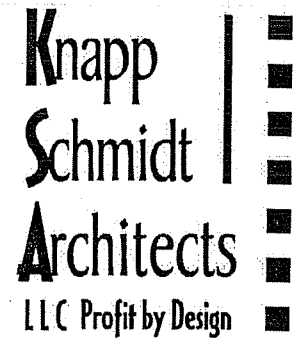


June 7, 2006

S0502

Project Owner;
Capitol Bakery LLC
Navin Jarugumilli
18 Shepard Terrace
Madison, WI



Re: Proposed Creation of;

Capitol Bakery & Bistro

and Residential Apartments

451 & 453 W. Washington Avenue

Madison, Wisconsin

Letter of Intent

Existing Conditions

The existing building at 451 W. Washington Avenue has (1) two-bedroom residential apartment on the first floor and (1) two-bedroom residential apartment on the second floor.

The existing building at 453 W. Washington Avenue has (2) two-bedroom apartments on the first floor, (2) two-bedroom apartments on the second floor and (1) four-bedroom apartment on the third floor.

453 W. Washington Avenue has no parking. 451 W. Washington Avenue has two spaces in the rear yard using a driveway access agreement with 449 W. Washington Ave.

The properties are located in the r6 Zoning District.

Description of the Proposed Construction

The owner proposes to convert the existing first floor of the two buildings into a restaurant by combining the two lots into one, and constructing an addition between the buildings. A bakery serving this restaurant and other retail establishments is to be located in the existing and new basement areas.

It appears that this use is consistent with the Bassett Neighborhood Plan. Due to the lack of parking, it is acknowledged that the bulk of the proposed business will need to be from services provided to the local neighborhood. The appropriateness of this business has been thoroughly discussed with the Bassett Neighborhood Steering Committee and the Committee of the whole. A major item of discussion for the neighborhood was the design of the proposed building. It is the owner's intent to maintain, improve, and expand the existing residential buildings in such a way that the neighborhood character is maintained and improved while providing the neighborhood with new essential services.

The exterior of the buildings are proposed to be altered. These changes include:

- A new porch is to replace the existing porch at 453 W. Washington Avenue.
- A new raised grade level around the buildings with guardrails, is proposed to provide a patio seating area for the restaurant, separated from the existing sidewalk.
- An addition is to be constructed between the two existing buildings. Separate entrances are created to the first floor commercial space, and second floor residential units.
- A new ground level entrance at the rear yard is to provide an accessible entry to the first floor and basement commercial space.
- The low slope roof areas above the new addition are to provide usable open areas for the four residential apartments that are to remain.
- Both buildings will have new roof shingles, and new siding, details of which were discussed with the Bassett Neighborhood Steering Committee and further discussed with the Urban Design Committee.

Description of the Proposed Business Operations

The restaurant plans to serve coffee and baked goods in the morning, provide lunches mid-day, and dinners in the evening. Alcohol is to be served at a bar and with meals as part of the proposed restaurant service. One desired feature is to provide outdoor seating on the raised patio area around the building, and with adequate demand, possible future lease space in the city owned terrace. Hours of operation are proposed to be from 6:00 am to 11:00 pm, with last seating at 10:30 for interior dining, and last seating on the patio at 9:00pm. The patio area will be open during suitable weather conditions. The bar area will only operate during hours of the restaurant food service.

The owner/operators wish to serve alcoholic beverages with food on the outside patio area. The R-6 zoning district regulations specifically do not allow alcohol outside of the building. This is the major item that has caused the desire to create a PUD zoning district.

There is a trash enclosure to be located behind the building. The enclosure will contain (4) trash cans and (2) recycling receptacles. Residential trash will be picked up by the City of Madison garbage services.

Restaurant trash will be placed in trash receptacles, also in the trash enclosure. The restaurant will contract with a private vendor to make a minimum of twice weekly trash pick-ups between the hours of 7:00 am and 5:00 pm. Containers will be the smaller size with rear yard pick-up or rolling containers out to the Bassett Street curb. Grease removal and recycled trash will also be removed by a private vendor.

Delivery of fresh produce is anticipated once per day. Delivery of dry goods for the bakery is anticipated to be about once per week. Dry goods for the restaurant is also anticipated to be about once per week. These deliveries will be in small trucks, which will make deliveries in the rear of the building, temporarily sharing space with the handicap accessible parking space. These deliveries will also be made between the hours of 7:00 am and 5:00 pm and at a designated time with the lowest business activity.

The lower level bakery is anticipated to serve several business locations. Deliveries to off-site locations will also be made with small trucks, parking in the rear yard service area

No parking is provide on-site. The owners will pursue the leasing of parking spaces from adjacent property owners who have adjacent parking lots in the center of the block.

The Capitol Bakery Food services including the bakery and restaurant will be managed by Jeff Holm.

The Captiol Bistro Beverage services including coffee and alcohol will be managed by Joshua Matteson.

Merits of the Project

The new commercial establishment will provide a dining and social venue for neighborhood residents. The 'no on-site parking' condition will likely limit many of the customers to those living in the nearby residential areas and in business hour to those working in the south capitol district.

The new second floor deck will provide exterior open areas for building residents that do not exist for current residents.

Conversion of the existing first floor areas to commercial use will include improved appearance of the two buildings at a prominent location, retain the buildings with

predominately residential character and use, and maintain the two buildings in present form, postponing pressure for more intensive development at this site.

Limitations and Hurdles for the Proposed Project

The two subject properties are zoned R-6. Although a restaurant is allowed as a conditional use, a tavern is not allowed. A recent interpretation of the R6 zoning text is that a restaurant-tavern is also not allowed in the R6 district. Outdoor seating with liquor service is not allowed. There are limitations to the design of the restaurant entry and the signage on the exterior of the building.

The two existing buildings have some infringement into required yard areas. The proposed addition and front porch reconstruction may require variances if the project remained in the R6 district.

City staff have determined that a PUD zoning district is the only avenue open for processing the proposed alterations and use.

Schedule for Development

It is anticipated that the site use approval process with the City of Madison will be completed by late summer 2006. The building permit process should provide building permits by October 1st, 2006. Pending financial approvals, it is anticipated that construction could start by October 2006, with occupancy anticipated by April 1st 2007.

The architect for the project is ; Mark J. Schmidt
Knapp Schmidt Architects LLC
2040 Winnebago St.
Madison, WI 53704
800-236-0140
fax 920-787-1418

The construction contractor has not been selected:

6/27/06

S0505

Capitol Bakery & Bistro & Residential Apartments

Owner Navin Jarugumilli
453 W. Washington Avenue
451 W. Washington Avenue
Madison, WI



Project Description

Convert the existing first floor space of 451 & 453 West Washington Avenue into one commercial restaurant space by constructing an addition to connect the two existing buildings. The existing second and third floor residential apartments are to remain. A bakery serving the restaurant and others is to be located in lower level.

Project Statistics

Site Area		5,640 sf					
	Area	Total Floor Area	Total Bldg Flr Area	Lot Area Req'd R6	Open Area Req'd R6	Commercial Space	Residential Space
Basement							
Kitchen/Bakery	1,675						
Mech#1 & Tenant Laundry	656						656
Exit/Toilet Addition	129						
Mech #2	122						
Stair #1	307						
Total Basement Area		2,889					
First Floor							
Existing 451	1,376					1,376	
First Floor Addition	612					612	
Existing 453	1,008					1,008	
Total New & Existing Porche:	328						
Total First Floor Area		3,324					
Second Floor							
Apartment #1	933			450	140		933
Apartment #2	637			450	140		637
Apartment #3	572			450	140		572
New Hall Addition	57						
Stair #1	83						
Stair #2	84						
Stair #3	59						
Total Second Floor Area		2,425					
Third Floor							
Apartment #4	1,226			600	280		1,226
Stair #1	100						
Stair #2	84						
Total Third Floor Area		1,410					
Total Building Floor Area		10,048					
Floor Area Ratio		9,736sf / 5460 sf: 1.78					