

November 26, 2007

Department of Planning & Community & Economic Development Madison Municipal Bldg., Suite LL 100 215 Martin Luther King Jr. Blvd. P.O. Box 2985 Madison, WI 53701-2985

Re:

Hy-Vee Conditional Use Permit Application

Dear Planning Commission and Planning & Development Staff:

Hy-Vee, Inc. ("Hy-Vee") is submitting this letter of intent and Conditional Use application to obtain the necessary approvals for redevelopment of the former Kmart site located at 3801 East Washington Avenue.

We have presented our plans to the City's Development Assistance Team and have had a subsequent meeting with representatives from Planning, Traffic, Urban Design, and Zoning to address many of the initial comments regarding the plan. Additionally, we met with District 17 Alder, Mr. Joe Clausius and he has voiced his support of our project. Alder Clausius asked that we present our plans to the Mayfair Park (required per City Ordinance) and Hawthorn Neighborhood Associations. We have since presented at the Mayfair Park quarterly meeting on October 16th and received their unanimous vote of approval for the project. We presented at the Hawthorn monthly meeting on November 19th and also received what appeared to be a unanimous vote of approval for the project. We made an informational presentation at the November 7th Urban Design Commission meeting and will seek initial approval at their December 19th meeting.

Project Name: Former Kmart Redevelopment

Address: 3801 East Washington Avenue, Madison, WI 53704

Alder Person: Mr. Joe Clausius – District 17

Development Team:

Property Purchaser: Hy-Vee, Inc., Real Estate Dept. Architect:

Contact: Pete Hosch 5820 Westown Parkway West Des Moines, IA 50266

515-327-2147

phosch@hy-vee.com

SVPA Architects Inc.

Contact: Dan Willrich, AIA 1466 28th Street, Suite 200 West Des Moines, IA 50266

515-327-5990

Site Planning:

Hy-Vee, Inc., Engineering Dept. Contractor:

Contact: Bree H. Cooper, P.E.

515-267-2947

bcooper@hy-vee.com

Hy-Vee Weitz Construction

1947 Hull Avenue Des Moines, IA 50313

515-645-2300

Landscape Architect:

To Be Determined

Hy-Vee, Inc. – Employee-Owned 5820 Westown Parkway, West Des Moines, Iowa 50266 Phone: (515) 267-2800

Existing Conditions:

The former Kmart facility is a 104,000 square foot building, 84,000 square feet of which is vacant and essentially has been since Kmart closed in April of 2003. Big Lots currently occupies the remaining 20,000 square feet, but has chose to leave the space in January of 2008.

The building is in sound structural condition. The exterior of the building features few windows and is constructed mostly masonry block walls that have been painted. A large EFIS signage area, a painted canopy, and steel appendages are the primary view to the public.

The parking lot is expansive and uninterrupted. It was once striped for over 780 stalls and is almost completely void of landscaping.

Hy-Vee also has the 0.5981-acre adjoining parcel located at 3809 East Washington Avenue, which is shown in green on the development plan, under contract for purchase. Credit Union Express currently has a long-term land lease on this property. The two parcels shown in yellow are not a part of the Hy-Vee purchase.

Project Overview:

Hy-Vee would redevelop the existing 104,000 square foot building and approximately 8.85 acres of the 11.15-acre parcel. The plans would utilize the existing building structure while incorporating significant architectural interest. A large portion of the front façade will be removed to allow for dramatic building projection and multiple expanses of glass. The reconstruction of the façade gives us the structural flexibility to change the building profile height numerous times. Color and texture are varied by incorporating brick, glass, and EFIS.

The Mendota Street façade will be refaced with brick and EFIS to match the color and texture of the front façade. Brick pilasters are added as vertical elements to break up the span. A tenant space is proposed near the south (rear) of the building with the customer access fronting Mendota Street. The enclosed cross section shows the relationship of Mendota Street to the existing building.

The brick, glass and EFIS present on the front elevation will wrap around to the east elevation and will incorporate a brick separation wall for the patio feature on the corner of the building. The remainder of the east and all of the south elevations will be painted to match the color scheme of the upgraded building materials

The redevelopment would-incorporate a serpentine drive aisle through the parking lot to connect Mendota Street to the East Washington Avenue entrance. The parking lot design elements will comply with City code relative to layout, lighting, and landscaping requirements. Underground infiltration systems will be incorporated into the site near each of the pedestrian parkways described below.

The plan includes two landscaped pedestrian parkways. The first directly connects the East Washington Avenue sidewalk to a large patio feature outside of the store's casual dining area. It also incorporates a plaza feature at the northeast end of the pedestrian parkway. The second pedestrian parkway will guide customers to a point on the sidewalk in front of the facility that allows them to choose a route to the secondary food store entrance or a route to the Hy-Vee Wine & Spirits and tenant space entrances. Pedestrian will access the facility from Mendota Street via a pedestrian pathway starting at the main Mendota Street entrance and connecting to the front of the building.

Site landscaping will utilize a variety of plant species, many of which are native to the area and therefore remain appealing through seasonal change. The development plan identifies many of the proposed trees and shrubs. The landscape buffering that exists between the building and Mendota Street will be enhanced to aid in the visual screening from the adjacent residential properties.

Operation and Site Detail:

- -Hy-Vee Food Store and Hy-Vee Wine & Spirits: 360 parking stalls (4.0 / 1000 SF)
- -Leased space: 40 parking stalls (3.3 / 1000 SF)
- -The facility has two service dock doors and a vendor delivery door on the east elevation. The south elevation has a screened scissors lift to service both the tenant space and Hy-Vee.

- -The Hy-Vee Food Store will be a 24-hour facility. The Hy-Vee Wine & Spirits store will have operational hours in accordance with state and local laws. It would not be likely for the leased space to operate outside the hours of 8:00am and 10:00pm.
- -Two trash compactors are located along the south elevation approximately 270' and 420' from Mendota Street.
- -Professional snow removal will be arranged for the entire site by the Store Director and maintained in accordance with City standards.

Building Uses and Area:

The redevelopment would consist of an 85,556-square-foot Hy-Vee food store, a 5,114 square-foot attached Hy-Vee Wine & Spirits facility, and an additional 12,077 square feet of lease space. The lease space would likely be made up of one larger tenant with its entrance fronting East Washington and a smaller tenant with its entrance fronting Mendota Street. The 1,253-square-foot reduction in building footprint is the result of modifications to the existing structure to improve delivery service and to enhance the architecture of the building.

- 1. Total gross square footage: 102,747 sq. ft.
- 2. Hy-Vee Food Store: 85,556 sq. ft. (some detail as follows)
 - a. Pharmacy: 830 sq. ft.
 - b. Bank: 520 sq. ft.
 - c. Floral: 380 sq. ft.
 - d. Starbucks: 604 sq. ft.
 - e. Casual Dining: 2,676 sq. ft.
 - f. Club Room: 1,211 sq. ft.
 - g. Offices: 1,437 sq. ft.
 - h. Back Room: 9,053 sq. ft.
 - i. Digital Photo
 - i. Bakery
 - k. Health Market
 - 1. Grocery / Dairy / Produce / General Merchandise
 - m. Food Service
 - n. Service Meats
- 3. Hy-Vee Wine & Spirits: 5,114 sq. ft.
- 4. Tenant Space: 12,077 sq. ft.

Employment Estimate: Hy-Vee would expect to employ between 350 and 400 people and the leased space would

account for additional employment beyond that.

Construction Schedule: Pending conditional use and building permit approval we anticipate a Fall 2008 construction

start with a Fall 2009 grand opening.

Hy-Vee truly appreciates your review of our project and please don't hesitate to call should any questions arise.

Sincerely,

HY-VEE, INC.

Pete Hosch

Assistant Vice President, Site Analysis

Enclosures: