

Memorandum

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To: Thomas Hovel, Planning Director City of Fitchburg

From: Jessica Vaughn, AICP, JSD Professional Services, Inc.

Re: Artisan Village Concept Plan
 Novation Campus

JSD Project #: 17-8230S

Date: April 17, 2018

cc: Hans Justeson (JSD), Matt Meier (Alexander Company)

On behalf of the Alexander Company, Inc., JSD Professional Services, Inc. (JSD) is requesting a Pre-Application Meeting with the Plan Commission at their May 22, 2018, meeting.

We understand that the entitlement process will include approval of:

- Rezoning from Low Density Residential (R-L) to Planned Development and Architectural Design Review; and
- Certified Survey Map.

Looking ahead in anticipation of the entitlement process, our intent is to submit a rezoning request in May 2018.

The project team is committed to working with the City to satisfy statutory and ordinance requirements for this project and to collaborate to reasonably address other development goals and policies for the community.

Please do not hesitate to contact me with any questions regarding this matter or otherwise. We look forward to working with City staff to confirm a project and a public hearing schedule.

Project Site Location

The project site is generally located at the southeast corner of the intersection of Novation Parkway and Ski Lane in both the City of Fitchburg (southern three parcels, parcels 3-5 in the table below) and the Town of Madison (northern two parcels, parcels 1 and 2 in the table below). Today, the project site is vacant.

In all, the project site is comprised of five parcels and roughly 8.33 acres as noted on the Dane County, DCiMap:

Table 1: Project Site Composition				
	Parcel ID No.	Parcel Size	Zoning	Jurisdiction
1	070936323330	2.38	C-1	Town of Madison/Dane County
2	070935498505	0.50	C-1	Town of Madison/Dane County
3	060902180009	0.71	R-L	City of Fitchburg
4	060902184809	0.32	R-L	City of Fitchburg
5	060901286004	4.42	R-L	City of Fitchburg

The northern two parcels comprising the project site are located in the Town of Madison. Upon the dissolution of the Town in 2022, these parcels be absorbed into the City of Fitchburg.

As illustrated on the site plan, the proposed building footprints do not cross the Fitchburg/Town boundary line. PUD zoning approval processes are anticipated to run concurrently in both jurisdictions in the context of a cohesive plan for the site overall.

Project Background and Funding

With housing costs rising faster than income generally, and with limited resources to build affordable housing, many believe we have reached a National affordable housing crisis. Dane County is no exception, which is why many of our community leaders have sought to encourage affordable housing development through creative public/private partnerships. Through these partnerships, local incentives are often used, along with private capital, to compete for State and Federal affordable housing resources that are combined to make a project viable. Even with diligent efforts from all parties, the economics of building affordable housing is extremely difficult.

The site in question is uniquely positioned in Dane County to compete for these resources due to its location in a Qualified Census Tract, which allows more affordable housing credits than would otherwise be available. This is a rare opportunity in that there simply aren't many (if any) suitable sites available in qualified tracts, especially those along major transit corridors, along public transit routes, within a larger area of employment, and in proximity to services.

We are currently planning to pursue State and Federal "4% credits" paired with tax-exempt bonds in addition to City of Fitchburg Tax Incremental Financing. At least 90 percent of the residential units will be affordable to those earning an average of no more than 60 percent of the County median income. In 2018, the income limits at 60% of the County median income are as follows: 1-person: \$38,520, 2-person: \$44,040, 3-person: \$49,560.

Rental rates for a typical one-bedroom affordable apartment are expected to range from \$800 to \$875. This compares favorably to market rents of \$1,100 – 1,300. Rental rates for a typical affordable two-bedroom unit in the project is anticipated to range from \$975 to \$1,050 compared to market rates of well over \$1,400 per month.

With over 1,300 employees now located in the Novation Campus, Artisan Village will provide clean, safe, attractive and affordable workforce housing allowing residents to live close to where they work and play reducing commute times and fuel consumption. The addition of quality affordable housing options close to major employers in the campus such as Exact Sciences, Unity Point Health, Zimbrick European and many others will help attract employees to the campus while ensuring a diverse and vibrant community. At the same time, housing in this income range will cater to Dane County's creative class, artists, restaurant and service workers.

A new State affordable housing tax credit program was recently created to help make these types of projects feasible. While WHEDA is still developing their application procedures, we expect the program to be a competitive process with communities across the State competing for this limited resource. Among other criteria, it is likely that GDP approval will be a key consideration in making the awards. While the timeline for WHEDA's application submittal deadline has not been made public, it is estimated that the deadline could come as early as June. We are hopeful that Fitchburg, the Town and County will join us in advocating for GDP approval before the deadline to maximize our chances for an award of credits.

Rationale for Rezoning

The goal of the development proposal is to contribute to the overall goals of the Southdale Neighborhood Plan in creating an urban, mixed-use, walkable community by providing workforce housing with a variety of amenities that will appeal to a multitude of interests and lifestyles.

Overall, the residential development will serve as a supporting use to the existing employment and commercial uses as well as contribute to the mix of uses present in the Novation Campus.

In addition to furthering the goals of the neighborhood; other factors contributing to the rezoning request for Planned Development zoning include:

- Conventional zoning is not possible. The RH zoning district only permits lots under 90,000 square feet; the project site is in excess of that standard;
- Smart Code is not possible. The minimum lot area required is 40 acres, a standard that the project site does not meet; and
- Providing consistent zoning across the project site. The project site is located within both the Town of Madison subject to Dane County zoning and the City of Fitchburg. In order to maintain consistent zoning across the project site, Planned Development zoning is the only zoning district that will translate between the City and County.

Concept Site Plan Overview

The proposed Concept Site Plan is designed to be sensitive to the site context, providing for adequate transitions between the non-residential uses to the north, across Novation Parkway and the single-family residential development to the east.

- Site Access/Circulation. Two points of access will be provided into the project site; one from the north from Novation Parkway, and one from the west from Oregon Road.

The development will be served by a shared access drive that loops through the site and that is designed to function more as a complete street with parking, active unit entries, landscaping, and sidewalks.

The project site is highly accessible to major transportation corridors, including Rimrock Road, Highways 12 and 14, and County Highway MM. The project site is located along the Madison Metro All Day Service Bus Route 16, with the nearest transit stops being less than a quarter-mile away along Rimrock Road, and the Peak Hour Service Route 49. Both routes run to the South Transfer Point, which is located at S Park Street and W Badger Road.

- Units. Overall, the development proposal is comprised of roughly 8.33 acres and roughly 160-180 apartment-style residential units, including live/work units. The intent of the live-work units is twofold; to provide a transition from the commercial uses to the north; and to provide an amenity and housing option. The live/work units are aimed at providing workforce housing for start-up or home occupation businesses, service type uses, or artist workspace.

Apartment amenities are likely to include stainless steel appliances, in-unit washer and dryers, open flexible floorplans, expansive windows and high-quality fixtures and finishes. Overall, the development will offer one- and two-bedroom units with a target ratio of approximately 70:30 respectively.

As an added amenity, tuck-under garage parking stalls will be included for some units (roughly 58 attached garage spaces) that will provide direct access to individual units. Approximately 24 additional garage stalls are anticipated in detached garage buildings.

- Architecture. General building massing will be two-stories. The Concept Site Plan presents a building forward design with active unit entries and/or porches oriented towards the street. Building design is intended to reflect context, a more modern, flat-roofed architectural style along Novation Parkway will be pursued, while a more residential building design is anticipated for those buildings located adjacent to the Clausen Street residences.

Consideration has also been given to providing a buffer from the proposed multi-family residential to the single-family residential to the east; a 10-foot landscape buffer that is intended to be screened with either fencing or landscaping or a combination of both has been included along the eastern property line.

- Amenities. The Concept Site Plan includes a collection of seven buildings organized around a central green space and club house. With the goal of creating a unique successful urban infill development with a sense of place various site amenities are being considered, including live/work units, community room, fitness center, outdoor patio with grilling stations and fire pit, community gardens, bike repair station, car wash station, streaming wifi in social areas and on-site management and maintenance.
- CSM. The proposed lot layout is intended to create two lots, one within the City of Fitchburg and one within the Town of Madison.

See Attached Concept Site Plan.

Consistency with the City of Fitchburg Comprehensive Plan

Neighborhood planning for the project site was completed as part of the Southdale Neighborhood Plan, which was completed jointly by the City of Fitchburg and the Town and incorporated in each municipality's consolidated plan. The Town of Madison parcels North of the City of Fitchburg parcels are anticipated to become part of the City of Fitchburg in 2022. Until then, the zoning for those parcels is governed by Dane County and the Town of Madison. While both Fitchburg and the Town/County will need to review their portion of the project independently in accordance with their own procedures, this submittal and the incorporated site plan includes the entire project to ensure consistency of design and planning.

City of Fitchburg Parcels

The adopted Southdale Neighborhood Plan calls for the City of Fitchburg parcels to be consistent with either the Commercial/Employment or Urban Residential districts" (Page 35, Southdale Neighborhood Plan). The Urban Residential District Character allows the creation of urban density residential to transition from the mixed-use commercial employment area to the North to the nearby single-family areas. The neighborhood plan recommends buildings of 2-4 stories in height and 10-20 dwelling units per acre in the Urban Residential District. The Concept Site Plan is consistent with these recommended densities with approximately 18 units per acre on the Fitchburg portion of the site and just over 20 units per acre on the combined Fitchburg/Town property.

County/Town Parcels

The adopted Southdale Neighborhood Plan identifies the Town of Madison parcels as part of the Commercial Employment District, which also allows for residential and mixed-use, with 1-6 stories in height. While this portion of the site is part of the larger commercial employment district, the neighborhood plan makes special mention of the importance of the transition between the Urban Residential and the Commercial Employment districts. This proposal seeks to accomplish that through appropriate architectural design for the Northernmost building facing Novation Parkway, which will be decidedly more commercial in character, likely with commercial windows and flat roofs, transitioning architecturally from the taller office uses to the North. One of the goals identified in the plan was to include spaces for smaller start-up business incubators and neighborhood oriented services. To aid in the transition of uses and to provide opportunities for start-up or home businesses, this portion of the project will have live/work units on the first floor, in particular where adjacent on-street angle parking is already constructed. We foresee the live/work units including workspace characterized by individual entrances, large expanse of glass, tall ceilings and durable surfaces such as polished concrete floors. These spaces will be designed to foster creativity and accommodate the creative process with an open and flexible floorplan. While the spaces could accommodate a variety of small businesses, they will be especially suitable to artists seeking studio space within their dwelling. Where signage is desired at a live/work unit entrance, we would foresee the use of blade signs along the Novation Parkway frontage. As part of the County PUD process, we will seek to ensure that the resulting zoning allows for the mixed-use nature of the project and related signage.

While the proposed project is consistent with the recommended district character, Artisan Village will also meet a number of neighborhood goals and guiding principles identified in the Southdale Neighborhood plan. In particular, the neighborhood plan encourages the construction of affordable housing for a wide range of incomes and ages. Recently created housing phases in the neighborhood have included market rate options, senior housing and units developed for those earning 50 percent of County median income. With proposed targeting at 60 percent of

County median, the proposed development will add to the diversity of the neighborhood at a price point that is not adequately served while complimenting the employment base in the Novation Campus. The proposed project will demonstrate a high quality of design while incorporating sustainable practices into architecture and site development. As recommended in the plan, buildings are located near the street edge to provide a sense of enclosure and to reinforce the pedestrian zone and live/work opportunities will encourage interaction at the street level along Novation Parkway.

Consistency with the Dane County Comprehensive Plan

The Dane County Comprehensive Plan identifies the project site as being within an urban service area within an Agricultural Transition Area. Within Agricultural Transition Areas, the County seeks to:

- Continue to promote limited, compact, and efficient development; and
- Continue to refer to town plans adopted by the county board for detailed land use policies within Rural Development and Transitional Areas.

In addition, the County's Comprehensive Plan identifies overall land use goals and policies, including those related to:

- Encouraging land uses, densities and regulations that promote efficient development patterns;
- Providing adequate infrastructure and public services;
- Encouraging neighborhood designs that support a range of transportation choices; and
- Promoting and support a full range and adequate supply of housing choices through the county that meets the needs of persons of all income levels, age groups, household sizes, and persons with special needs.

The Concept Plan is generally consistent with land use goals and policies identified in the County's Comprehensive Plan, including those related to affordable housing, infill development, and multi-modal transit.

Economic, Social, and Environmental Impacts

Today, the site of Artisan Village is vacant, but surrounded by development, including single-family detached housing, retail, and commercial uses. The proposed residential development will provide additional housing opportunities within the City of Fitchburg and the Town of Madison, contributing to urban infill instead of sprawl, and promoting sustainability efforts to encourage walkability, reduce vehicle miles traveled, and support small business development.

The provision of quality affordable workforce housing will have tremendous economic and social impacts that cannot be understated. At a time when affordable housing has never been harder to create, this proposal is a unique opportunity to benefit the neighborhood along with its future residents, who might not otherwise have access to clean, safe and affordable housing.

Artisan Village will feature a wide array of community amenities to match the interest of all residents. A spacious community building will offer residents a place to gather, host a business meeting, prepare a meal in the common kitchen or entertain in the dining area. At the heart of every community is a gathering space, a place where residents, visitors, families and friends meet up for events, holidays, or just to spend time together outdoors. The centrally located community and open space with adjacent gardens will be available for all to enjoy, and will be home to various community-driven events and social activities.

Schedule of Completion

Construction is anticipated to begin on the first building in August with occupancy of the first building anticipated for the spring of 2019. The preliminary timeline calls for subsequent buildings to be delivered monthly until completion.