



Urban Land Interests

**LETTER OF INTENT  
FINDORFF YARDS OFFICE LOFTS**

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**July 30, 2008**

**To: Plan Commission  
City of Madison**

**From: Christopher J. Schramm  
Urban Land Interests**

**Re: Letter of Intent  
Findorff Yards Office Lofts  
Madison, Wisconsin**

**PROJECT NAME**

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Findorff Yards Office Lofts

**PROJECT ADDRESS**

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The current addresses of the properties within the development site are:

- 701 Lorillard Court
- 737 Lorillard Court
- 159 Proudfit Street
- 163 Proudfit Street
- 167 Proudfit Street
- 171 Proudfit Street

Final building addresses will be Lorillard Court addresses to be determined.

**PROJECT DESCRIPTION**

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Urban Land Interests is proposing to develop two office buildings on a primarily vacant site south of the existing Tobacco Lofts apartments in the Bassett Neighborhood. The buildings would be two and/or three stories tall and would be served by underground and surface parking. Access to the site would be from Lorillard Court, served by a new break in the Proudfit median at Lorillard Court.

The buildings are intended to provide loft-style office space as an alternative to more traditional office options, with features like high ceilings and exposed trusses and ductwork. A description of the site planning considerations, the architectural design and materials and the landscaping and stormwater management features of the proposed development are included in the attached Project Design Narrative.

The current GDP zoning for 701 and 737 Lorillard Court (Lots 2 and 3 of CSM 11210) allows for up to 158 residential units in a building up to nine stories tall, which is a significantly higher density than the proposed office development. The four residential lots at 159-171 Proudfit Street are currently zoned R-5.

**APPROVALS REQUESTED**

As part of this application the following approvals are requested:

- Amendment of the existing Tobacco Row PUD boundaries to include the four residential lots at 159-171 Proudfit Street (which now include the adjacent previously-vacated portion of Feeney Court).
- Amendment of the current GDP zoning text to allow up to 70,000 square feet of commercial office space, along with underground and surface parking, as an alternative permitted use for the undeveloped land within the PUD. Office building heights would be limited to three stories above grade.
- Approval of the SIP for a two- and three-story office building of approximately 43,000 square feet, along with underground and surface parking, on a portion of the site.
- Approval of demolition permit for the three vacant houses at 159, 167 and 171 Proudfit.
- Approval of a break in the Proudfit Street median at Lorillard Court to allow left turns into and out of the site at Lorillard Court, and removal of the planter in Lorillard Court to create a left-turn-out lane.

**DEVELOPMENT TEAM**

Owner	Urban Land Development, LLC	Brad Binkowski/Tom Neujahr
Developer	Urban Land Interests, LLC	Chris Schramm
Architect	Engberg Anderson Design Partnership	Paul Cuta/Marc Schellpfeffer
Structural Engineer	Pierce Engineers, Inc.	Dick Pierce/Derek Horejsh
Civil Engineer	Ken Saiki Design, Inc.	Steve Whayland
Landscape Architect	Ken Saiki Design, Inc.	Rebecca Flood
Traffic Engineer	HNTB Corp.	Rob Beuthling
Surveyor	D'Onofrio, Kottke & Assoc., Inc.	Wayne Barsness
General Contractor	To Be Determined	

**CONSTRUCTION SCHEDULE**

Construction of the East Building (Building B) is anticipated to begin in late 2008. The projected construction duration is approximately 10 months, with completion of the building core and shell and occupancy of the first tenant spaces in fall of 2009. Construction and occupancy of individual tenant spaces will occur as leases are signed.

The future West Building (Building A) is intended to be designed based on the specific requirements of its future principal occupant. Preliminary discussions with a number of potential occupants are ongoing. An SIP for this building will be submitted for approval once the final user and design are determined.

**EXISTING CONDITIONS AND USES**

The site has been held for future development since it was purchased in 2004. The majority of the site area is vacant land. It is covered by a combination open grassy areas, trees and heavy scrub brush, gravel, concrete, and stored construction materials.

The four residential lots along Proudfit Street (containing three houses) were purchased from J.H. Findorff & Son as additional development land under the same purchase agreement as the former tobacco warehouses and the other land within the existing GDP. The houses were vacant at the time of purchase by the current owner and have remained vacant since that time.

At the request of area residents, some of the heavy brush has recently been cleared from the site, and the large mounds of dirt have been leveled to improve visibility through the site in response to safety concerns.

### **DEMOLITION**

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The proposed development will require the demolition and recycling of the three vacant houses located at 159, 167 and 171 Proudfit Street. These houses were bought as part of a development site and have been unoccupied since they were purchased from J.H. Findorff & Son along with the adjacent property in 2004. Two of the three were vacant prior to purchase, and the third had been occupied by a Findorff employee under a lease that terminated at purchase.

The houses are small (821, 896 and 1,273 square feet) and were constructed in the 1940's. Each house was documented in a report prepared by Katherine Rankin in conjunction with review of the proposed development by the Landmarks Commission (due to its location adjacent to ULI's renovation of the historic Tobacco Lofts warehouse buildings). The report found that none of the houses has any known architectural or historical interest. A copy of the report is included with this application.

In connection with the application for the demolition permit that is a part of this submittal, a Structural/Architectural Assessment of each of these houses was made by Engberg Anderson, the project architect, with input from Pierce Engineers, the project structural engineer. Based upon their physical inspection of the houses, they are in poor condition and would require significant repairs to be made habitable. All have significant water damage in addition to other structural and cosmetic deficiencies. A copy of this report, including photos, is attached.

Due to their size, physical condition, and lack of historical or architectural value, these houses are not practical or economically feasible to relocate. The assessment team indicated that the cost of renovation would exceed the cost of new and more functional construction.

All applicable provisions of the current demolition ordinance will be complied with. Notice of the intent to request a demolition permit was provided to the required parties in the attached May 9, 2008 letter. Although it does not appear that any of these houses was completed prior to 1940, the notice provided is in excess of either the 30 or 60 day notice requirements of the demolition ordinance. A reuse and recycling plan will be submitted for approval prior to the issuance of the demolition permit. ULI has obtained proposals from two qualified consultants to prepare the required plan and document compliance as required by the demolition ordinance.

### **PROPOSED USES**

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Proposed uses of the site are commercial office space (with uses consistent with the permitted uses in the O-2 zoning classification of the current City of Madison zoning code), and accessory uses, including surface and underground parking, as outlined in the proposed Amended GDP Zoning Text and SIP Zoning Text included with this submittal.

### **DWELLING UNITS**

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The existing GDP zoning for Lots 2 and 3 of CSM 11210 allows for up to 158 residential units. This zoning will be maintained as a permitted use within the PUD, but as a result of the expansion of the PUD site area to include the residential lots along Proudfit Street, the potential residential density on the undeveloped portion of the PUD is reduced from 122 units per acre to 94 units per acre.

If the site is developed for office use, as currently proposed, no additional dwelling units will be constructed within the PUD area.

**COMPATIBILITY WITH APPROVED MASTER PLANS**

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**City of Madison Comprehensive Plan**

The 2006 City of Madison Comprehensive Plan identifies the Findorff Yards Sub-District as a mixed-use area appropriate for office and residential development of two to four stories. The Findorff corporate headquarters office building is cited as an example of the type of development envisioned in this area. The proposed development is compatible with the recommendations of the Comprehensive Plan.

**Bassett Neighborhood Master Plan**

The 1997 Bassett Neighborhood Master Plan identifies this site for residential development. Although office use is not a specific recommendation for the site, mixed-use development, including office uses, is identified as a priority within the Tobacco Warehouse District and is recommended for locations adjacent to this site. Office development is not prohibited by the Master Plan as a use on this site.

In general, the Master Plan is focused on residential development, but it also prioritizes maintaining the historic scale and character of the neighborhood, expanding the downtown employment base, and coordination with other downtown planning efforts. (The City Comprehensive Plan also recommends keeping neighborhood plans updated.)

Since the creation of the plan, which is now over ten years old, the area around the site has evolved as a very successful mixed-use district, with development of both the Findorff office building and the National Conference of Bar Examiners' office building in the Tobacco Warehouse District, along with the renovation of the tobacco warehouses into 61 residential units. In addition, many of the desired residential options that did not exist in 1997 have since been provided in other parts of the neighborhood, with the development of a number of significant condominium and apartment projects.

The proposed project is consistent with the overall goals of the plan and with the pattern of development in the immediate area since the creation of the plan. The addition of jobs in the neighborhood supports both the success of existing residential development and the creation of future residential development.

**NEIGHBORHOOD AND CITY PROCESS**

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Urban Land Interests discussed the possibility of office use on this site with the Bassett Neighborhood in May, 2007 and again in December, 2007. On both occasions, the idea was well received because of the opportunity to live and work in close proximity, the addition of jobs to support the residential vitality of the neighborhood, and opportunities for shared parking due to the complementary timing of parking demand between residential and office uses. The preliminary conceptual design for this project was brought to the Bassett Neighborhood in February, 2008. It received positive feedback for having a good scale for the neighborhood and for its compatibility with the historic tobacco warehouse buildings. Once again, no objections to office development on this site were raised.

Since that time, the development team has met with Alders Verveer and Kerr (Proudfit Street is the dividing line between Districts 4 and 13) and various members of City staff from a number of departments, including two meetings with the Development Assistance Team. A 30-day notice letter, a copy of which is attached to this submittal, was sent to the required parties on May 9, 2008. A preliminary Landmarks Commission presentation and an informational Urban Design Commission presentation were made in May, 2008. A neighborhood steering committee was formed (including representatives from both the Bassett and Brittingham neighborhoods). It has met three times to review various aspects of the project, and a presentation was made by the development team to a large joint meeting of the two neighborhoods on July 23, 2008.

**SITE AREA**

The site area includes the undeveloped portion of the Tobacco Row PUD (Lots 2 and 3 of CSM 11210) along with the four residential lots at 159-171 Proudfit Street (which now include the adjacent previously-vacated portion of Feeney Court).

The site contains approximately 73,130 square feet (1.679 Acres)

**BUILDING AREA****West Building (Building A)**

To be determined in future SIP. The footprint for the West Building is constrained and is unlikely to be greater than 8,000 square feet. At a maximum of three stories, it would likely contain no more than 24,000 gross square feet.

**East Building (Building B)**

First Floor	18,386 Gross SF	17,099 Rentable SF
Second Floor	18,107 Gross SF	16,522 Rentable SF
Third Floor	6,790 Gross SF	5,904 Rentable SF
Total Office Area	43,283 Gross SF	39,525 Rentable SF
Lower Level (Parking)	18,472 Gross SF	0 Rentable SF

A portion of the total above-grade office area will be dedicated to vertical circulation, building service areas, and a main building lobby. Additional corridors and other building common areas may be constructed as needed to serve multiple tenants.

**PARKING AND LOADING**

The supply of parking is limited in the neighborhood surrounding the property. It is an important objective of the overall development to accommodate its tenant and visitor parking needs onsite as much as possible in order to minimize the impact on the adjacent neighborhood. In addition, this location, near numerous housing options and next to the bike path, will attract more pedestrian and bike commuters than most office options. The following will be provided at the time the East Building (Building B) is constructed:

Surface Parking	56 Stalls	(3 accessible stalls, including 1 van accessible stall)
Below Grade Parking	45 Stalls	(2 accessible stalls, including 1 van accessible stall)
Total Parking	101 Stalls	(5 accessible stalls, including 2 van accessible stalls)

Moped Parking      0 Required      2 Provided (Below Grade)

Bike Parking      11 Required      21 Provided (12 Exterior/9 Below Grade)

Loading      A 10' x 35' loading space is centrally located in the surface parking lot to serve both buildings.

The surface parking area that will serve both the East Building (Building B) and the future West Building (Building A) will be approved and constructed as part of the SIP for Building B in order to allow for an integrated stormwater management design and to complete as many of the site improvements as possible. Accessible surface stalls will be reconfigured as necessary upon construction of Building A.

Due to the narrow width of the future Building A allowed by the site configuration, this building cannot accommodate below grade parking. However, underground parking spaces below Building B may be made

available to tenants of either building. Additional bike parking will be located in proximity to Building A as part of the future SIP for that building.

The adjacent Tobacco Lofts apartments, developed by Urban Land Interests and owned by a related entity, include 49 surface and 45 covered parking spaces serving the 61 apartment units. Many of the parking spaces at this property are unused during weekday hours when residents of the apartments are at work. In order to take advantage of the complementary weekday parking demands of the adjacent office and residential uses, a shared parking agreement between the two ownership entities will be put in place at the time Building A is constructed to allow the daytime parking demand of the fully developed office site to be met. The exact number and location of spaces to be shared will be determined when the final size and user requirements of Building A are determined.

The initial parking ratio for Building B is 2.3 stalls per 1,000 GSF of office with no shared parking. If the proposed maximum allowable 70,000 GSF of office space were to be constructed, the addition of 39 shared spaces (140 total spaces) would maintain an effective parking ratio of 2.0 spaces per 1,000 GSF.

#### **HOURS OF OPERATION**

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Typical office building hours of operation are 7:00 am to 6:00 pm Monday-Friday. Hours of operation for individual tenants may vary. After-hours tenant access to the office buildings will be provided by a card-access building security system.

#### **TRASH REMOVAL AND STORAGE / SNOW REMOVAL**

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Trash and recycling storage is located in a dedicated room in the underground parking area of the East Building (Building B). This trash room is also intended to serve the future West Building (Building A).

The owner will contract with outside vendors for trash removal, recycling and snow removal.

#### **PUBLIC STREET IMPROVEMENTS**

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Access to the proposed development would be from Lorillard Court, with left turns into and out of the site accommodated by a new break in the Proudfit median at Lorillard Court. A dedicated left-turn lane exiting the site would be created by the removal of the planter located in the Lorillard Court public right-of-way, as was anticipated at the time the planter was designed and constructed by the City.

This median break is necessary in order to provide safe and efficient access into and out of the site for employees and visitors. Adequate access is critical to the success of the development and a prerequisite to undertaking the risk of proceeding with this \$15M investment in the neighborhood.

During initial conversations with the City, a traffic impact analysis was requested by City Traffic Engineering in order to evaluate the trips generated by the proposed development and the impact of those trips on the surrounding area with and without the median break.

The traffic impact analysis is being prepared by HNTB, the same traffic engineering consultant that prepared the 2001 traffic study for the larger Findorff Yards development area. The study is currently being completed in draft form for review by City Traffic Engineering.

As expected, the development of the vacant site results in new traffic generation that has an impact on the adjacent roadways and intersections. Based on preliminary results, a conservative (high) estimate of the trips expected to be generated by the proposed office development results in approximately an 8% increase in the weekday peak hour traffic volume on Proudfit Street. However, office use will generate little traffic during late evenings and weekends.

Without the proposed median break to allow left turns into and out of the site as needed, these additional trips will result in drivers who desire to access the site via a left turn choosing one of two options. The first is a much longer, circuitous route through the Bassett neighborhood on Bedford Street. The other is a U-turn at one of the existing median breaks on Proudfit Street. This results in safety concerns due to unpredictable turning movements that create potential conflicts with bikes, pedestrians and other cars. Adding the proposed median break results in shorter trips and the elimination of most U-turns. The routes resulting from each of these scenarios are shown on the traffic movement diagrams included with this application.

Concern about the proposed median break has been raised by some residents of the Brittingham neighborhood on the west side of Proudfit Street. Over the last several months, ULI has been working diligently with HNTB, City Traffic Engineering, Alders Verveer and Kerr and the steering committee (which includes members of both the Bassett and Brittingham neighborhoods) to understand and address their concerns while still providing acceptable access to the site.

As a result of this ongoing process, this application includes a revised median break design (subject to City Traffic Engineering review and comment) that results in a 25% reduction in the loss of green space in the median, due to the inclusion of a landscaped center island in the median opening and a shortened stacking lane for left turns into the site. In addition, HNTB has proposed a design for a pair of "bump-outs" into the parking lanes of Proudfit Street at its intersection with Main Street. These bump-outs would improve crossing at the location in the study area with the highest bike and pedestrian counts by reducing the crossing distance. They also add additional green space to the right-of-way and act as a traffic calming measure for traffic entering the neighborhood.

The original design for the median break, along with HNTB's conceptual designs for the redesigned median break and the proposed bump-outs, are included with this application.

Many of the traffic frustrations expressed by the neighborhood are longstanding and well-documented issues that exist independently of the development of this site. Nevertheless, Urban Land Interests is willing to contribute to the creation of the proposed bump-outs, the replacement of trees, or other traffic calming measures or bike and pedestrian crossing improvements on Proudfit Street.

#### **UPDATED CERTIFIED SURVEY MAP**

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The site for the proposed development consists of Lots 2 and 3 of Certified Survey Map 11210 (701 and 737 Lorillard Court), along with the platted lots identified as 159, 163, 167 and 171 Proudfit Street (which include part of vacated Feeney Court). The boundaries of the site are identified on the survey and legal description included with this application.

A new or amended Certified Survey Map will be submitted for approval under a separate application. This CSM will redescribe the site as two or more CSM lots and will also modify, add, or remove easements as necessary based on the plans for the proposed development.

#### **PROVISIONS FOR SEPARATE FUTURE OWNERSHIP**

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It is possible that at some point in the future, the East Building (Building B) and the West Building (future Building A) may have separate ownership. The revised Certified Survey Map will create CSM lots that are compatible with the ownership of the buildings by separate entities. At the time any such transfer takes place, reciprocal agreements and/or easements will be executed and recorded, providing for the continued use and maintenance of shared surface and underground parking, access and circulation routes, site drainage and stormwater management facilities and site utilities.

**REQUIRED EASEMENT MODIFICATIONS**

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In 2004, a 15' wide storm sewer easement was imposed on the perimeter of the development site inside of the Proudfit Street sidewalk. Based on concerns raised by ULI about the impact of this easement on the buildable area of the site, the storm sewer pipe was offset from the centerline of the easement toward the sidewalk during construction, and the possibility of modifying or encroaching into this easement was left open by the City. To allow for flexibility in the design and construction of the West Building (Building A), a number of potential minor encroachments are being requested.

It is requested that a roof overhang and/or horizontal sunshades, a pedestrian access sidewalk and/or ADA required access ramp, building egress sidewalks and a project identification sign be allowed to encroach within the northeast 5' width of the easement, subject to specific provisions acceptable to the City. It is believed that these encroachments would not preclude the City from accessing and maintaining the storm sewer line in the future. Correspondence with the City of Madison Engineering Division regarding the proposed encroachments to be allowed within this 15' easement area is attached to this application.

In addition, the 6'-12' non-exclusive drainage easements that were created on the perimeter of the lots in the existing CSM will need to be modified or eliminated based on the location of the buildings on the site, the reconfiguration of lots within the updated CSM, the integrated stormwater management design that serves the common parking area between the buildings, and the final stormwater management design for the individual buildings.

**Attachments:**

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Project Design Narrative  
Structural/Architectural Assessment of Homes for Proposed Demolition  
(Including Katherine Rankin Report)  
May 9, 2008 Notice of Intent Letter  
Proposed Zoning Text  
    Amended GDP Zoning Text (Clean and Blackline)  
    SIP Zoning Text  
Traffic Movement Diagrams (with and without Median Break)  
Traffic Engineering Conceptual Designs  
    Original Median Break  
    Proposed Median Break  
    Proposed Bump-Outs  
Legal Description  
15' Storm Sewer Easement Encroachment Correspondence  
Recorded Documents  
    Existing Certified Survey Map  
    Existing PUD (GDP/SIP)  
    Easements, Covenants and Restrictions