

LETTER OF INTENT

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PUD/SIP Submission - THE **Johnson Bend**
residential

Proposed by

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General Contractor	Stevens Construction Corp. 2 Buttonwood Court Madison, WI 53718
Construction start	December 2014
Construction completion	May 2016

STATEMENT OF RATIONALE (MARKET)

We are submitting within the UMX zoning for this site that will allow us to develop a mixed unit with 149 underground parking stalls, 1,375 square feet of commercial space, and 160 market-rate apartments.

Housing development has been very successful, but tenants have been requesting units with more amenities and contemporary design. By developing this site with a variety of one- and two-bedroom units, it will complement the available types of units renters are looking for. This area is very attractive because of the easy access to the Central Business District (CBD) and State Street area. Our marketing studies and all housing studies show the need for higher density in an area this close to the Square.

All housing projects in the downtown area have 99% occupancy and are rented 6 to 9 months in advance. We have talked to all of the downtown management groups and have obtained the same data. The downtown area has no vacancies. Some management groups are receiving up to 30 calls a week, even without advertising. This is across the board—market apartments and student units. Apartment buildings on the west side of Madison have a vacancy rate of 11%, while the vacancy rate on the east side of Madison is 8½%.

Currently, there is a high demand for housing closer to the CBD for Epic employees, which makes this an ideal time to develop this site. There is absolutely no doubt that the market is there. All reports written in the last 10 years, along with all the evidence in renting trends bears this out. The number of apartment units is clearly less than the current demand. That demand is obviously growing due to the success at Epic and projections for growth.

FEASIBILITY

We have surveyed the apartment market with respect to cost also. We surveyed apartment projects with at least 30 units. We have placed these into two categories. The first is older, well-maintained units. The second are the newer or unique apartments. We priced studios through four-bedroom apartments. This is the range we found: studio; \$450 - \$725, one-bedroom; \$725 - \$1,225, two-bedroom; \$1,275 - \$1,850, three-bedroom; \$1,500 – \$2,275. Our units will be priced near the high-end and very similarly to newer.

PROJECT DESCRIPTION

The proposed project occupies approximately .41 acre (17,739 s.f.) on three lots, 425, 431, and 435 West Johnson Street. The project requires demolition of one existing two-story brick veneer, 24-unit apartment building, one two-story wood frame apartment building, and one three-story wood frame apartment building. The new building will have two levels of parking with 168 stalls, 12 floors of residential apartments totaling 148 units, and two commercial spaces. We will have 125 one-bedroom units (565 to 770 s.f.) and 23 two-bedroom units (865 to 1,050 s.f.). We average 1.16 bedrooms per apartment.

Each unit has a laundry room. All units will have a full-size kitchen, upgraded finishes, and individual electric split systems for HVAC. This project will total 1,375 square feet of commercial space, 126,909 square feet of residential space, and 31,903 square feet for parking.

POTENTIAL IMPACTS (AMENITIES)

Within a 4-block area there are restaurants, coffee shops, retail businesses, services (e.g., dry cleaning, travel agencies, medical), churches, banks, and recreation areas that will serve these tenants. Access to the State Street area is only 3 blocks away. All markets are showing the downtown to be the most desirable apartment location for new renters.

Our site is on the city bus route for easy access anywhere in the city. Also, we are close to two bike paths that are widely used. These are great transportation amenities for the tenants.

This type of 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. And with on-site management and security, there should be very little need for police calls. This project will, however, add over \$7,000,000 in taxes over the next 10 years with no city financial assistance. This project will also create 80 full-time jobs during construction and 12 full-time jobs upon completion.

NEIGHBORHOOD CONTEXT (DENSITY)

The proposed development takes into consideration the character of the planned neighborhood changes, as well as the use. All architectural features draw from the neighboring developments as well as the revised downtown plan and new zoning requirements.

We will have galvanized steel planters around this building to develop a very urban feel. We are also going to replace the sidewalk, terrace, and curb for the entire length of the site. The ground floor terrace, walkway, and drive, will be scored concrete with some variation in color to create a larger plaza feel and minimize the effect of the driveway.

Our site is four blocks off the Square and just off West Washington Avenue, a major artery, which contains a number of larger buildings. It is reasonable to have higher density and taller structures with the number of amenities and CBD facilities so close by.

OPEN SPACE

The open space on the site will be predominantly private patios and roof top terraces with composite deck finishes and planters. Built-in planters will be provided on the rooftop terrace area as well. The courtyard will have bike parking for visitors. The street terrace will have new grass and trees that will be maintained and improved.

Overall, the proposed project provides approximately 1,500 square feet of open space on the first-floor terraces, 15,708 square feet on private balconies, and an additional 3,864 square feet of rooftop terrace. All the apartments will have exterior space that will allow for plants. The rear yard will add 1,320 square feet of open space.

PARKING AND ACCESS

We are constructing underground parking, using an automated parking technology. We feel the scale of this project will be better served in the long run with as many parking stalls as we can get as close to 1 to 1. The mechanical system allows more stalls for the square footage. This will give us a ratio of .93 stalls per unit. We have a surplus of parking during the day with a minimum of 25% of the stalls vacant. That will allow for shared parking during the day with the commercial use. The mechanical system has built-in redundancy to assure its reliability. Each parking deck will have three automated retrieval vehicles (AGV's) and will continue to work even if two are out of commission. They can also move to a different level if need be. There will also be two vehicle elevators. During peak times, both will be available for incoming as well as outgoing. In addition, we have sufficient driveway length to stack four deep for incoming traffic, as well as two deep in the vehicle staging area.

MANAGEMENT

Orosz Properties will provide full-time professional management and maintenance services, including an onsite resident manager and regular daily office hours. Management will include all aspects of renting, maintenance, and resident relations, including all snow removal and repairs. The building will be served by 24-hour emergency maintenance services. Fire alarms and elevator service is monitored 24 hours per day. Management includes all operations of the parking garage including, but not limited to, overhead door maintenance, lighting, carbon monoxide and exhaust maintenance, lighting, and cleaning. Parking management includes daily and regular attendance to approved users and monitoring of illegal/unauthorized users. Video surveillance and key fob entry for entry doors and garage entry will be state of the art.

Allowed resident rooftop usage hours are posted and noticed in lease addendum per historically ideal operating hours. This notice includes operating hours, expectations of behavior, clean up, and acceptable noise levels.

BIKE PARKING

Bicycle racks will be provided for the tenants within a secured area on the first floor. A minimum of 158 stalls will be provided on the first floor with two levels. This area will also have direct access to the exterior and a bike repair area. An additional 38 stalls will be provided in the plaza for visitors.

CURRENT ZONING

The existing zoning is UMX. Below is a comparison of what is provided to what is required.

	actual lot	required
Lot Area:	17,739 s.f.	3,000 s.f. minimum
Yard Requirement:	0 front 5' left side 3.5' right side 10' rear	0 front 0 side 0 side 10' rear
Useable Open Space:	26,005 s.f.	1,710 s.f.
Rear yard	1,320 s.f.	
Courtyard	1,445 s.f.	
Balconies	15,708 s.f.	
Roof Terrace	3,864 s.f.	
Roof Planters	1,008 s.f.	
Green Roof	2,660 s.f.	
Lot coverage:	66%	90% maximum
Off Street Parking:	.93 per unit	0 per unit
Bike stalls:	196	176
Building Height (max.)	998'	1032'
Bedrooms per unit	1.16	N.A.
Permeable area	27%	10%

GENERAL DESIGN STANDARD

Architectural Design

This mixed use building is located mid-block on the 400 block of Johnson Street. It is designed to enhance the street frontage through its L-shaped plan, creating a tall building elevation along part of the street, with a courtyard along the remainder of the site. The partially landscaped courtyard provides respite along the street edge, allows the building plan to be developed with sweeping balconies to capture views, both distant and close, and acts as a staging area for underground parking. An arcade encircles the building edge along the courtyard, created by a two-story masonry wall with large punched openings. This wall establishes a noble scale to the entrance and courtyard, while also serving as a visual base for the building. The masonry base continues around all sides of the building.

Above the masonry base from the third through the 11th floors, the enclosing material is horizontal metal in a bronze color, using a box shaped profile at 8 inch centers. Floors are articulated by 12" galvanized "C" channels which provide visual interest as well as good detailing opportunities for the "rain screen" wall construction. The top floor is characterized by a stepped-back balcony around the entire perimeter. Most walls on this level will be of glass to create transparency and a sense of a floating roof overhead.

The roof terrace will have a swimming pool for use by residents. A guardrail will define the occupied terrace area, with the remainder of the roof having intensive vegetation. This level is accessed by elevator with emergency exiting through two stairs extensions.

Except for the "townhouse" units on first floor, all apartments will have balconies, many with colorful side walls which will be constructed of EFIS for both durability and for the color opportunity. All of these locations are inboard of the enclosing walls.

The design provides a rigorous but straightforward use of clay masonry, galvanized steel, clear glass, and bronze-colored aluminum. Our desire is to provide a truthful use of materials where interest is achieved through composition in plan and in elevation, and through articulation of the elements of construction.

Utilities

All utility service within the proposed development will be provided underground. Water, gas, sanitary sewer, storm sewer, telephone, and cable currently run along West Johnson Street (see utility sheet C1.4).

Storm Drainage

All storm water for the structure will drain to either roof drains or floor drains. We will slope the entrance driveway from the garage door to the street curb, which will limit the amount of water entering the parking garage. Over half of the entire site will have plantings to assist filtering the water of sediment before entering the storm sewer system.

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 recessed cans for all entrances and walkways under the structure and recessed wall mount pedestrian lighting at the first floor planters for the courtyard area.

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

Signs

The building will be identified with street numbers on the face of the structure, laser cut into a one-inch thick galvanized steel plate, as shown on the renderings and building elevations. Any commercial signage will meet required guidelines and approvals.

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

Service Area

Trash collection will utilize space on the first floor with direct access to the exterior. We will use two compactors, one for trash and one for recyclables. Tenants will have access on each floor level to one trash chute and one recycle chute within their own trash room. The main trash room will be vented, have a water supply for cleaning, and a floor drain.

Mailboxes will be near the elevators on the first floor on the private residence side for security.

Landscaping

Open space areas will be planted with groundcover, shrubs, and trees to complement the site design, architectural character, and neighborhood. Most units will have access to their own area for planting as well.

A large concrete terrace in the courtyard will serve as a major focal point as well as separate the pedestrians from the vehicles. We will incorporate galvanized steel planters throughout the ground level to create an urban feel, as well as define different uses and privacy.

The existing street terrace will be replanted at the completion of this project with canopy trees between 6" and 8" diameter of a species approved by the city forestry department.

Walkways

All walkways and driveways will be constructed of concrete. The existing sidewalk will be replaced and widened to 8' along the entire site. We will restore the terrace and also replace the existing concrete curb for the abandoned driveway being removed.

The first floor courtyard will have a concrete wear surface that incorporates color and patterns to create more of a terrace feeling, blending the driveway and sidewalks together.

The rooftop terrace will be constructed with composite boards for walking surface, concrete planters, and metal railings to match the decks. The rail will be kept at least 10' from the roof edge for greater safety.