

LETTER OF INTENT
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PUD/SIP Submission - THE **Washington Plaza**
residential

Proposed by

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STATEMENT OF RATIONALE (MARKET)

Submitting for PD zoning for this site will allow us to develop a mixed unit that also limits the commercial uses. The current zoning does not allow for Capital Fitness to provide a satellite gym on this site. If we use UMX, it would allow for all the program uses we are seeking, but opens this location to unwanted possible future uses. By rezoning to PD, the city can limit the uses as desired and we can meet most of the current intended limits of the new zoning. The only modification we are asking for is in regard to the rear yard setback. The minimum required is 20 feet, which we meet, but it requires 20% of the site depth, which would be 33 feet. We are requesting this change to meet the development needs on this site. We want to limit our bonus request to one additional story. This is needed to warrant the additional cost of developing two underground stories of parking. One story of parking is insufficient for even 4 stories of commercial and apartments. We are also able to meet the requirement for PD's to provide 20% of the ground floor in open space. We are providing 34%.

Housing development has been very successful, but tenants have been requesting larger units and more contemporary. By developing this site with larger 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 100% 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, which make 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. And that demand is obviously growing due to the success at Epic.

FEASABILITY

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 Butler Plaza.

PROJECT DESCRIPTION

The proposed project occupies approximately .38 acre (16,451 s.f.) on two lots at 425 West Washington Avenue. The project demolishes one existing one-story commercial building. The new building will have two levels of parking with 63 stalls, 5 floors of residential apartments totaling 50 units, and two commercial spaces, one for the current Optometrist Office and one for a Capitol Fitness Annex. The units will vary from an efficiency unit to two-bedroom units. We will have one efficiency (415 s.f.), 22 one-bedroom units (465 to 670 s.f.), 13 one-bedroom plus den units (465 to 670 s.f.), and 14 two-bedroom units (680 to 840 s.f.). With 50 units and 63 bedrooms, we average 1.26 bedrooms per apartment.

Each floor will have a laundry room. All units will have full-size kitchen, upgraded finishes, and high efficiency heat pumps for HVAC. This project will total 7,702 square feet of commercial space, 43,371 square feet of residential space, and 26,052 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 King Street and State Street areas is only 6 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 \$2,000,000 in taxes over the next 10 years with no city financial assistance. This project will also create 40 full time jobs during construction and 10 full time jobs upon completion.

NEIGHBORHOOD CONTEXT (DENSITY)

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

As with Butler Plaza, we will have planters all around this building to develop a very friendly pedestrian feel. We are also going to replace the sidewalk, terrace, and curb for the entire length of the block. We can improve the amount of the terrace landscape and eliminate some of the utility poles in the rear of the site. We can also replace the one street light that does not match the newer historic ones.

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 terraces with concrete finishes and planters. Built-in planters will be provided for tenant use on the rooftop terrace area as well. Side and rear yards will serve as private terraces for the units on the first floor. The west side terrace will have bike parking for visitors. The street terrace will have grass and trees that will be maintained and improved.

Overall, the proposed project provides approximately 150 square feet of open space on the first-floor terraces, 1,250 square feet on private balconies, and an additional 500 square feet of rooftop terrace. All the apartments will have exterior space that will allow for plants. The ground floor will have 5,620 square feet of open space; 34% of the site area.

PARKING AND ACCESS

We are constructing as many underground parking spaces as this site will allow. 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. This will give us a ratio of 1.26 stalls per unit, one stall per bedroom.

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. Members of the gym will not be allowed to access the underground parking. Currently only 40% of gym users drive to Capital Fitness. Any member using a car to visit the gym will continue on to the main facility at Butler Plaza. This location is intended to serve the 60% that will live closer to this location.

MANAGEMENT

Butler Plaza Properties will provide full-time professional management and maintenance services, including an onsite resident manager and regular daily office hours, on the premises. 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.

Parking will serve all residents requesting parking. Parking will service approximately 5 optometry staff and 4-5 customers of Dr. Bonsett-Veal. These spaces will have special signage noticing reserved status for Dr. Bonsett-Veal's optometry office, weekdays from 8:00 a.m. to 6:00 p.m. Three stalls will be reserved 5 a.m. to 11 p.m. for Capital Fitness staff. These stalls will be available for overflow and emergency use to residents, should illegal cars make access to normal stalls impossible. Illegal vehicles will be ticketed and/or towed, based on standard monitoring policies of Butler Plaza Properties and city

ordinances.

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.

Capital Fitness LLC has operated fitness facilities and salon/spa services in downtown Madison for 14 years. Capital Fitness provides a full array of services to more than 2,700 members and has 800-900 daily users of the primary 35,000 foot facility. It employs a full-time staff of more than 35 and 40-50 part-time staff and instructors. The business employs highly educated and experienced managers, trainers, sales agents, physical therapists, acupuncturists, professional stylists, masseurs, nail technicians, janitors, maintenance staff, and desk staff, with a payroll of nearly \$2,000,000 annually.

The Express location at 425 West Washington Avenue will have 3-4 staff onsite during most operating hours of 5 a.m. to 11 p.m. This facility will be staffed 100% of the time, unlike most “express” facilities. This facility will allow a full array of cardio and weight equipment, along with access to hourly, professional trainers. This location will provide a convenient facility that has a full line of gym equipment, shower, locker and changing space. The gym will be served with extensive exterior and interior bike stalls, moped stalls, and will be readily accessible to the neighborhood. Membership at this gym will allow convenience at the same time as access to the full array of services and classes offered at our primary business location of 302 East Washington Avenue.

Dr. Bonsett-Veal’s Vision Source currently employs 5 full-time staff. Expansion of Dr. Bonsett-Veal’s facility will allow the addition of one doctor and the addition of 2-3 full-time support staff. The new facility will allow Dr. Bonsett-Veal to continue to bring state of the art eye care and retail services to downtown residents and workers along with allowing continued growth of his business of nearly 30 years in downtown Madison.

BIKE PARKING

Bicycle racks will be provided for the tenants within a secured area. A minimum of 76 stalls will be provided within the parking structure. An additional 10 stalls will be provided in the plaza for visitors, along with an additional 12 stalls for mopeds.

CURRENT ZONING

The existing zoning is DR2. Below is a comparison of what is provided to what is required.

	actual lot	required
Lot Area:	16,451 s.f.	3,000 s.f. minimum
Yard Requirement:	10 front & 5 side 20 rear	10 front & 5 side 33 rear

Useable Open Space:	7,520 s.f.	1,000 s.f.
Lot coverage:	66%	80%
Off Street Parking:	1.26 per unit	0 per unit
Bike stalls:	76	50

GENERAL DESIGN STANDARDS

Architectural Design

The residential building will have elements and materials to blend with and add significant detail to the neighborhood. 80% of the exterior will be masonry with larger units on the first floor. Contrasting texture of these units will be used for horizontal banding treatment to the second floor. All living rooms will have larger glass areas, some with balconies. The fifth floor will have a 30-foot setback from the front while the two sides and rear will have a 5-foot setback in most areas.

We will use durable quality products, which will add to the longevity of our structure. The commercial use at the front of the building will provide more interest to the street and provide more privacy for the residents. The mixed use will also give more vitality to this site during the day, as well as at night.

The features within the building include higher ceilings in the living room, individual electrical heat pump HVAC system, larger square footage within the units, cable, cad 5 phone lines, higher level finishes, ceramic tile for bath and kitchen, commercial grade hardware, and some wood floors.

Utilities

All utility service within the proposed development will be provided underground. Water, sanitary sewer, storm sewer, telephone, and cable currently run along West Washington Avenue.

Storm Drainage

All storm water for the structure will drain to floor drains including the interior garage area. 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 wall mount lighting at the parking entrance, wall mount 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 and use LED bulbs.

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.

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 Washington Avenue, including stop sign and drive lanes.

For the commercial users, we will have one monument sign location on the west edge similar in size to the current sign. Any signage will be as approved by the Urban Design Commission and/or Planning Staff, meeting all current signage requirements.

Service Area

Trash collection will utilize space on the first floor with direct access to the exterior. We will use city containers. We will have 8 trash containers and 6 recyclable containers. The 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.

Each floor will have a laundry room for all tenants use.

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, integrated in the deck railing detail.

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 the main planters at the front entry. Adjacent to the fifth-floor rooftop terrace will be a green roof of 1,800 square feet.

Walkways

All walkways will be constructed of concrete to match existing sidewalks. The existing sidewalk will be replaced along the entire block. We will restore the terrace and also replace the existing concrete curb for the abandoned driveway being removed.

The rooftop terrace will be constructed with concrete pavers and metal railings to match the decks.