use, where the commercial has more need in the daytime and the residential is in the evenings.

MANAGEMENT

This building will be owner-managed. There will be an on-site apartment manager and a management office open from 8:00 a.m. to 5:00 p.m in the downtown area. The parking and tenant entrances will have security locks.

BIKE PARKING

In addition, we are providing 48 bike stalls and moped stalls. With direct access to a major bike path and a mobile population, it can be assumed that most will have bikes, and we want to provide a reasonable location for their storage outside of the units themselves. An additional 5 stalls will be provided in the front.

CURRENT ZONING

The existing zoning is C-2. Below is the comparison of what is being provided, to what would be required under current zoning.

	provided	required/allowed
Lot Area:	26,126 s.f.	40,800 s.f.
Floor Area Ratio:	1.8	4.0
Yard Requirement:	5 front 5 min. & 45 combined 5 rear	20 front 8 min. & 20 combined 30 rear
Height	35 feet	40 feet
Useable Open Space:	2,400 s.f. 54 s.f. per bdrm	7,200 s.f. 160 s.f. per bdrm
Off Street Parking:	1.0 per unit 3 per 1,000 commercial 3 HDCP (1 underground)	1.0 per unit 3 per 1,000 commercial 1 HDCP
Bike stalls	48	48
Service Bay	1	1

We meet or exceed the intent of the Build II and Railroad Corridor Studies requirements.

GENERAL DESIGN STANDARDS

Architectural Design

The buildings will have elements and materials to blend with and relate to the scale of the neighborhood. The primary exterior material will be brick. Horizontal corrugated metal in a box profile will be the secondary material in keeping with the industrial nature of the site. Most living rooms will have larger glass areas.

We will use durable, quality products, which will add to the longevity of our structure.

The features within the building include higher ceilings in the living room, a central HVAC system, cable, Category 5 phone lines, higher level of finishes, ceramic tile for bath and kitchen, commercial grade hardware, and a laundry room on each floor.

Utilities

All utility service within the proposed development will be provided underground. Water, sanitary sewer, storm sewer, telephone, and cable currently run along Williamson Street. Gas and electric are on Livingston Street. See utility plan.

Storm Drainage

All storm water for the structures will drain with natural grades except the interior garage area and driveway. Only the south side will drain towards the alley that will have a catch basin and storm sewer running back to Livingston Street. We will have a trench drain at the entrance to the parking area, which will limit the amount of water entering the parking garage.

Site Lighting

The design of all site lighting will be coordinated to complement the site design and architectural character of the building.

Site lighting will include soffit lighting at the parking entrance, canopy lighting at the main entrance, and wall mount lighting at the first floor deck/patio.

All fixtures will be positioned with care taken to direct light away from windows and street traffic.

Signs

The building will be identified with street numbers on the face of the structure, along with raised letters on the canopy for the building name. Mercantile spaces will have individual signs affixed to the building.

Informational signage will be located on the interior of the entrance to the building. Appropriate site signage will be used for vehicle access from Livingston Street, including stop sign and drive lanes.

Any signage will be as approved by the Urban Design Commission and/or Planning Staff.

Service Area

Trash collection will utilize interior garage space adjacent to the alley.

We will have a service bay for deliveries and move-ins along the rear entrance using the alley off Livingston Street.

Landscaping

Open space areas will be planted with groundcover, shrubs, and trees to complement the site design, architectural character, and neighborhood.

The landscape for this project will incorporate a variety of types and sizes of plant material, providing seasonal interest. Annual floral displays will be used in pedestrian areas and building entrances, including planters at the main entry.

Walkways

All walkways will be constructed of concrete to match existing sidewalks. The existing front sidewalk will be replaced.

Decks will be constructed with wood and metal railings.

Parking Areas

There are 35 underground parking stalls that include 1 HDCP stall. There will be 18 surface stalls. The typical stall will be "one size fits all," 8'-9" x 17'-0" with a 23'-0" drive aisle. Additional stalls will be provided for mopeds and motorcycles.