

ORDINANCE NO. L-2016-5
VILLAGE OF SHOREWOOD HILLS
DANE COUNTY, WISCONSIN

AN ORDINANCE CHANGING THE ZONING CLASSIFICATION OF PROPERTY
LOCATED AT 2801-2725 MARSHALL COURT
FROM C-3 MEDICAL OFFICE-COMMERCIAL DISTRICT
TO A PLANNED UNIT DEVELOPMENT (PUD) DISTRICT

RECITALS

1. Stone House Development, Inc., (the “Applicant”), has requested that the zoning classification of the property located at 2801-2725 Marshall Court (the “Property”) be changed to Planned Unit Development (“PUD”).

2. The Planned Unit Development District is intended to provide a voluntary regulatory framework designed to encourage and promote improved environmental and aesthetic design in the Village by allowing for greater design freedom, imagination and flexibility in the development of land while insuring substantial compliance with the basic intent of the Village’s Zoning Ordinance and Comprehensive Plan.

3. The Applicant has submitted a General Development Plan (the “GDP”) consisting of the following:

- A. Village of Shorewood Hills PUD Rezoning Request by Stone House Development, Inc.
- B. Introduction letter from J. Randy Bruce to Karl Frantz dated January 12, 2016.
- C. Site Plan, 11 x 17 sheet, numbered C-1.0, prepared by Knothe Bruce Architects (“KBA”), issued for GDP - January 12, 2016, Project 1339.
- D. GDP Limits Exhibit Map, 11 x 17 sheet, numbered C-1.0A, (page 1 of 3), prepared by Vierbicher, dated January 12, 2016, Project 150190.
- E. GDP CSML Phasing & R/W Configuration Exhibit Map, 11 x 17 sheet, numbered C-1.0B, (page 2 of 3), prepared by Vierbicher, dated January 12, 2016, Project 150190

- F. GDP Area Calculations for R/W Dedications & Vacations, 11 x 17 sheet, numbered C-1.0C, (page 3 of 3), prepared by Vierbicher, dated January 12, 2016, Project 150190.
- G. Existing Conditions Plan, 11 x 17 sheet, numbered C-1.1, (page 1 of 2), prepared by Vierbicher, dated 1/12/2016, Project 150190.
- H. Grading Plan, 11 x 17 sheet, numbered C-1.3, (page 2 of 2), prepared by Vierbicher, dated 1/12/2016, Project 150190.
- I. C-1.4 - 2727 Marshall Court General Development Plan, by KBA.
- J. C-1.5 – 2727 Marshall Court – Context site Plan – January 12, 2016, by KBA.
- K. C-1.6 – 2727 Marshall Court – Site Plan – January 12, 2016, by KBA.
- L. Basement Floor Plan, Building #1, 11 x 17 sheet, numbered A-1.0A, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- M. Ground Floor Plan - Building #1, 11 x 17 sheet, numbered A-1.1A, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- N. First Floor Plan - Building #1, 11 x 17 sheet, numbered A-1.2A, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- O. Second – Third Floor Plan - Building #1, 11 x 17 sheet, numbered A-1.3A, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- P. Fourth Floor Plan - Building #1, 11 x 17 sheet, numbered A-1.4A, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- Q. Basement Floor Plan - Building #2, 11 x 17 sheet, numbered A-1.0B, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- R. Ground Floor Plan – Building #2, 11 x 17 sheet, numbered A-1.1B, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- S. First Floor Plan – Building #2, 11 x 17 sheet, numbered A-1.2B, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- T. Second – Third Floor Plan – Building #2, 11 x 17 sheet, numbered A-1.3B, by KBA, Issued for GDP – January 12, 2016, Project 1339.

- U. Fourth Floor Plan – Building #2, 11 x 17 sheet, numbered A-1.4B, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- V. Concept Elevations, 11 x 17 sheet, numbered A-2.1, by KBA, Issued for GDP – January 12, 2016, Project 1339.
- W. A-2.2 – 2727 Marshall Court – Conceptual Elevations, 11 x 17 sheet, by KBA.
- X. A-3.1 – 2727 Marshall Court – Site Section, 11 x 17 sheet, by KBA.
- Y. A-3.2 – 2727 Marshall Court – Massing Model, 11 x 17 sheet, by KBA.
- Z. A-3.3 – 2727 Marshall Court – Shadow Studies – December 21 – 9:00AM, 11 x 17 sheet, by KBA.
- AA. A-3.4 – 2727 Marshall Court – Shadow Studies – December 21 – 10:00AM, 11 x 17 sheet, by KBA.
- BB. A-3.5 – 2727 Marshall Court – Shadow Studies – December 21 – 11:00AM, 11 x 17 sheet, by KBA.
- CC. A-3.6 – 2727 Marshall Court – Shadow Studies – December 21 – 12:00PM, 11 x 17 sheet, by KBA.
- DD. A-3.7 – 2727 Marshall Court – Shadow Studies – December 21 – 1:00PM, 11 x 17 sheet, by KBA.
- EE. A-3.8 – 2727 Marshall Court – Shadow Studies – December 21 – 2:00PM, 11 x 17 sheet, by KBA.
- FF. A-3.9 – 2727 Marshall Court – Shadow Studies – December 21 – 3:00PM, 11 x 17 sheet, by KBA.

4. On March 15, 2016, the Village Plan Commission conducted a public hearing on the application.

5. The Plan Commission found, based upon the information and analysis in the February 29, 2016 memorandum from Scott Harrington of Vandewalle & Associates, Inc., that a desirable structure can only be economically constructed at four stories in height, and that the otherwise applicable height restriction in the Doctor’s Park Neighborhood Plan should not apply to the GDP.

6. The Plan Commission recommended, subject to certain conditions, that the zoning classification of the Property should be changed to PUD, and that the GDP should be approved.

7. The Village Board agrees with the Plan Commission's recommendation.

ORDINANCE

NOW THEREFORE the Village Board of the Village of Shorewood Hills, Dane County, Wisconsin ordains as follows:

Section 1. The recitals set forth above are material to and are incorporated in this ordinance as if set forth in full.

Section 2. Subject to the conditions set forth in section 3 below, the zoning classification the Property is changed to Planned Unit Development District, and the GDP is approved, pursuant to section 10-1-33 of the Village Code and Wis. Stat. § 62.23(7)(d).

Section 3. The change in the zoning classification of the Property to Planned Unit Development District will not be effective until the following conditions have been satisfied:

- A. All owners of the Property have delivered written confirmation to the Village that they consent to the Planned Unit Development District zoning of the Property, pursuant to Wis. Stat. § 62.23(7)(b).
- B. An agreement relating to the development of the Property, that is satisfactory to the Village and the applicant, has been signed by the applicant and the Village of Shorewood Hills, and any other parties deemed necessary by the Village. The agreement must address tax increment financing for the development of the Property (if any), the provision of affordable parking for affordable units and the provision of parking for guests and visitors, the taxable status of the Property, and any other issues the Village or the applicant deem necessary or appropriate in connection with the development of the Property.

The above and foregoing ordinance was duly adopted by the Village Board of the Village of Shorewood Hills at its meeting held on _____, 2016, by a vote of _____ in favor, _____ opposed, and _____ not voting.

APPROVED:

By _____
Mark L. Sundquist, Village President

ATTEST

By _____
Colleen Albrecht, Village Clerk



VANDEWALLE & ASSOCIATES INC.

Date: July 15, 2016

To: Shorewood Hills Village Board

CC: Karl Frantz, Village Administrator; Matt Dregne, Village Attorney

From: Scott Harrington, AICP, Principal Planner; Dan Johns, AICP, Assistant Planner

RE: Arbor Crossing II TIF Request Analysis

Project Overview and Summary of Findings

Vandewalle & Associates has reviewed Stone House Development, Inc.'s request for Tax Increment Finance (TIF) assistance for their project located at 2725, 2727, and 2801 Marshall Court, currently known as Arbor Crossing II. This analysis is similar to those the Village has used for other TIF requests over the last year including The Boulevard and The Lodge II projects. It also is similar to the analysis we performed on this project earlier this year to evaluate the economic feasibility of four-story and three-story configurations. However, while the general results in terms of return on investment are similar between our previous analysis and those shown in this memo, there are differences in the exact figures due to various changes that have been made to the project over the last few months, particularly the reduction of affordable units from 12 to seven units. While we did not perform an updated analysis on a three-story configuration, the most recent analysis of the four-story configuration indicates that the recent changes would likely make the three-story option even less economically feasible. As a result, we stand by our previous finding that the project can only be economically constructed at four stories and, therefore, the Village may consider granting an exception to the project to permit four stories and a height of 48 feet, 9 inches.

Altogether, the project consists of 95 units, 10,520 sq. ft. office space, and 142 structured parking spaces in two buildings. The purpose of this analysis was to determine the rates of return on investment and overall project feasibility with and without TIF assistance. The project sources, uses, and development funding assumptions are shown on Table 1. The total project is expected to cost about \$18.45 million with \$2.15 million (12%) in TIF assistance requested to offset the loss of income on seven affordable three-bedroom units and other extraordinary costs. As with previous projects in the Village, rents for the affordable units are established by the Wisconsin Housing and Economic Development Authority as being the maximum that a family earning 60% of county Annual Median Income could reasonably afford to pay. On average, the affordable rents are 44% less than the market rents, and over the life of the affordable restriction (30 years) the reduction in income has a net present value of approximately \$135,000 per unit. Accordingly, the developer has requested \$135,000 of TIF assistance for each affordable unit plus an additional \$1.25 million to help offset other extraordinary costs such as land acquisition and site preparation.

Our analysis indicates that the amount of TIF assistance is reasonable and that even with such assistance the project has below market rate returns on investment using several different metrics. In addition, the project will generate approximately \$1.4 million of surplus tax increment over the life of the proposed district that the Village can use to fund other eligible costs such as improvements to University Avenue and/or Marshall Court. **However, the Village Board has full discretion to determine the extent, if any, of TIF assistance to be provided to this or any other project.**

Financial Analysis

Using the inputs and assumptions shown on Table 1, Vandewalle & Associates ran several multi-year cash flow analyses to measure the project's financial performance over time. The benchmarks we used are the same as those used by the Village in evaluating similar projects and include the following:

- Initial Stabilized Year Return on Equity: This is the net present value of the ratio/percentage of net operating income in the first year in which the project is fully occupied to the amount of developer equity used for project construction. Given that the project is to be built in two phases with a lease-up period of several months following completion of the last phase, the first stabilized year is projected to be 2020, or Year 3 of the project.
- Average Annual Return on Equity: This is the net present value of the ratio/percentage of the average annual net operating income over the first 13 years of the project to the amount of developer equity used for project construction. Using 13 years provides 10 years of stabilized income, which provides a better indication of the project's true financial performance than a shorter time period would.
- Internal Rate of Return: This is the effective interest rate received on the developer's equity over the first 13 years of the project based on the discounted annual net operating income over this period of time and a projected net sales value of the project at the end of 13 years.
- Margin on Sale at Year 13: This compares the projected sales price of the project to its construction costs, with the sales price based on the net operating income of the project and an expected capitalization (CAP) rate. Two different CAP rates were used, with the CAP being derived by dividing the net income of the project by project value. Accordingly, higher CAP rates result in lower returns. This metric was not used with previous projects, but is included here as just one more method to evaluate project feasibility.

Table 2 provides the returns on investment without the use of TIF assistance, and Table 3 shows the returns using the \$2.15 million of TIF assistance as requested by the developer. In both cases, the returns on investment are well below all of the benchmarks. Nevertheless, there are likely economies of scale and other benefits to the developer to own and manage this project along with the neighboring Arbor Crossing I. As a result, the developer has indicated a willingness to move forward with this project with TIF assistance even though it still achieves below market rates of return. However, without such assistance, the developer has indicated that the project is not feasible and that he will not go forward with it.

A "pay-as-you-go" arrangement is proposed whereby a portion of the project's annual property taxes would be used to pay the principal and interest on the level of assistance to be provided by the Village. Should the project GDP be approved, the total amount of assistance and the terms of payment will be the subjects of a development agreement to be presented to the Village Board later this summer with Tables 4 and 5 presenting two different potential payment schedules. Table 4 shows the payments beginning in 2020 with interest-only payments for two years and then level principal and interest payments made each year through the end of the District life. The payment schedule in Table 5 is based on the developer receiving the equivalent of 72% of his tax increment provided to him each year through the end of the life of the District. Although both are very similar in terms of total payments to the developer and the resulting surplus available to the Village, the use of a percentage split such as that shown in Table 5 provides a more level annual cash flow to the Village that may be more advantageous should the Village seek to borrow against these funds for near-term infrastructure projects. Accordingly, we recommend the Village consultant with its financial advisor to better determine the relative benefits of each method.

Table 1: Sources and Uses and Development Assumptions

Sources and Uses	Int. Rate	Term (Yrs.)	Proforma Inputs
Sources of Funds			
Equity			\$ 2,880,000
TIF Debt	5.00%	20	\$ 2,150,000
First Mortgage	5.00%	30	\$ 13,425,000
Total Sources			\$ 18,455,000
Project Costs			
Acquisition			\$ 2,240,000
Construction- Office core and shell			\$ 1,100,000
Construction- Residential/ 2 levels underground parking			\$ 13,350,000
<i>Total Hard Costs</i>			<i>\$ 16,690,000</i>
Soft Costs			
Development CM Services			\$ 880,000
Design/Engineering			\$ 275,000
Construction Period RE Taxes			\$ 50,000
Construction Insurance			\$ 30,000
Title Policy			\$ 25,000
Appraisal			\$ 5,000
Legal fees			\$ 40,000
Survey			\$ 10,000
Loan Fees			\$ 75,000
Construction Period Interest			\$ 250,000
Reserves			\$ 75,000
Pre-Opening Costs			\$ 50,000
<i>Total Soft Costs</i>			<i>\$ 1,765,000</i>
Total Project Costs (Uses)			\$ 18,455,000

Development/Operations Assumptions	Inputs
Res. Rent growth (beginning in Year 4)	1.25%
Expense growth (beginning in Year 4)	1.25%
Affordable Rent sf/mo. (Year 1)	\$0.93
Underground Parking lease rate (monthly)	\$120
Underground Parking Spaces	111
Stabilized vacancy	5.00%
Tax Rate	0.02150
Taxable value (inflation rate)	1.25%
Residential Units (Market Rate) - Bldg 1	33
Residential Units (Affordable) - Bldg 1	3
Residential Units (Market Rate) - Bldg 2	55
Residential Units (Affordable) - Bldg 2	4
Total Market Rate Units	88
Total Affordable Units	7
Total Residential Sq. Ft.	85,284
Total Office Sq. Ft.	10,520
Capitalized Rent Loss per Affordable Unit	\$135,000

Table 2: Returns with 7 affordable units and no TIF

Project Performance/Feasibility Measure	Return	Benchmark
NPV Initial Stabilized Year Return on Equity (ROE)	1.1%	7%
NPV Average Annual Return on Equity (ROE)	-1.4%	13-16%
Internal Rate of Return (IRR)	-0.3%	10-13%
Margin on Sale at Year 13 & 8% CAP	-25.1%	
Margin on Sale at Year 13 & 7.5% CAP	-20.1%	
Use of TIF Increment Generated	0%	
Total Increment Surplus to Village	\$4,870,413	
Net Present Value of Increment Surplus (20 years @ 2.75%)	\$3,563,305	

Table 3: Returns with 7 affordable units and TIF at the requested \$2.15M

Project Performance/Feasibility Measure	Return	Benchmark
NPV Initial Stabilized Year Return on Equity (ROE)	4.2%	7%
NPV Average Annual Return on Equity (ROE)	0.6%	13-16%
Internal Rate of Return (IRR)	3.0%	10-13%
Margin on Sale at Year 13 & 8% CAP	-15.2%	
Margin on Sale at Year 13 & 7.5% CAP	-9.6%	
Use of TIF Increment Generated	72.0%	
Total Increment Surplus to Village	\$1,407,264	
Net Present Value of Increment Surplus (20 years @ 2.75%)	\$1,038,453	

TABLE 4: 20-YEAR INCREMENT CASH FLOW (AMORTIZED PAYGO NOTE)

Prepared by Vandewalle & Associates, Inc.

Shorewood Hills - Arbor Crossing II Operating Proforma

July 15, 2016

Current Year	2016	Spending Years Remaining	15	Inflation Rate	1.25%
TIF Creation Year	2017	Total Years of Collection	20	Tax Rate (2015)	0.02150
Total Years of Spending Life	15	TIF Expiration Year	2037	First Full Year on Tax Rolls	2018
Final Expenditure Year	2032	Collection Years Remaining	20	First Full Year of Taxes	2019
				Base Value (2016)	\$ 2,068,310

TIF Year	Calendar Year	Project Completion	Annual Value Added	Cumulative Value Added	Total Value	Inflation Factor	Total Inflation Value	Value Increment	Total Taxes	Projected Tax Increment	5.00%			Amortized	Surplus to Village	2.00%		2.75%
											Developer Debt Interest Expense	Developer Debt Principal Expense	Remaining Principal	Total Village Payment to Developer		Annual Balance to Village (with Interest)	Cumulative Balance to Village (with Interest)	Net Present Value (NPV) of Annual Balance
0	2017	0%	\$ -	\$ -	\$ 2,068,310	1.000	\$ 2,068,310	\$0	\$44,469	\$0	\$0	\$0	\$2,150,000	\$0	\$0	\$0	\$0	\$0
1	2018	24%	\$ 2,549,000	\$ 2,549,000	\$ 4,617,310	1.013	\$ 4,675,026	\$2,606,716	\$44,469	\$0	\$0	\$0	\$2,150,000	\$0	\$0	\$0	\$0	\$0
2	2019	74%	\$ 5,279,845	\$ 7,828,845	\$ 9,897,155	1.025	\$ 10,146,130	\$8,077,820	\$100,513	\$56,044	\$0	\$0	\$2,150,000	\$0	\$56,044	\$57,165	\$57,165	\$54,146
3	2020	100%	\$ 2,730,845	\$ 10,559,690	\$ 12,628,000	1.038	\$ 13,107,494	\$11,039,184	\$218,142	\$173,673	\$107,500	\$0	\$2,150,000	\$107,500	\$66,173	\$67,497	\$124,662	\$62,221
4	2021	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.051	\$ 13,271,338	\$11,203,028	\$281,811	\$237,342	\$107,500	\$0	\$2,150,000	\$107,500	\$129,842	\$132,439	\$257,101	\$118,820
5	2022	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.064	\$ 13,437,229	\$11,368,919	\$285,334	\$240,865	\$107,500	\$90,880	\$2,059,120	\$198,380	\$42,485	\$43,334	\$300,436	\$37,838
6	2023	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.077	\$ 13,605,195	\$11,536,885	\$288,900	\$244,432	\$102,956	\$95,424	\$1,963,695	\$198,380	\$46,051	\$46,972	\$347,408	\$39,917
7	2024	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.091	\$ 13,775,260	\$11,706,950	\$292,512	\$248,043	\$98,185	\$100,196	\$1,863,500	\$198,380	\$49,663	\$50,656	\$398,064	\$41,895
8	2025	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.104	\$ 13,947,450	\$11,879,140	\$296,168	\$251,699	\$93,175	\$105,205	\$1,758,295	\$198,380	\$53,319	\$54,385	\$452,450	\$43,775
9	2026	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.118	\$ 14,121,794	\$12,053,484	\$299,870	\$255,402	\$87,915	\$110,466	\$1,647,829	\$198,380	\$57,021	\$58,162	\$510,611	\$45,562
10	2027	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.132	\$ 14,298,316	\$12,230,006	\$303,619	\$259,150	\$82,391	\$115,989	\$1,531,840	\$198,380	\$60,770	\$61,985	\$572,596	\$47,257
11	2028	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.146	\$ 14,477,045	\$12,408,735	\$307,414	\$262,945	\$76,592	\$121,788	\$1,410,052	\$198,380	\$64,565	\$65,856	\$638,452	\$48,865
12	2029	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.161	\$ 14,658,008	\$12,589,698	\$311,256	\$266,788	\$70,503	\$127,878	\$1,282,174	\$198,380	\$68,408	\$69,776	\$708,228	\$50,387
13	2030	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.175	\$ 14,841,233	\$12,772,923	\$315,147	\$270,679	\$64,109	\$134,272	\$1,147,903	\$198,380	\$72,298	\$73,744	\$781,972	\$51,828
14	2031	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.190	\$ 15,026,749	\$12,958,439	\$319,087	\$274,618	\$57,395	\$140,985	\$1,006,917	\$198,380	\$76,238	\$77,762	\$859,735	\$53,189
15	2032	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.205	\$ 15,214,583	\$13,146,273	\$323,075	\$278,606	\$50,346	\$148,034	\$858,883	\$198,380	\$80,226	\$81,831	\$941,565	\$54,474
16	2033	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.220	\$ 15,404,765	\$13,336,455	\$327,114	\$282,645	\$42,944	\$155,436	\$703,447	\$198,380	\$84,265	\$85,950	\$1,027,515	\$55,685
17	2034	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.235	\$ 15,597,325	\$13,529,015	\$331,202	\$286,734	\$35,172	\$163,208	\$540,239	\$198,380	\$88,353	\$90,121	\$1,117,636	\$56,824
18	2035	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.251	\$ 15,792,291	\$13,723,981	\$335,342	\$290,874	\$27,012	\$171,368	\$368,870	\$198,380	\$92,494	\$94,343	\$1,211,979	\$57,895
19	2036	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.266	\$ 15,989,695	\$13,921,385	\$339,534	\$295,066	\$18,444	\$179,937	\$188,934	\$198,380	\$96,685	\$98,619	\$1,310,598	\$58,899
20	2037	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.282	\$ 16,189,566	\$14,121,256	\$343,778	\$299,310	\$9,447	\$188,934	\$0	\$198,380	\$100,929	\$102,948	\$1,413,546	\$59,839
TOTAL			\$10,559,690						\$5,708,756	\$4,774,914	\$1,239,085	\$2,150,000	\$3,389,085	\$1,385,829	\$1,413,546	\$1,413,546	\$1,039,314	

TABLE 5: 20-YEAR INCREMENT CASH FLOW (PERCENTAGE PAYGO NOTE)

Prepared by Vandewalle & Associates, Inc.

Shorewood Hills - Arbor Crossing II Operating Proforma

July 15, 2016

Current Year	2016	Spending Years Remaining	15	Inflation Rate	1.25%
TIF Creation Year	2017	Total Years of Collection	20	Tax Rate (2015)	0.02150
Total Years of Spending Life	15	TIF Expiration Year	2037	First Full Year on Tax Rolls	2018
Final Expenditure Year	2032	Collection Years Remaining	20	First Full Year of Taxes	2019
				Base Value (2016)	\$ 2,068,310

TIF Year	Calendar Year	Project Completion	Annual Value Added	Cumulative Value Added	Total Value	Inflation Factor	Total Inflation Value	Value Increment	Total Taxes	Projected Tax Increment	72.0%	5.00%	2.00%		2.75%				
											Increment Available for Developer Debt	Developer Debt Interest Expense	Developer Debt Principal Expense	Remaining Principal	Total Village Payment to Developer	Surplus to Village	Annual Balance to Village (with Interest)	Cumulative Balance to Village (with Interest)	Net Present Value (NPV)
0	2017	0%	\$ -	\$ -	\$ 2,068,310	1.000	\$ 2,068,310	\$0	\$44,469	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
1	2018	24%	\$ 2,549,000	\$ 2,549,000	\$ 4,617,310	1.013	\$ 4,675,026	\$2,606,716	\$44,469	\$0	\$0	\$0	\$0	\$2,150,000	\$0	\$0			
2	2019	74%	\$ 5,279,845	\$ 7,828,845	\$ 9,897,155	1.025	\$ 10,146,130	\$8,077,820	\$100,513	\$56,044	\$40,324	\$0	\$0	\$2,150,000	\$0	\$56,044	\$57,165	\$57,165	\$54,146
3	2020	100%	\$ 2,730,845	\$ 10,559,690	\$ 12,628,000	1.038	\$ 13,107,494	\$11,039,184	\$218,142	\$173,673	\$124,958	\$107,500	\$17,458	\$2,132,542	\$124,958	\$48,715	\$49,689	\$106,854	\$45,805
4	2021	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.051	\$ 13,271,338	\$11,203,028	\$281,811	\$237,342	\$170,769	\$106,627	\$64,142	\$2,068,400	\$170,769	\$66,574	\$67,905	\$174,759	\$60,922
5	2022	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.064	\$ 13,437,229	\$11,368,919	\$285,334	\$240,865	\$173,303	\$103,420	\$69,883	\$1,998,517	\$173,303	\$67,562	\$68,913	\$243,672	\$60,172
6	2023	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.077	\$ 13,605,195	\$11,536,885	\$288,900	\$244,432	\$175,870	\$99,926	\$75,944	\$1,922,573	\$175,870	\$68,562	\$69,933	\$313,606	\$59,428
7	2024	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.091	\$ 13,775,260	\$11,706,950	\$292,512	\$248,043	\$178,468	\$96,129	\$82,339	\$1,840,234	\$178,468	\$69,575	\$70,967	\$384,573	\$58,692
8	2025	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.104	\$ 13,947,450	\$11,879,140	\$296,168	\$251,699	\$181,099	\$92,012	\$89,087	\$1,751,147	\$181,099	\$70,601	\$72,013	\$456,585	\$57,964
9	2026	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.118	\$ 14,121,794	\$12,053,484	\$299,870	\$255,402	\$183,762	\$87,557	\$96,205	\$1,654,942	\$183,762	\$71,639	\$73,072	\$529,657	\$57,242
10	2027	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.132	\$ 14,298,316	\$12,230,006	\$303,619	\$259,150	\$186,459	\$82,747	\$103,712	\$1,551,230	\$186,459	\$72,691	\$74,144	\$603,802	\$56,528
11	2028	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.146	\$ 14,477,045	\$12,408,735	\$307,414	\$262,945	\$189,190	\$77,561	\$111,628	\$1,439,601	\$189,190	\$73,755	\$75,230	\$679,032	\$55,820
12	2029	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.161	\$ 14,658,008	\$12,589,698	\$311,256	\$266,788	\$191,955	\$71,980	\$119,975	\$1,319,626	\$191,955	\$74,833	\$76,330	\$755,362	\$55,120
13	2030	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.175	\$ 14,841,233	\$12,772,923	\$315,147	\$270,679	\$194,754	\$65,981	\$128,773	\$1,190,853	\$194,754	\$75,924	\$77,443	\$832,805	\$54,427
14	2031	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.190	\$ 15,026,749	\$12,958,439	\$319,087	\$274,618	\$197,589	\$59,543	\$138,046	\$1,052,808	\$197,589	\$77,029	\$78,570	\$911,375	\$53,742
15	2032	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.205	\$ 15,214,583	\$13,146,273	\$323,075	\$278,606	\$200,458	\$52,640	\$147,818	\$904,990	\$200,458	\$78,148	\$79,711	\$991,086	\$53,063
16	2033	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.220	\$ 15,404,765	\$13,336,455	\$327,114	\$282,645	\$203,364	\$45,249	\$158,115	\$746,875	\$203,364	\$79,281	\$80,866	\$1,071,952	\$52,391
17	2034	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.235	\$ 15,597,325	\$13,529,015	\$331,202	\$286,734	\$206,306	\$37,344	\$168,962	\$577,913	\$206,306	\$80,428	\$82,036	\$1,153,988	\$51,727
18	2035	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.251	\$ 15,792,291	\$13,723,981	\$335,342	\$290,874	\$209,285	\$28,896	\$180,389	\$397,524	\$209,285	\$81,589	\$83,221	\$1,237,209	\$51,069
19	2036	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.266	\$ 15,989,695	\$13,921,385	\$339,534	\$295,066	\$212,301	\$19,876	\$192,425	\$205,099	\$212,301	\$82,765	\$84,420	\$1,321,629	\$50,419
20	2037	100%	\$ -	\$ 10,559,690	\$ 12,628,000	1.282	\$ 16,189,566	\$14,121,256	\$343,778	\$299,310	\$215,354	\$10,255	\$205,100	\$0	\$215,354	\$83,955	\$85,634	\$1,407,264	\$49,775
TOTAL			\$10,559,690						\$5,708,756	\$4,774,914	\$3,435,568	\$1,245,244	\$2,150,000	\$3,395,244	\$1,379,670	\$1,407,264	\$ 1,407,264	\$1,038,453	



VANDEWALLE & ASSOCIATES INC.

Date: July 15, 2016

To: Shorewood Hills Village Board

CC: Karl Frantz, Village Administrator

From: Scott Harrington, AICP, Principal Planner

RE: Arbor Crossing II Summary of Issues

Given the amount of time that has transpired since the Plan Commission hearing on Arbor Crossing II and the number of changes to the project since then, Karl asked that we prepare a summary report of the key issues and findings. The first few sections below contain summaries as taken verbatim from the initial staff reports by Vandewalle & Associates and Strand provided to the Plan Commission, and the sections that follow those summarize the issues discussed by the Board and the developer's responses to them.

Project Summary

Table 1 at the back of this report summarizes the project as it is now proposed including all of the changes described below.

Summary of Initial GDP Analysis

The following were the key findings of the initial GDP review performed by Mike Slavney of Vandewalle & Associates as included in his report to the Plan Commission dated March 6th.

The proposed site layout accomplishes important public objectives for the site, as identified in the Comprehensive Plan and the Doctor's Park Neighborhood Plan, including:

- the retention of a long-term business on-site;
- the westerly and northerly continuation of Catafalque Drive to Marshall Court;
- the completion of the University Avenue Bike Path through the "missing link";
- the provision of 12 additional affordable housing units;
- the provision of additional on-street parking;
- the elimination of (all but 3) surface parking spaces in favor of under-building parking;
- additional parking at the University Station shopping center;
- improved stormwater management in the central portion of Marshall Court;
- urban design and building architecture largely compliant with the Doctor's Park Neighborhood Plan.

I believe the proposed four-story building heights are essential for project economics and TIF District success. I further believe the Village's traffic objectives are met by the proposal. However, several aspects of the project are inconsistent with Village objectives, and I believe these issues merit consideration by the Plan Commission and Village Board. These include:

For the General Development Plan (GDP) Phase:

1. Late afternoon winter shadowing of the first floors of Shackleton Square and the Ronald McDonald House.
2. The potential to require dedication of an easement for the completion of the Bike Path as part of Phase 1 of the project, followed by right-of-way dedication for the Bike Path in Phase 2.
3. The lack of designated off-street loading areas for both Building 1 and Building 2.

For the Specific Development Plan (SDP) Phase – if the GDP is approved:

- A. The lack of floor-to-ceiling windows for the first floor public spaces in Building 1.
- B. The consistency of exterior design, materials, and colors between the Arbor Crossing I building, and both buildings proposed in Arbor Crossing II (which may be judged appealing or undesirable).
- C. The need to ensure the proposed timeline of development for both buildings, to ensure the ability to retire the requested TIF district, and/or the related need for developer-guaranteed TIF performance.

I recommend approval of the Arbor Crossing II project as a Planned Unit Development, with the resolution of the General Development Plan issues 1-3 immediately above. The remaining issues A-C, above, are appropriately resolved during the review of the Specific Development Plan process.

Summary of Initial Height Exception Analysis

The following were the key findings of the height exception analysis performed by Scott Harrington of Vandewalle & Associates as included in his report to the Plan Commission dated February 29th.

In analyzing the information provided by the developer against the requirements of the Doctor's Park Neighborhood Plan as required for the Plan Commission to consider an exception to the number of stories and height of the proposed structures, we find that:

1. The proposed mixed-use project with structured parking is a "desirable structure" in that it meets most of the goals and objectives of the adopted Doctor's Park Neighborhood Plan, Village Comprehensive Plan, and TID #3 project plan.
2. With some modifications, the height of the four-story buildings could be reduced to comply with the 46-foot height limit contained in the Doctor's Park Neighborhood Plan so the requested exception primarily concerns the number of stories and not the maximum height of the building.
3. The developer has submitted "substantial proof" of project costs and revenues for both three- and four-story options that are in line with similar projects recently constructed and approved within the Village.
4. The four-story option meets or exceeds two of three measures for project economic feasibility used by the Village Board, and the three-story option falls below all three measures. Further, the level of TIF assistance requested by the developer for the three-story option may be more than what the tax increment from the project could actually support indicating that the financial performance of the three-story option may be even less than that determined by this analysis.
5. Based on the above, the applicant has shown that the project can only be economically constructed at four stories and, therefore, the Plan Commission may consider granting an exception to the project to permit four stories and a height of 48 feet, 9 inches.

Summary of Parking and Traffic Analysis

The following were the key findings of the parking and traffic analysis performed by Jeff Held of Strand Associates as included in his report provided to the Plan Commission at their meeting on March 15th.

Motor Vehicle Traffic Volumes

1. Original traffic study (2008) estimated the increase in motor vehicles that would result from redevelopment. It considered two scenarios:
 - a) Scenario 1 (more residential) – about 260 to 330 additional trips in and out
 - b) Scenario 2 (more office) – about 390 to 440 additional trips in and out
2. To date after redevelopment of 800 U-Bay Drive and Arbor Crossings I, but prior to redevelopment of 700 U-Bay and Arbor Crossing II:
 - about 80 to 180 additional trips in and out
 - about 30% to 55% of Scenario 1
 - about 20% to 40% of Scenario 2
3. Anticipated additional traffic above today's volumes after 700 U-Bay and Arbor Crossing II are completed:
 - about 120 to 140 additional trips in and out
 - about 20% to 30% more than today

Trip Generation

Field counts of all people entering and leaving Arbor Crossing I indicates it generates exactly what we would expect in the morning. It generates fewer trips in the afternoon than expected, and the peak hour of trips in and out is well before the afternoon peak hour of University Avenue traffic.

Parking

Parking occupancy has been surveyed at various times of day in the University Station Parking lot and the on-street stalls along Marshall Court. Weekdays during lunch parking is nearly full. Other times of the day parking is generally available except in front of Arbor Crossing I.

The redevelopment projects should reduce demand for on-street parking by providing sufficient parking for their own sites, providing surplus parking (10 to 12 stalls at 700 U-Bay), and/or reconfiguring their lots to add parking (5 stalls at University Station). The proposal to change the 90-degree parking stalls along Marshall Court to parallel stalls may result in a net change of 0 to a net loss of (-15) stalls depending on whether on-street parallel parking is accommodated west of Shackleton Square where it does not exist today. If it is provided on both sides, there will not be a loss in parking stalls with the conversion to parallel parking.

Crashes and Speeds

Shorewood Hills Police Department records do not indicate that speeding or crashes are a concern. Converting the 90-degree parking to parallel parking provides better visibility of bicycles for cars pulling into and out of on-street parking stalls. Completion of the multi-use trail along the railroad tracks will provide an alternative to walking and bicycling along Marshall Court. Sidewalks will also be completed on both sides of the street.

Building Height and Shadow Analysis

The project height and configuration has not changed from that as presented to and approved by the Plan Commission. Both buildings are four stories with Building 2 having a peak height of 48 feet, 9 inches, which is 1 foot, 9 inches taller than the height permitted in the Doctor's Park Neighborhood Plan without the need to receive approval of an exception. Based on input provided by the Village earlier in the process, the project presented to the Plan Commission included a step-back of the fourth floor of Building 2 in order to reduce the appearance of height and mass from the street and to reduce shadowing on the Shackleton Square buildings across the street. The developer's architect prepared and presented detailed shadow analyses showing the shadowing impacts on the Shackleton buildings on December 21st, the day the sun is at its lowest. When comparing the building as proposed to one that complies with the maximum height limit, the proposed building essentially casts the same amount of shadow, but the maximum level of shadowing is reached late in the day about 11 minutes earlier.

Parking & Loading

Based on direction from the Village Board, the developer has made the following changes over the last couple of months to address concerns about loading and guest parking:

- Three spaces are proposed to be located adjacent to Catafalque Dr. between Buildings 1 & 2. These spaces will not be included in the developer's dedication of Catafalque Dr. to the Village so that the developer may control their use as needed for loading and guest parking.
- Four surface parking spaces along Catafalque Dr. behind Arbor Crossing I were originally restricted to only customers of the dental office located in that building. Those spaces have now been re-signed to permit parking by others after business hours on evenings and weekends.
- Psychiatric Associates (PA) has approximately 25+/- parking spaces on their current site. Under their agreement with the developer, PA will own all 31 spaces on the second parking level in Building 1 and lease/own an additional 10 spaces in Building 2 with an option for 5 more. Assuming this many spaces are needed at any one time, this will remove 16-21 cars that are currently parking on the street.
- Due to security concerns and management limitations, the 31 PA spaces in Building 1 will not be available to people other than employees and clients. However, the developer and PA have reached an agreement in principal to make the 10-15 spaces in Building 2 available to residential guests after business hours.
- Building 1 has 36 residential units and 35 parking spaces. Building 2 has 59 units and 61 parking spaces (and potentially 66 spaces if PA does not exercise its option for the additional 5 spaces in that building). According to the developer, the parking demand at Arbor Crossing I has rarely exceeded one space per unit so the project appears to accommodate all of its own parking demands in addition to reducing the demand for on-street spaces currently generated by PA.

Facilities for Children

Buildings 1 & 2 each contain community space. Details on the finishes of these spaces will be provided as part of the SDP application, but as requested by the Board, the developer has committed to including amenities specifically for children. In addition, the completion of the bike trail behind the project and across the University Station property as well as the completion of the sidewalk along Marshall Ct. will provide improved pedestrian access to Post Farm Park and the upgraded playground the Village is providing there.

Affordable Units

The developer initially proposed 12 affordable units but, at the request of the Village Board, reduced the number to seven, three-bedroom units in order to further the Village's goal to create more affordable units suitable for families and to create a larger "surplus" of tax increment that can be used to fund other projects such as improvements to Marshall Ct. and University Blvd. This has the effect of increasing the surplus from about \$200,000 to over \$1 million. The addition of these seven units would bring the Village's total affordable units to 54, including the four units proposed for The Boulevard project

Project Timing

Given the longer than expected time to obtain GDP approval and the need to still obtain SDP approval and approval of a development agreement, construction on Building 1 will now begin in early 2017 with construction of Building 2 to begin in 2018. As a result, it is recommended that the new TIF district not be created until early 2017 in order to maximize the amount of tax increment available to the Village to complete other projects.

Protest Petition

Under state law, if a legally sufficient petition is filed objecting to a proposed rezoning a super majority of the Board is required in order to approve the rezoning. Village Attorney Matt Dregne previously provided a memo to the Board outlining his understanding of the statutes with respect to condominium owners and how this provision applies to them. It is his opinion that a petition must be signed by all owners within a condominium development (e.g., Shackleton Square) in order to meet the statutory requirement. As of the date of this report, a petition signed by the Shackleton Square Condominium Association Board and a substantial number, but not all, of the units has been filed with the Village. The Village Attorney believes this is not a legally sufficient petition but has noted in his memo that the law is unsettled on this question. Assuming the petition is sufficient, the project would require a minimum of 6 affirmative votes in order to be approved.

To assist the Board with any questions it may have, Mike Slavney, Scott Harrington, Jeff Held, and Matt Dregne all will be in attendance at the meeting on Monday.

Table 1: Arbor Crossing II Project Summary

Project Component	Building 1	Building 2	Total
Site Area (sf)	26,223	24,428	50,651
Gross Floor Area (sf) - Residential	38,984	63,754	102,738
Gross Floor Area (sf) - Office	10,520	-	10,520
Total Gross Habitable Area (sf)	49,504	63,754	113,258
Number of Floors	4	4	-
Maximum Bldg. Height (ft)	48	48.75	-
Market Rate Units	33	55	88
Affordable Units	3	4	7
Total Units	36	59	95
Parking Levels	2	2	-
Structured Parking Spaces - Residential	35	61	96
Structured Parking Spaces - Office	31	15	46
Surface Parking Spaces	-	3	3
Total Parking Spaces	66	79	145
Approx. Completion Date	April 2018	April 2019	-
Absorption Schedule (months)	4	7	-
Total Construction Cost	-	-	\$ 18,455,000
TIF Request	-	-	\$ 2,150,000
Current Assessed Value	\$ 650,000	\$ 1,418,310	\$ 2,068,310
Completed Assessed Value	\$ 5,748,000	\$ 6,880,000	\$ 12,628,000
Value Increment	\$ 5,098,000	\$ 5,461,690	\$ 10,559,690
Total Property Taxes	\$ 126,456	\$ 151,360	\$ 277,816
Tax Increment	\$ 112,156	\$ 120,157	\$ 232,313
1st Year Stabilized NOI	-	-	\$ 1,213,267

Estimated Shorewood Hills Apartment Count

Project #	Project Name	Affordable vs Market Rate	Total Units	Number Units by Size								
				Eff	1 BR Units	2-BR Units	3-BR units					
1424	700 University Bay	Affordable	9	0	3	4	2					
		Market Rate	45	9	24	11	1					
		Total	54	9	27	15	3					
1114	Arbor Crossing I	Affordable	26	0	6	9	11					
		Market Rate	54	3	24	27	0					
		Total	80	3	30	36	11					
1339	Marshall Court	Affordable	7	0	0	0	7					
		Market Rate	88	3	60	25	0	*Apartment mix subject to final agreement				
		Total	95	3	60	25	7					
1121	Walnut Grove (Lodge I)	Affordable	0	0	0	0	0					
		Market Rate	100	8	53	39	0					
		Total	100	8	53	39	0					
1403	Pyare Square (Lodge II)	Affordable	8	0	3	3	2					
		Market Rate	86	12	47	27	0					
		Total	94	12	50	30	2					
1357	Shorewood Boulevard	Affordable	4	0	1	2	1					
		Market Rate	34	2	28	4	0					
		Total	38	2	29	6	1					
Totals		Affordable	54	0	13	18	23					
		Market Rate	407	37	236	133	1					
		Total	461	37	249	151	24					

Village of Shorewood Hills PUD Rezoning Request

◆ 810 Shorewood Blvd. ◆ Madison, WI 53705 ◆ Phone (608) 267-2680 ◆ Fax (608) 266-5929 ◆

The Village of Shorewood Hills Plan Commission generally meets on the second Tuesday of the month at 7:00 p.m. at Village Hall. This form must be submitted with 10 sets of plans at 11x17 and 1 set of plans at full-size (22x34 or 24x36) of the items listed in the requirements below. General Development Plan (GDP) materials must be submitted at least 30 days prior to the Plan Commission meeting to accommodate public hearing notification, staff review and agenda placement. Specific Development Plan (SDP) materials must be submitted at least 20 days prior to the Plan Commission meeting. An incomplete application form and submittal package may result in a delay of your request. In addition to the requirements of this application, please be prepared to attend the Plan Commission meeting to present your project and answer questions. If you have any questions about the requirements please contact Karl Frantz, Village Administrator, at (608) 267-2680.

Property Address: _____ 2801-2725 Marshall Court _____

Current Zoning Designation: _____ C-3 _____ Current Property Use: _____ Office _____

	Owner	Applicant
Name	2727 Marshall Court, LLC	Stone House Development, Inc.
Address	625 N. Segoe Rd, Suite 107 Madison, WI 53705	625 N. Segoe Rd, Suite 107 Madison, WI 53705
Phone Number	608-251-6000	608-251-6000
E-Mail Address	rarnesen@stonehousedevelopment.com	rarnesen@stonehousedevelopment.com
Fax	608-251-6077	608-251-6077

The fee for a Planned Unit Development-General Development Plan (PUD-GDP) rezoning request is \$350. The fee for a Specific Development Plan (PUD-SDP) is also \$350. The Village may also charge the applicant with costs associated with technical review of materials by outside engineering, planning, and legal consultants.

PUDs are separated into two phases, the General Development Plan (GDP) and Specific Development Plan (SDP). Applicants who wish to move forward with both the GDP and SDP simultaneously may discuss concurrent submittal with Village staff. The necessary components of both the GDP and SDP are listed below. The Plan Commission and/or Village Board may require other studies or plans that would aid in consideration of the proposed development. Please see Section 10-1-33 of Village ordinances for criteria for approval of a PUD and the process for GDP and SDP approval. Amendments to an approved GDP or SDP do not have to resubmit an entire application, but should address all components being altered.

Planned Unit Development – General Development Plan Requirements

PUD-GDP applications must include the following materials in adequate detail to allow Village staff, committees, and the Village Board to judge the application against PUD-GDP criteria for approval:

- A map of the project area showing topography, site features, and the property's relationship to surrounding properties and structures.
- A statement as to why PUD zoning is proposed, including why the development must utilize PUD-GDP zoning instead of existing Village zoning districts (is the PUD to accommodate exceptions to land use, height, setbacks, parking, or any other relevant Village zoning requirements?)
- A statement describing how the project complies with the Village's Comprehensive Plan and the neighborhood plan for the area (if the site is in a neighborhood plan boundary).

- A statement describing the project and summarizing relevant project statistics (land uses to be permitted, anticipated number of residential units, square feet of commercial space, parking stalls, etc.)
- If the project is to progress in phases, a phasing map or a statement discussing project phasing.
- Scaled plans of the site (not less than 1" = 100') showing:
 - Land uses and development densities.
 - The size, arrangement, and location of lots.
 - The proposed general location of buildings or groups of buildings.
 - Public and private roads.
 - The location and square footages of public and private open space.
 - A general grading plan, including drainage and stormwater management, sufficient to illustrate that the development will generally meet the Village's stormwater management ordinance.

Planned Unit Development – Specific Development Plan Requirements

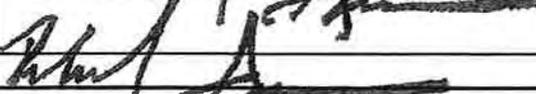
PUD-SDP applications must include the following materials (per Section 10-1-108 of Village ordinances) in adequate detail to allow Village staff, committees, and the Village Board to judge the application against PUD-SDP criteria for approval:

- Statement of how the SDP is consistent with the previously approved GDP.
- Anticipated construction schedule.
- Legal description, plus existing conditions, proposed easements, and a property boundary survey at a scale of at least 1" = 40', prepared by a registered land surveyor.
- Page and volume number of recorded easements or covenants and a note describing their effect of the use of the site, if any.
- Proposed covenants.
- Location, height, dimensions, exterior materials and colors of proposed building(s).
- Distances of proposed building(s) from lot lines.
- Location, size and type of all existing and proposed utility lines and structures.
- Location, size and dimensions of proposed common areas, easements, and other specially designated areas.
- Location and dimensions of proposed walkways, sidewalks, and trails.
- Location, width, and surfacing of proposed public or private streets and parking areas (see Section 10-1-70(b) for parking and circulation design requirements).
- Location, size, dimensions, and type of proposed site lighting (must comply with Chapter 22).
- Location, size, dimensions, type, material, and color of proposed signs (signage may be submitted separately at a later date, if desired).
- Grading, drainage, erosion control, and stormwater plans.
- Landscaping plan (using Section 10-1-70(b)(11) as a guide).

Certification

I (we) certify that above plans and materials submitted herewith are true to the best of my (our) knowledge and belief. I (we) consent to the entry in or upon the premises described in this application by any authorized official of the Village of Shorewood Hills for the purpose of securing information, and posting, maintaining and removing such notices as may be required by law.

Applicant Signature:  _____ **Date:** 1/7/16

Owner Signature:  _____ **Date:** 1/7/16

For Staff Use Only				
Date Received:	1/7/16	Public Hearing Date:	PC:	VB:
Fee Amount:	350.00	Paid?	1/7/16	PH Publication Dates:
Date Public Hearing Notices Mailed to Adjoining Property Owners:				
Board Hearing Outcome:		Subject to:		

January 12, 2016

Karl Frantz
Village Administrator
Shorewood Hills Village Hall
810 Shorewood Boulevard
Madison, WI 53705



Re: Rezoning from C-3 to Planned Unit Development
General Development Plan
2801-2725 Marshall Court

Dear Mr. Frantz:

The following information is submitted together with the plans and application for rezoning of the Marshall Court property.

Organizational structure:

Owner: 2727 Marshall Court, LLC
(LLC to be formed)
625 N. Segoe Rd. Suite 107
Madison, WI 53705
Phone: 608-251-6000
Fax: 608-251-6077
Contact: Rich Arnesen
rarnesen@stonehousedevopment.com

Architect: Knothe & Bruce Architects,
LLC
7601 University Ave., Ste 201
Middleton, WI 53562
Phone: 608-836-3690
Fax: 608-836-6934
Contact: Randy Bruce
rbruce@knothebruce.com

Engineer: Vierbicher
999 Fourier Drive, Suite 201
Madison, WI 53717
Phone: (608) 826-0532
Fax: (608) 826-0530
Contact: Randy Kolinske
rkol@vierbicher.com

Landscape Design: Ken Saiki Design
303 S. Paterson St., Suite 1
Madison, WI 53703
Phone: (608) 251-3600
Contact: Ken Saiki
ksaiki@ksd-la.com



Introduction:

This project proposes the redevelopment of 2801-2725 Marshall Court. The three existing office buildings will be deconstructed and replaced with a mixed-use development generally consistent with the Village of Shorewood Hills Comprehensive plan and the Doctor's Park Neighborhood Plan. The site is designated for mixed-use development according to map 3-2 of the Comprehensive Plan.

This rezoning application requests rezoning from C-3 to Planned Unit Development. This is the first step of the PUD zoning which establishes the General Development Plan for the site. Future submittals for the Specific Implementation Plan will describe the specific development details.

Project Description:

Stone House Development, Inc. is proposing a mixed-use, mixed-income, multi-family rental project of approximately 95 units and 10,000 s.f. of commercial space on Marshall Court. There are two buildings within the development and they will be constructed in phases. Phase I is the western building which consists of approximately 36 apartments and 10,000 s.f. of commercial space over structured parking. Phase II will contain approximately 59 apartments over under-building parking. The project will contain a mix of market rate rental units and affordable rental units with approximately 12 of the apartments being set aside for families and individuals earning no more than 60% of the Dane County Median income.

The building arrangement has been adjusted to minimize the solar impacts of the development on Shackelton Square Condominiums to the north. The western building has an entry plaza on Marshall Court that provides an open space along the street and additional solar access. The two buildings will have a step-back on the fourth floor to scale the buildings down towards Marshall Court. The building architecture will be further described and detailed in the Specific Implementation Plan but will contain high-quality and durable materials with a lasting architectural aesthetic.

Project Benefits

This project will have significant positive benefits to the Village of Shorewood Hills including:

- Dedication of approximately 22,700 sf of lot area to the Village for the continued improvement of Marshall Court, the completion of Catafalque Drive and the extension of the bike path along the rail corridor.



- Facilitating the bike path extension to the west through the adjustment of the shared property line. The property line adjustment will assist the parking design for the University Station so that the bike path can be extended and parking totals on that site maintained or improved.
- Providing additional affordable housing for the Village of Shorewood Hills, a stated goal for the Village, which furthers the housing options for the Village.
- Providing new, high-quality commercial space for an existing Village business, allowing them to stay in the Village.
- Meeting the goals of the neighborhood plan by providing a mixed-use development that will minimize the traffic and parking impacts of redevelopment on Marshall Court. The residential uses will produce a much lower traffic and parking impacts than alternative commercial uses.

Project Summary:

	<u>PHASE 1</u>	<u>PHASE 2</u>
Lot Area:	26,223 S.F. (.60 acres)	24,428 S.F. (.56 acres)
Dwelling Units:	36 DU	59 DU
Lot Area/D.U.:	728 S.F./D.U.	414 S.F./D.U.
Density:	60 units/acre	105 units/acre
Building Height:	4 stories	4 stories

Overall Square Footage:

Commercial	10,520 S.F.	0 S.F.
Gross Floor Area	82,186 S.F.	63,754 S.F.
Total	92,706 S.F.	63,754 S.F.

Dwelling Unit Mix:

Efficiency	9	0
One Bedroom	10	40
One Bed + Den	3	0
Two Bedroom	11	13
Two Bed + Den	0	2
Three Bedroom	3	0
Three Bed Townhouse	0	4
Total residential units	36	59



Vehicle Parking:

Underground parking	3	0
Surface parking	63	76
Total parking	69 Stalls	76 stalls

Project Schedule:

Construction of Phase I of this project will start in early summer 2016 with completion scheduled for summer 2017. Phase II is projected to start summer 2017 with completion scheduled for summer 2018.

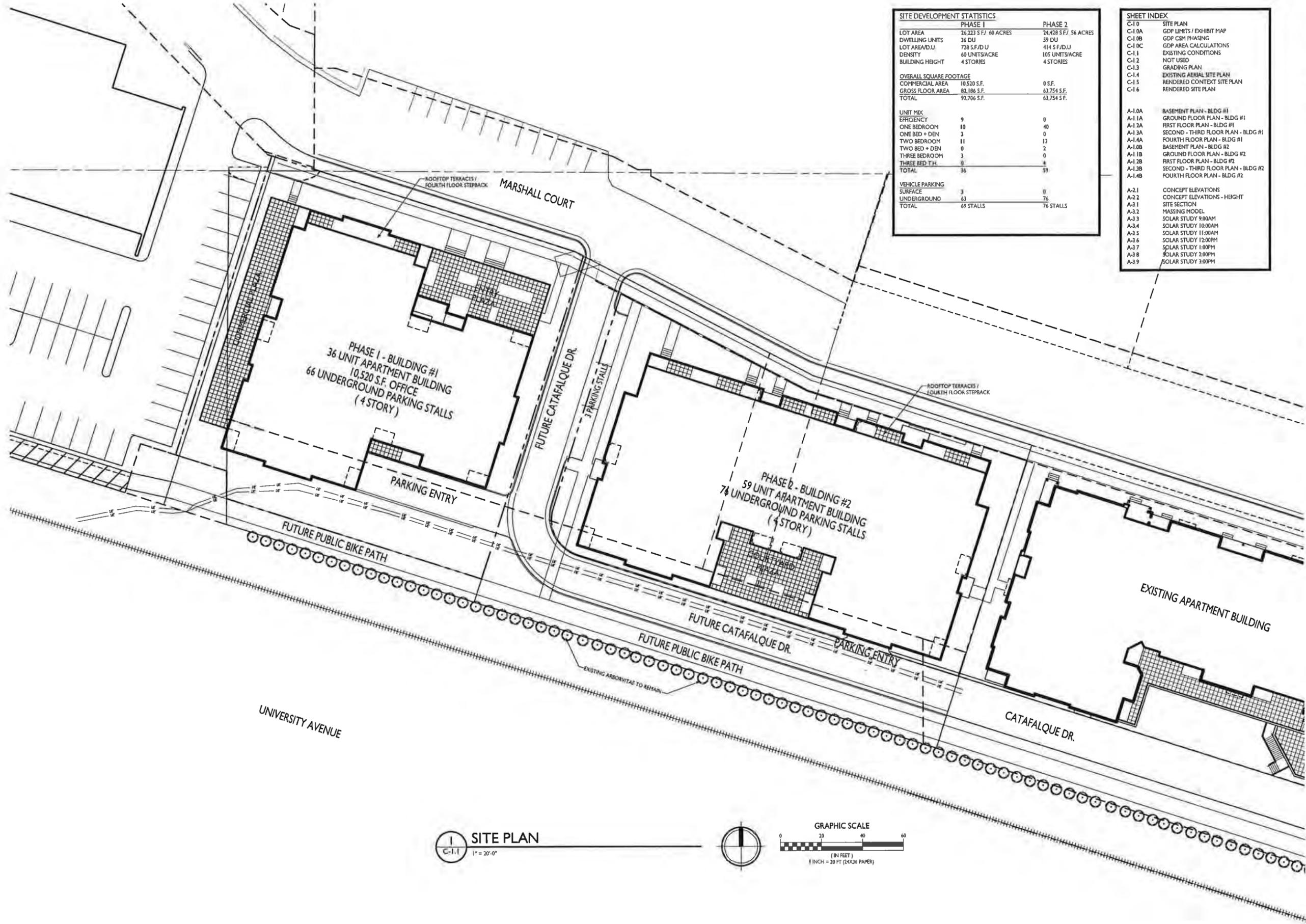
Very truly yours,

A handwritten signature in black ink, appearing to read 'J. Randy Bruce', is written over a printed name and title.

J. Randy Bruce, AIA
Managing Member

SITE DEVELOPMENT STATISTICS		
	PHASE 1	PHASE 2
LOT AREA	26,223 S.F. / 60 ACRES	24,428 S.F. / 56 ACRES
DWELLING UNITS	36 DU	59 DU
LOT AREA/D.U.	728 S.F./D.U.	414 S.F./D.U.
DENSITY	60 UNITS/ACRE	105 UNITS/ACRE
BUILDING HEIGHT	4 STORIES	4 STORIES
OVERALL SQUARE FOOTAGE		
COMMERCIAL AREA	10,520 S.F.	0 S.F.
GROSS FLOOR AREA	82,186 S.F.	63,754 S.F.
TOTAL	92,706 S.F.	63,754 S.F.
UNIT MIX		
EFFICIENCY	9	0
ONE BEDROOM	10	40
ONE BED + DEN	3	0
TWO BEDROOM	11	13
TWO BED + DEN	0	2
THREE BEDROOM	3	0
THREE BED T.H.	0	8
TOTAL	36	59
VEHICLE PARKING		
SURFACE	3	0
UNDERGROUND	63	76
TOTAL	66 STALLS	76 STALLS

SHEET INDEX	
C-1.0	SITE PLAN
C-1.0A	GDP LIMITS / EXHIBIT MAP
C-1.0B	GDP CSM PHASING
C-1.0C	GDP AREA CALCULATIONS
C-1.1	EXISTING CONDITIONS
C-1.2	NOT USED
C-1.3	GRADING PLAN
C-1.4	EXISTING AERIAL SITE PLAN
C-1.5	RENDERED CONTEXT SITE PLAN
C-1.6	RENDERED SITE PLAN
A-1.0A	BASEMENT PLAN - BLDG #1
A-1.1A	GROUND FLOOR PLAN - BLDG #1
A-1.2A	FIRST FLOOR PLAN - BLDG #1
A-1.3A	SECOND - THIRD FLOOR PLAN - BLDG #1
A-1.4A	FOURTH FLOOR PLAN - BLDG #1
A-1.0B	BASEMENT PLAN - BLDG #2
A-1.1B	GROUND FLOOR PLAN - BLDG #2
A-1.2B	FIRST FLOOR PLAN - BLDG #2
A-1.3B	SECOND - THIRD FLOOR PLAN - BLDG #2
A-1.4B	FOURTH FLOOR PLAN - BLDG #2
A-2.1	CONCEPT ELEVATIONS
A-2.2	CONCEPT ELEVATIONS - HEIGHT
A-3.1	SITE SECTION
A-3.2	MASSING MODEL
A-3.3	SOLAR STUDY 9:00AM
A-3.4	SOLAR STUDY 10:00AM
A-3.5	SOLAR STUDY 11:00AM
A-3.6	SOLAR STUDY 12:00PM
A-3.7	SOLAR STUDY 1:00PM
A-3.8	SOLAR STUDY 2:00PM
A-3.9	SOLAR STUDY 3:00PM



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Issued for GDP - January 12, 2016

PROJECT TITLE
2727 MARSHALL COURT

Shorewood Hills, WI
SHEET TITLE
Site Plan

SHEET NUMBER

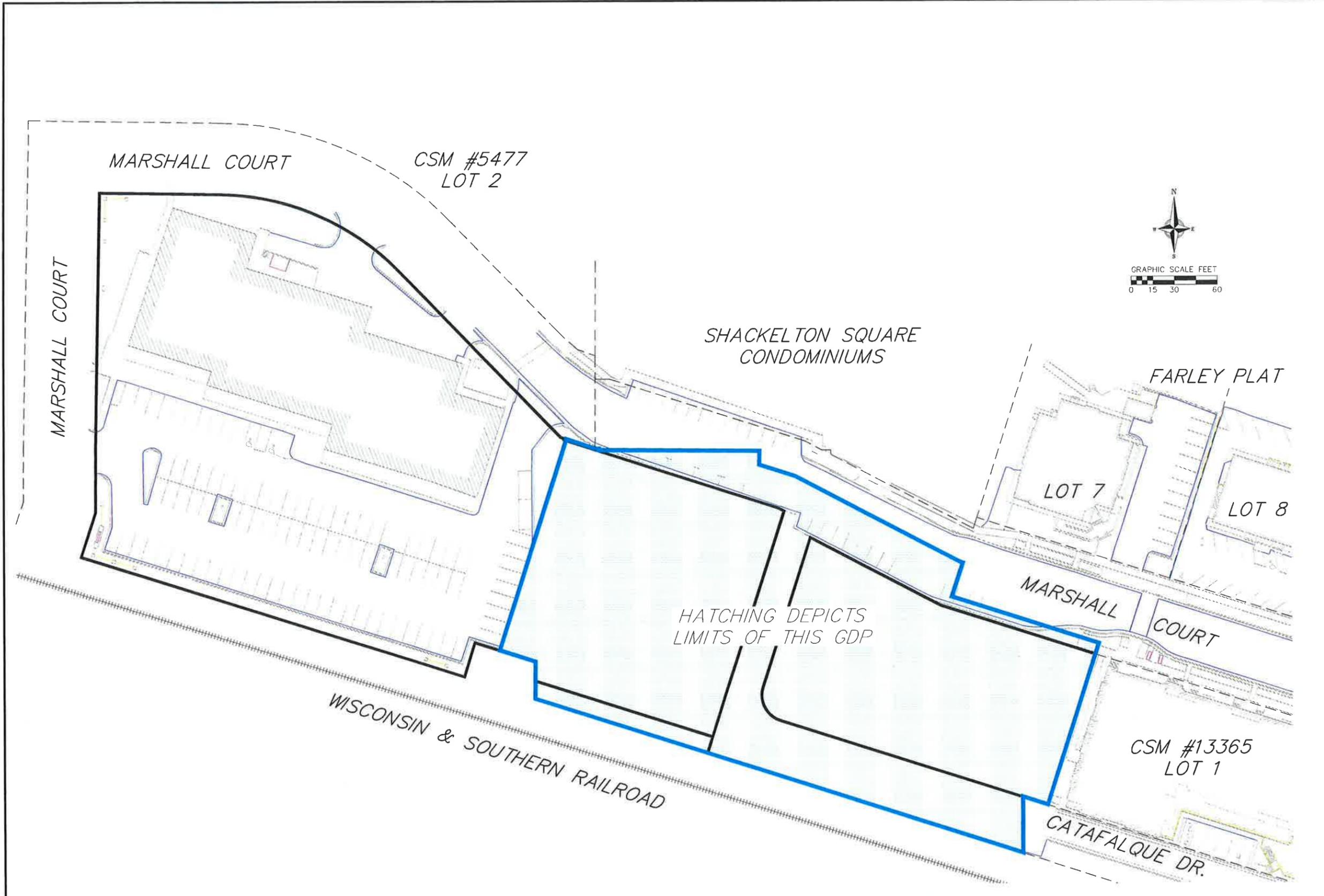
C-1.0

PROJECT NO. **1339**
© Knothe & Bruce Architects, LLC

SITE PLAN
1" = 20'-0"



GRAPHIC SCALE
0 20 40 60
(IN FEET)
1 INCH = 20 FT (24X36 PAPER)



vierbicher
planners | engineers | advisors

REEDBURG - MADISON - PRAIRIE DU CHIEN
999 Prairie Drive, Suite 201 - Madison, Wisconsin 53717
Phone: (608) 833-8888 Fax: (608) 833-8888

GDP LIMITS EXHIBIT MAP

2725, 2727 & 2801 MARSHALL COURT,
VILLAGE OF SHREWOOD HILLS, DANE COUNTY, WISCONSIN

REVISIONS		REVISIONS	
NO.	DATE	NO.	DATE

SCALE
1" = 30' (22"x34")
1" = 60' (11"x17")

DATE
January 12, 2016

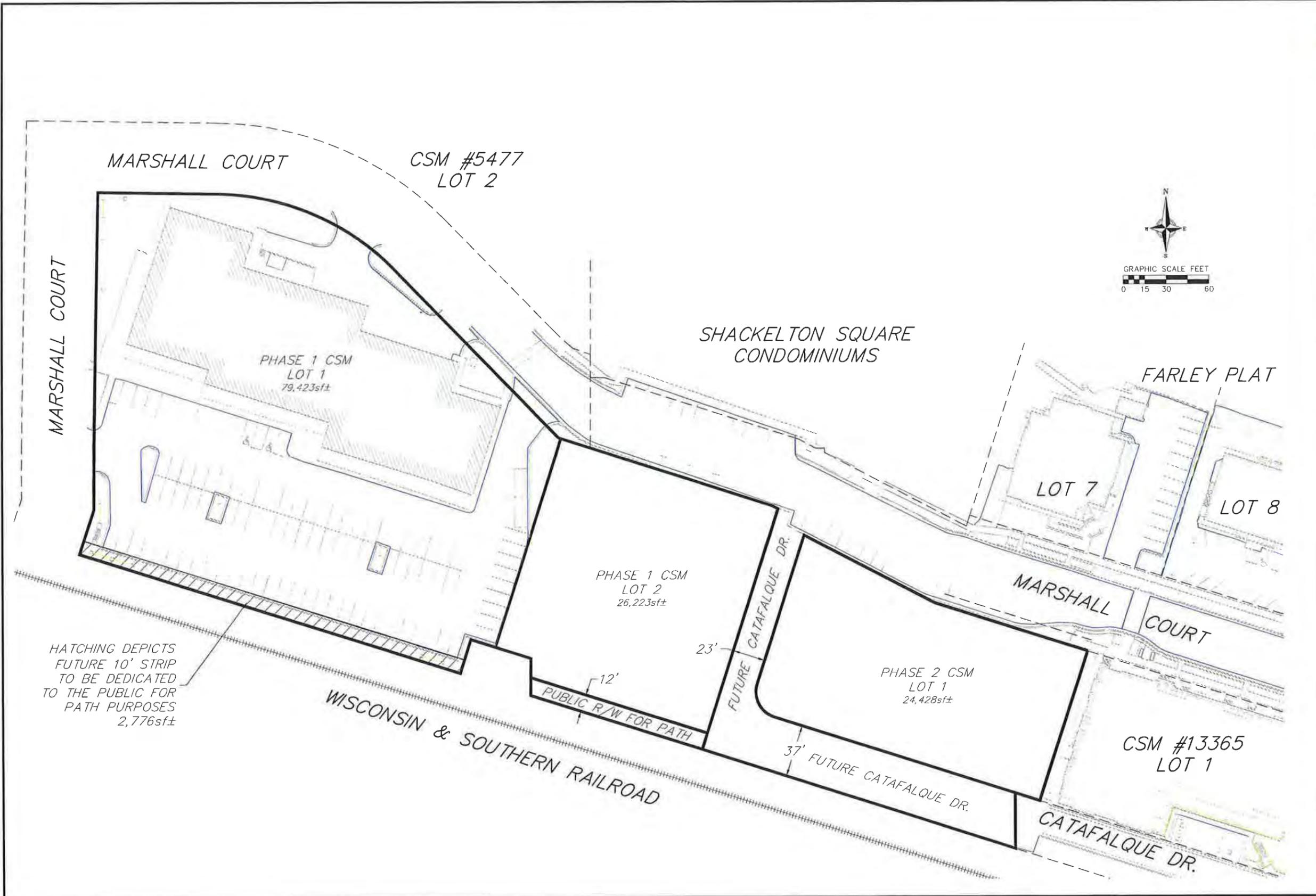
DRAFTER
MMAR

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JDOY

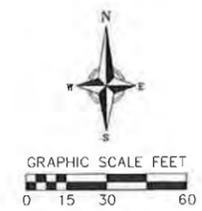
PROJECT NO.
PROJECT NO.

SHEET
1 OF 3

DWG. NO.
C-1.0A



HATCHING DEPICTS
FUTURE 10' STRIP
TO BE DEDICATED
TO THE PUBLIC FOR
PATH PURPOSES
2,776sf±



**GDP CSM PHASING & R/W
CONFIGURATION EXHIBIT MAP**
2725, 2727 & 2801 MARSHALL COURT,
VILLAGE OF SHOREWOOD HILLS, DANE COUNTY, WISCONSIN

NO.	REVISIONS		REVISIONS	
	DATE	REMARKS	NO.	DATE

SCALES
1"=30' (22"x34")
1"=60' (11"x17")

DATE
January 12, 2016

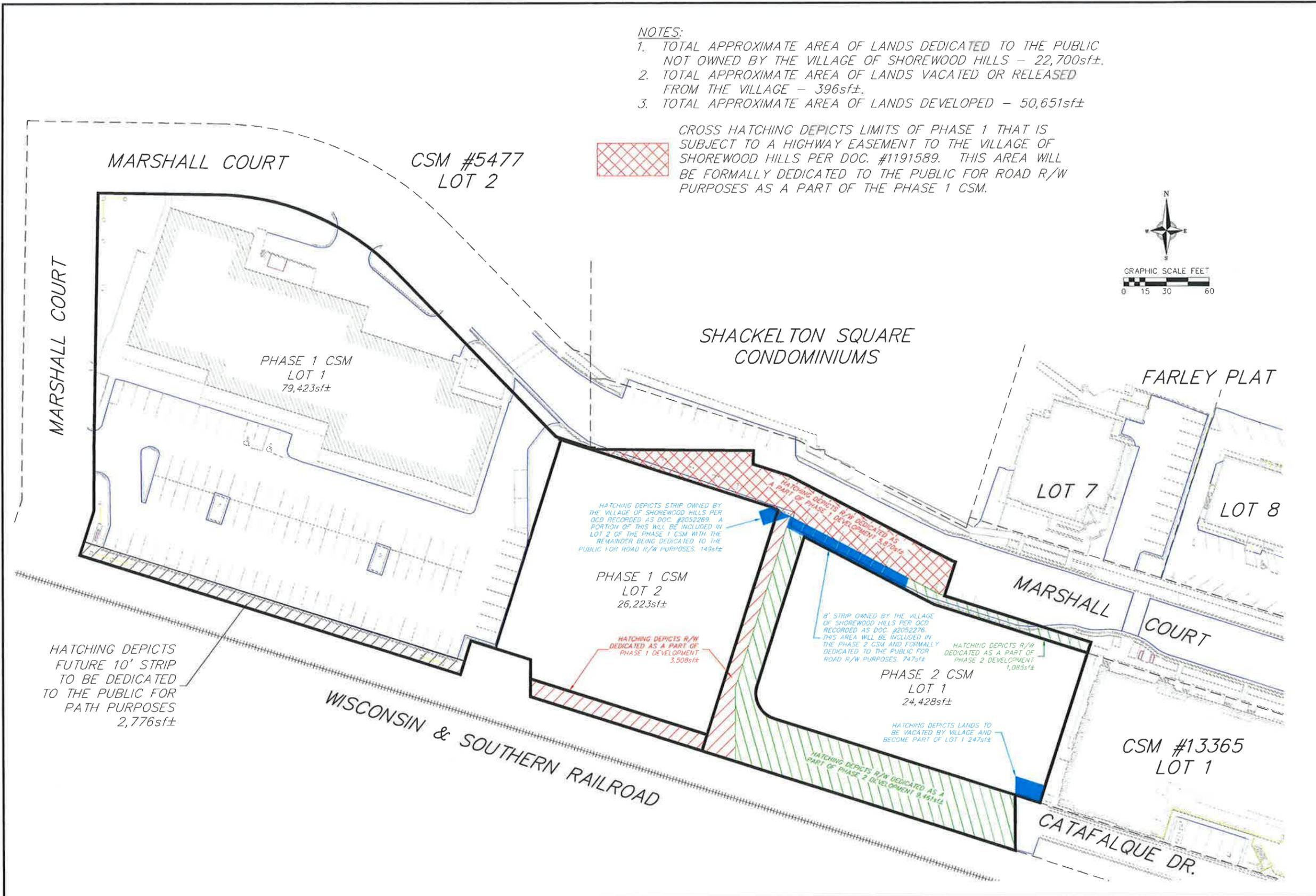
DRAWN BY
MMAR

CHECKED
.JOY

PROJECT NO
150190

SHEET
2 OF 3

DWG NO
C-1.0B



- NOTES:**
- TOTAL APPROXIMATE AREA OF LANDS DEDICATED TO THE PUBLIC NOT OWNED BY THE VILLAGE OF SHOREWOOD HILLS - 22,700sf±.
 - TOTAL APPROXIMATE AREA OF LANDS VACATED OR RELEASED FROM THE VILLAGE - 396sf±.
 - TOTAL APPROXIMATE AREA OF LANDS DEVELOPED - 50,651sf±.



CROSS HATCHING DEPICTS LIMITS OF PHASE 1 THAT IS SUBJECT TO A HIGHWAY EASEMENT TO THE VILLAGE OF SHOREWOOD HILLS PER DOC. #1191589. THIS AREA WILL BE FORMALLY DEDICATED TO THE PUBLIC FOR ROAD R/W PURPOSES AS A PART OF THE PHASE 1 CSM.



NO.	DATE	REVISIONS	REMARKS

SCALE
 1" = 30' (22"x34")
 1" = 60' (11"x17")

DATE
 January 12, 2016

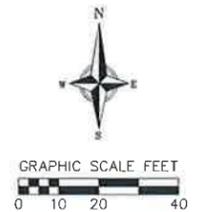
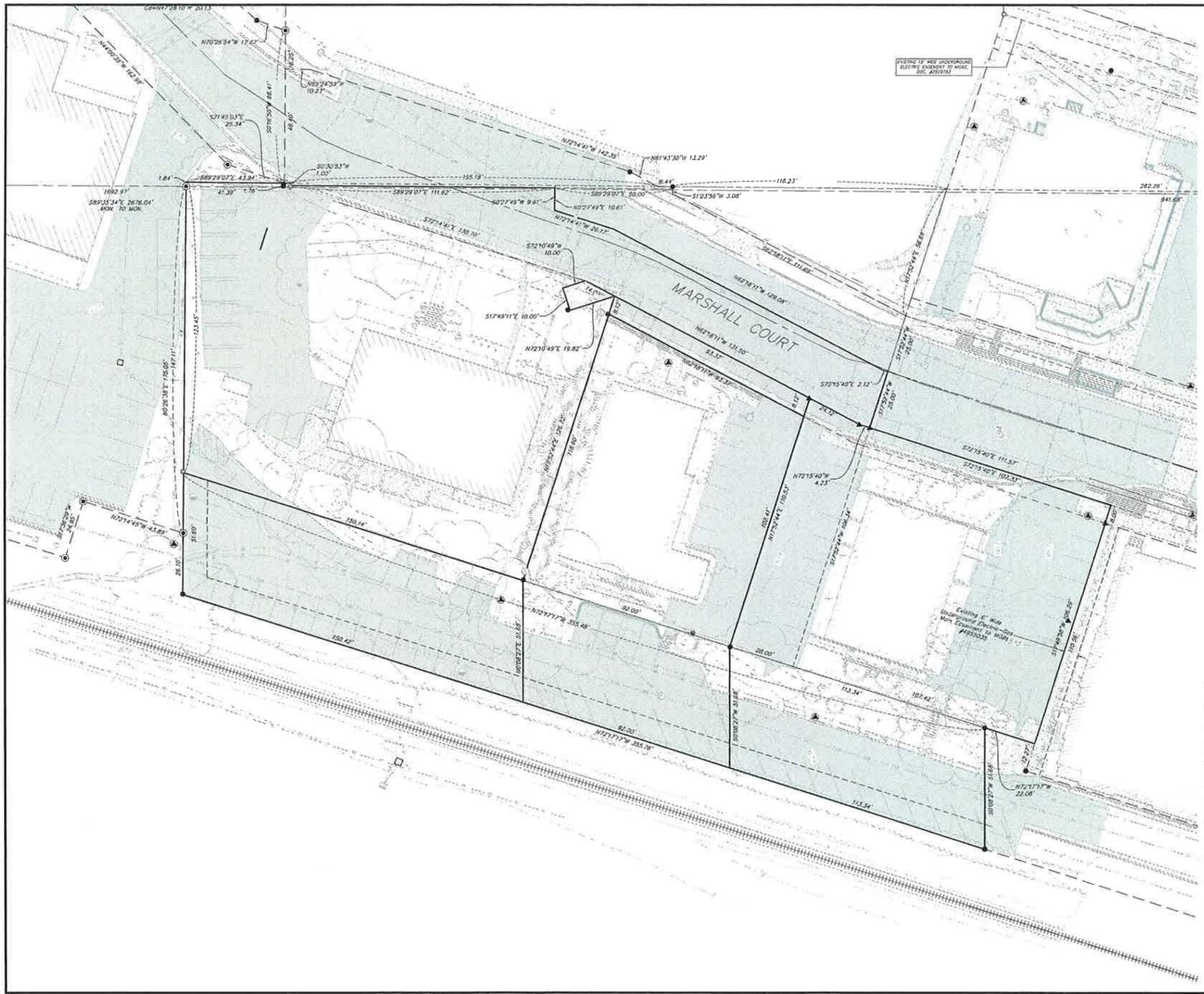
DRAWER
 MMAR

CHECKED
 JDOY

PROJECT NO
 150190

SHEET
 3 OF 3

DWG NO
 C-1.0C



TOPOGRAPHIC SYMBOL LEGEND

- EXISTING BOLLARD
- EXISTING FLAG POLE
- EXISTING MAILBOX
- EXISTING MONITORING WELL
- EXISTING POST
- EXISTING SIGN (TYPE NOTED)
- EXISTING CURB INLET
- EXISTING ENDWALL
- EXISTING FIELD INLET
- EXISTING ROOF DRAIN CLEANOUT
- EXISTING STORM MANHOLE
- EXISTING SANITARY CLEANOUT
- EXISTING SANITARY MANHOLE
- EXISTING SEPTIC VENT
- EXISTING FIRE HYDRANT
- EXISTING STANDPIPE
- EXISTING WATER MAIN VALVE
- EXISTING CURB STOP
- EXISTING WELL
- EXISTING WATER MANHOLE
- EXISTING GAS VALVE
- EXISTING AIR CONDITIONING PEDESTAL
- EXISTING DOWN GUY
- EXISTING ELECTRIC MANHOLE
- EXISTING ELECTRIC PEDESTAL
- EXISTING TRANSFORMER
- EXISTING GUY POLE
- EXISTING LIGHT POLE
- EXISTING GENERIC LIGHT
- EXISTING UTILITY POLE
- EXISTING TV PEDESTAL
- EXISTING TELEPHONE MANHOLE
- EXISTING TELEPHONE PEDESTAL
- EXISTING UNIDENTIFIED MANHOLE
- EXISTING HANDICAP PARKING
- EXISTING TRAFFIC SIGNAL
- EXISTING SHRUB
- EXISTING CONIFEROUS TREE
- EXISTING DECIDUOUS TREE

TOPOGRAPHIC LINEWORK LEGEND

- EXISTING UNDERGROUND CABLE TV
- EXISTING OVERHEAD CABLE TV
- EXISTING FIBER OPTIC LINE
- EXISTING OVERHEAD TELEPHONE LINE
- EXISTING UNDERGROUND TELEPHONE
- EXISTING RETAINING WALL
- EXISTING CHAIN LINK FENCE
- EXISTING GENERAL FENCE
- EXISTING WIRE FENCE
- EXISTING WOOD FENCE
- EXISTING GAS LINE
- EXISTING UNDERGROUND ELECTRIC LINE
- EXISTING GUY LINE
- EXISTING OVERHEAD ELECTRIC LINE
- EXISTING OVERHEAD GENERAL UTILITIES
- EXISTING SANITARY FORCE MAIN (SIZE NOTED)
- EXISTING SANITARY SEWER LINE (SIZE NOTED)
- EXISTING STORM SEWER LINE (SIZE NOTED)
- EXISTING EDGE OF TREES
- EXISTING WATER MAIN (SIZE NOTED)
- EXISTING WETLAND DELINEATION
- EXISTING MAJOR CONTOUR
- EXISTING MINOR CONTOUR

Existing Conditions Plan
 2727 Marshall Court
 Shorewood Hills
 Dane County, Wisconsin

REVISIONS	NO.	DATE	REMARKS

SCALE
 1"=40' (11"x17")
 1"=20' (24"x36")

DATE
 01/12/2016

DRAFTER
 RKOL

CHECKED

PROJECT NO.
 150190

SHEET
 1 OF 2

DWG. NO.
 C-1.1

vierbicher
 engineers | architects
 planners

REGULATORY SERVICES
 999 Boulder Lane, Suite 201
 Madison, Wisconsin 53717
 Phone: (608) 824-0332 Fax: (608) 824-0350



SITE

MARSHALL COURT

UNIVERSITY AVENUE

UNIVERSITY BAY DRIVE



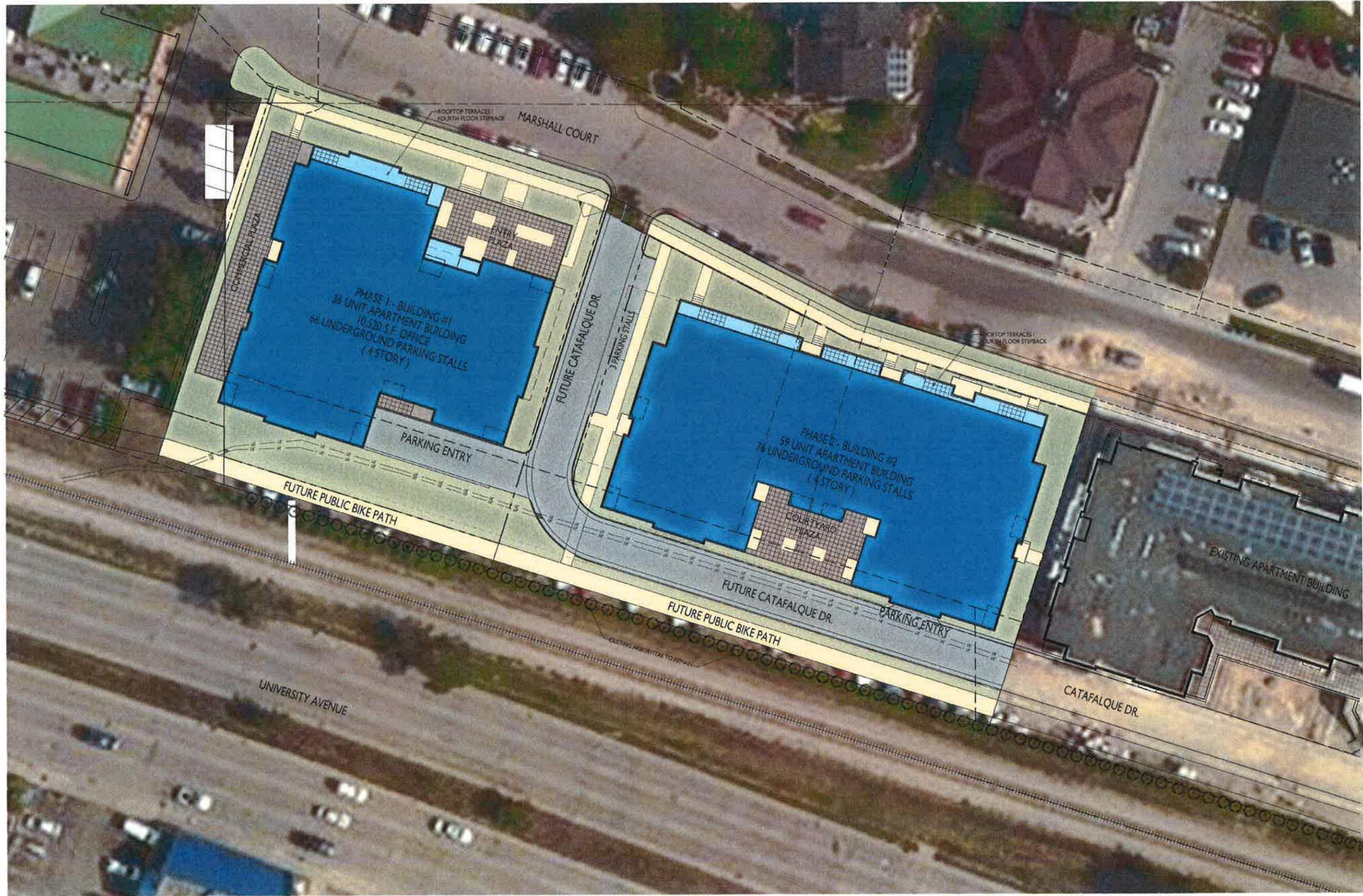
C-1.4
2727 Marshall Court
General
Development Plan



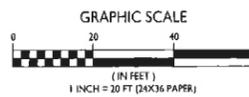
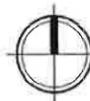


C-1.5
2727 Marshall Court
Context Site Plan
January 12, 2016

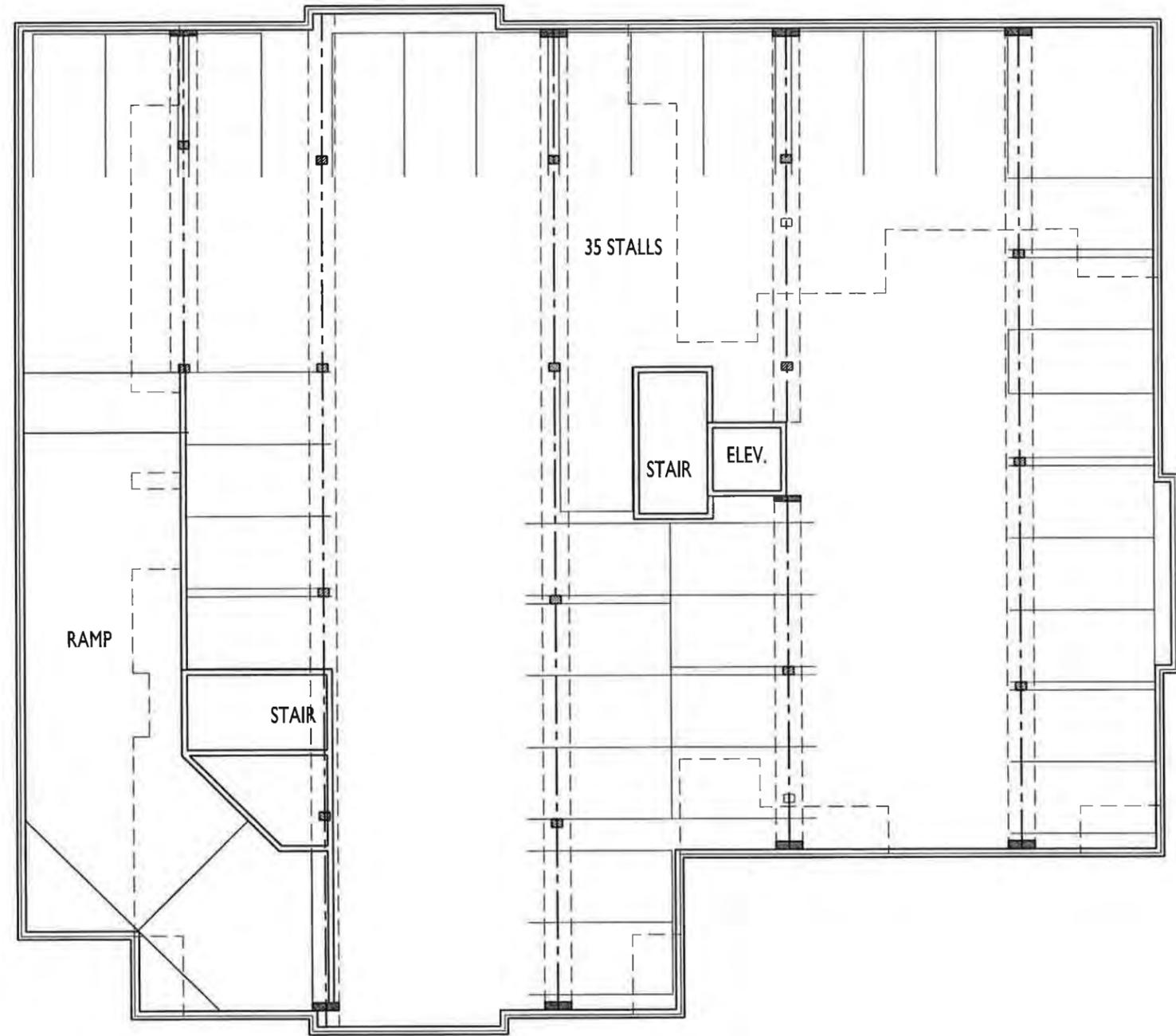




SITE PLAN
C-1.1 1" = 20'-0"



2727 Marshall Court
Site Plan
January 12, 2016



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 Issued for GDP - January 12, 2016

PROJECT TITLE
**2727 MARSHALL
 COURT**

Shorewood Hills, WI
 SHEET TITLE
**Basement Floor
 Plan - Building #1**

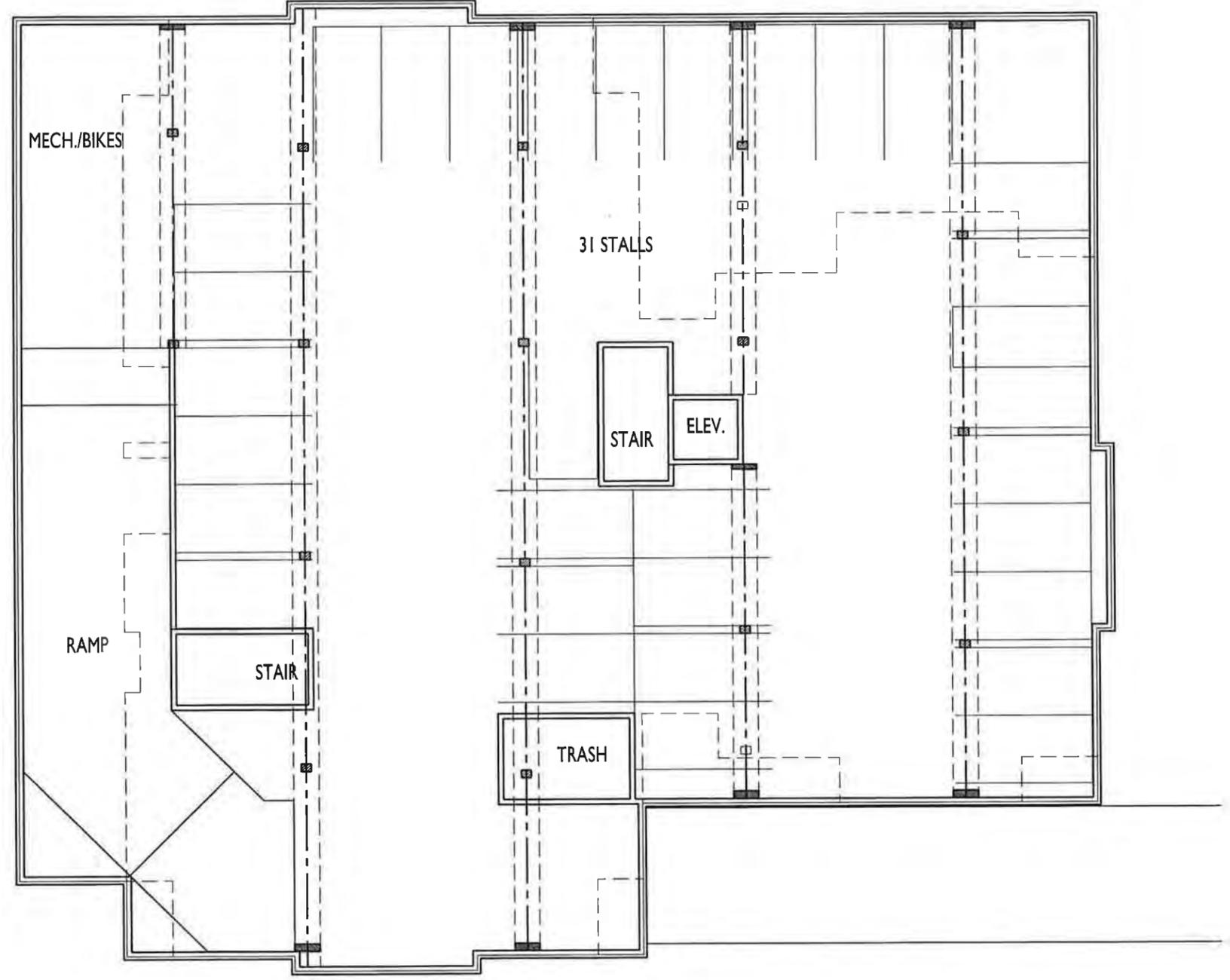
SHEET NUMBER

A-1.0A

PROJECT NO. **1339**
 © 2013 Knothe & Bruce Architects, LLC

1 BASEMENT FLOOR PLAN
 A-1.0A 1/8"=1'-0"





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PROJECT TITLE
**2727 MARSHALL
 COURT**

Shorewood Hills, WI
 SHEET TITLE
**Ground Floor Plan
 - Building #1**

SHEET NUMBER

GROUND FLOOR PLAN
 A-1.1A 1/8"=1'-0"



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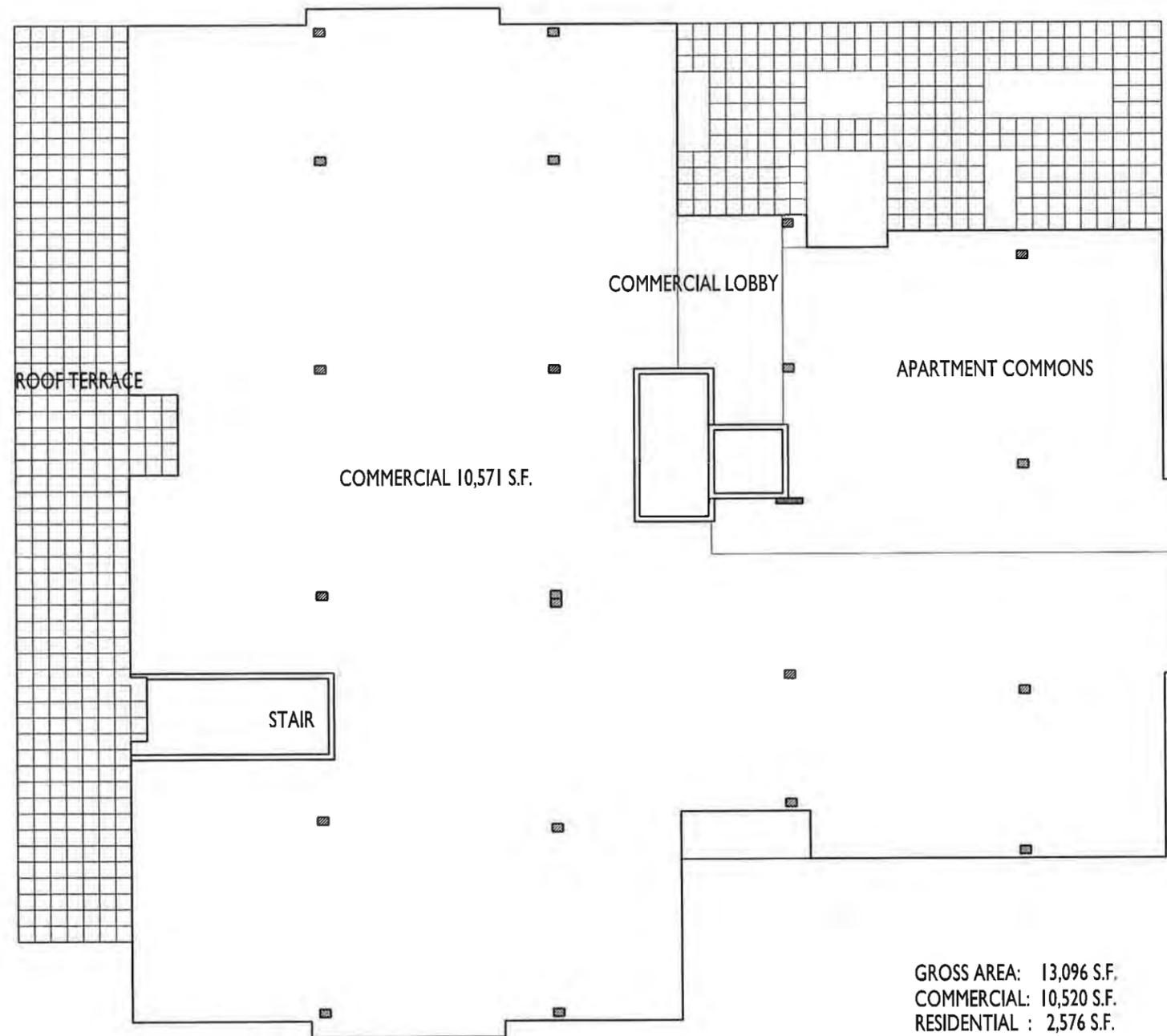
PROJECT TITLE
**2727 MARSHALL
 COURT**

Shorewood Hills, WI
 SHEET TITLE
**First Floor Plan -
 Building #1**

SHEET NUMBER

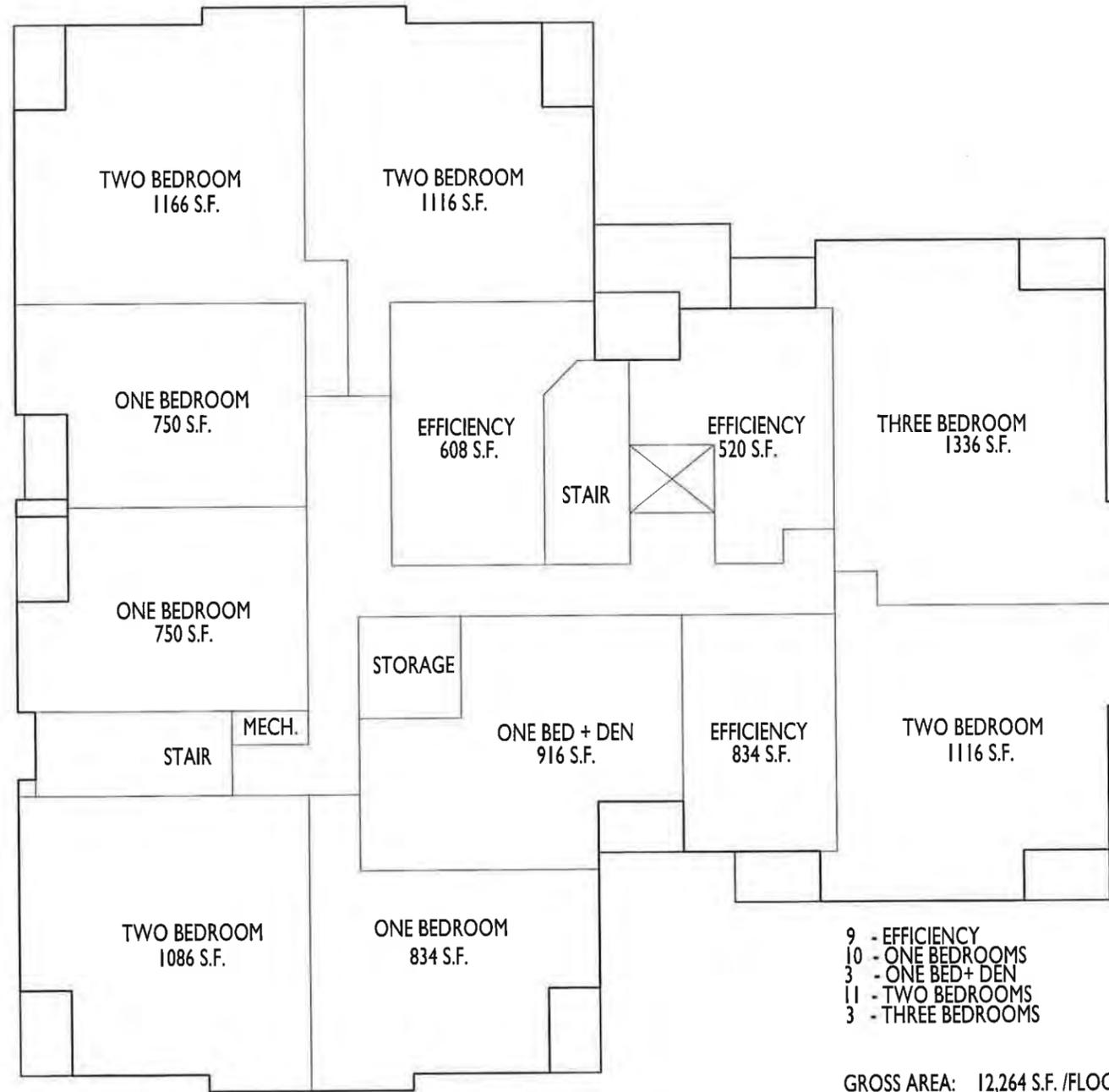
A-1.2A

PROJECT NO. **1339**
 © 2013 Knothe & Bruce Architects, LLC



FIRST FLOOR PLAN
 A-1.2A 1/8"=1'-0"





- 9 - EFFICIENCY
- 10 - ONE BEDROOMS
- 3 - ONE BED+ DEN
- 11 - TWO BEDROOMS
- 3 - THREE BEDROOMS

GROSS AREA: 12,264 S.F. /FLOOR
 NET AREA: 10,700 S.F./FLOOR

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PROJECT TITLE
 2727 MARSHALL
 COURT

Shorewood Hills, WI
 SHEET TITLE
 Second - Third
 Floor Plan -
 Building #1

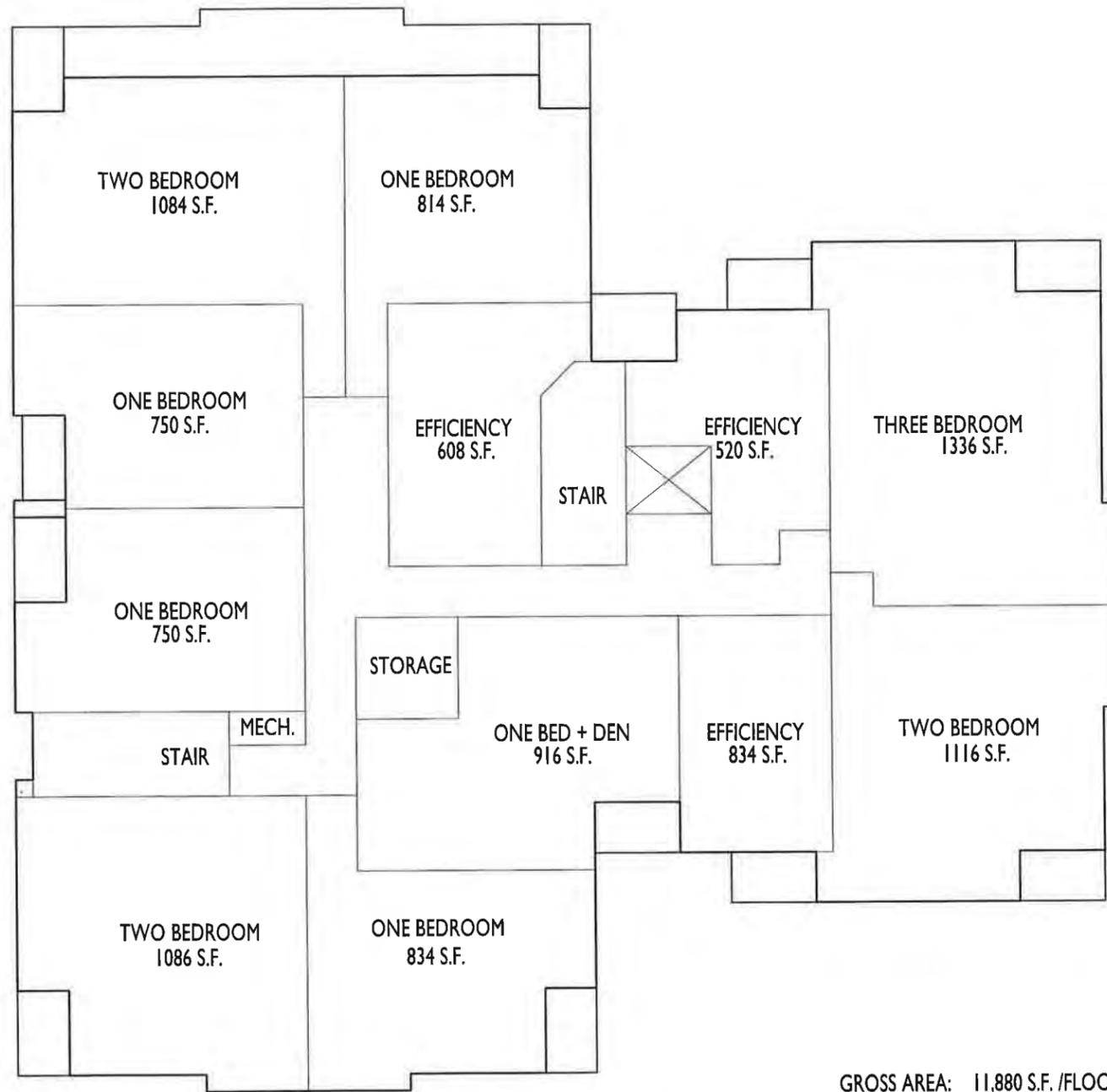
SHEET NUMBER

1 SECOND - THIRD FLOOR PLAN
 A-1.3A 1/8"=1'-0"



A-1.3A

PROJECT NO. 1339
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GROSS AREA: 11,880 S.F. /FLOOR
 NET AREA: 10,318 S.F./FLOOR

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PROJECT TITLE
**2727 MARSHALL
 COURT**

Shorewood Hills, WI
 SHEET TITLE
**Fourth Floor Plan
 - Building #1**

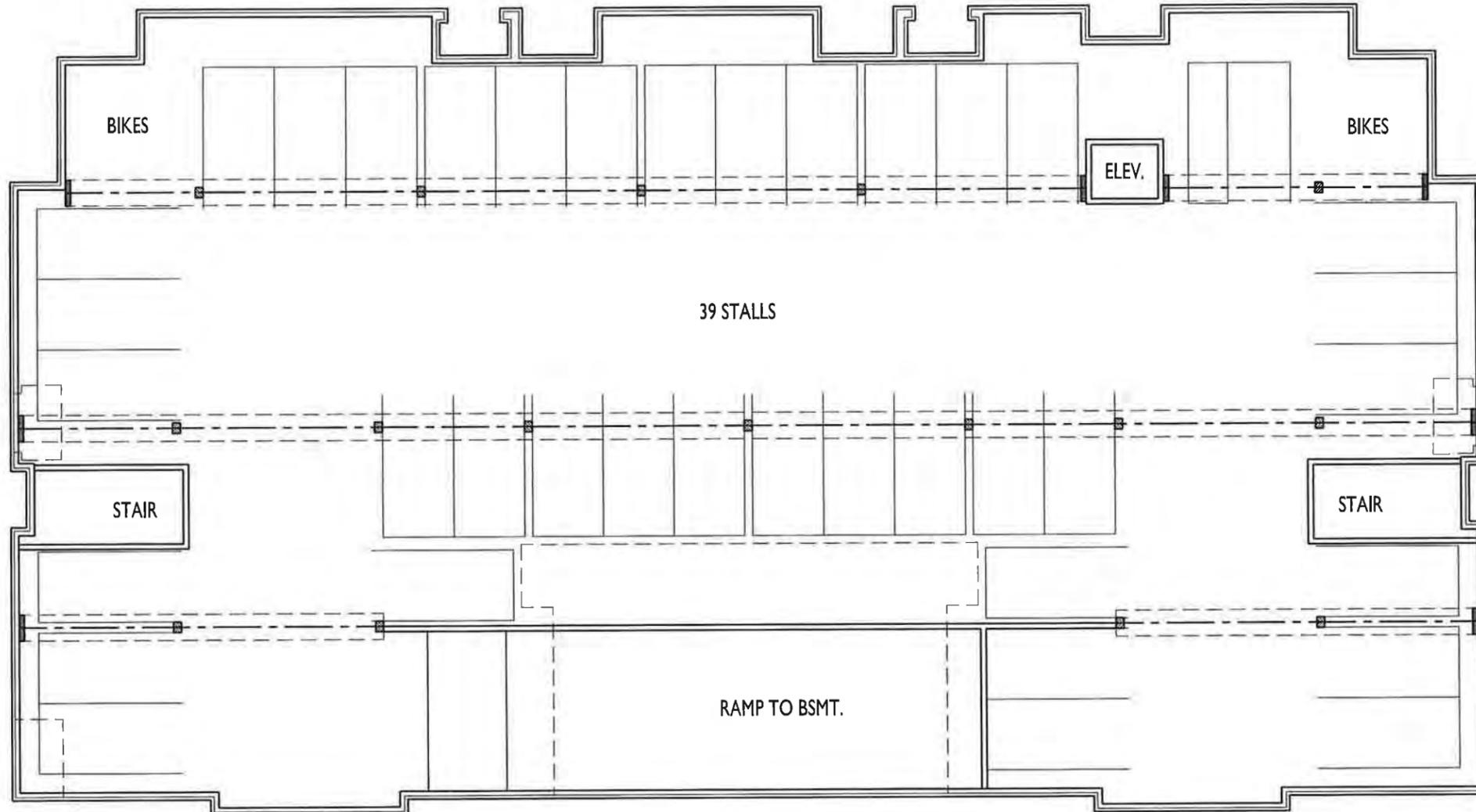
SHEET NUMBER

A-1.4A

PROJECT NO. **1339**
 © 2013 Knothe & Bruce Architects, LLC

FOURTH FLOOR PLAN
 A-1.4A 1/8"=1'-0"





ISSUED
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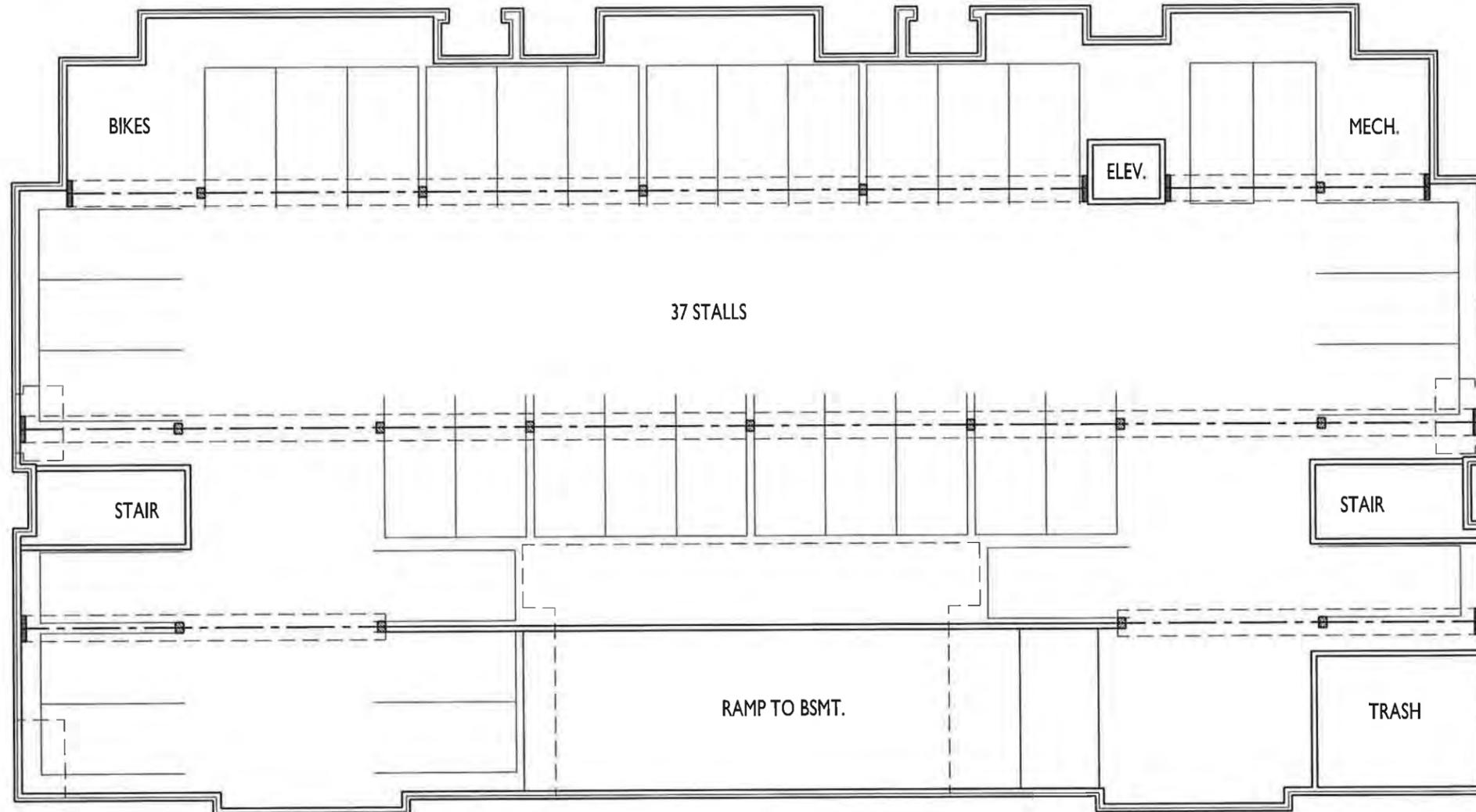
PROJECT TITLE
**2727 MARSHALL
 COURT**

Shorewood Hills, WI
 SHEET TITLE
**Basement Floor
 Plan - Building #2**

SHEET NUMBER

A-1.0B

PROJECT NO. **1339**
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 Issued for GDP - January 12, 2016

PROJECT TITLE
 2727 MARSHALL
 COURT

Shorewood Hills, WI
 SHEET TITLE
 Ground Floor Plan
 - Building #2

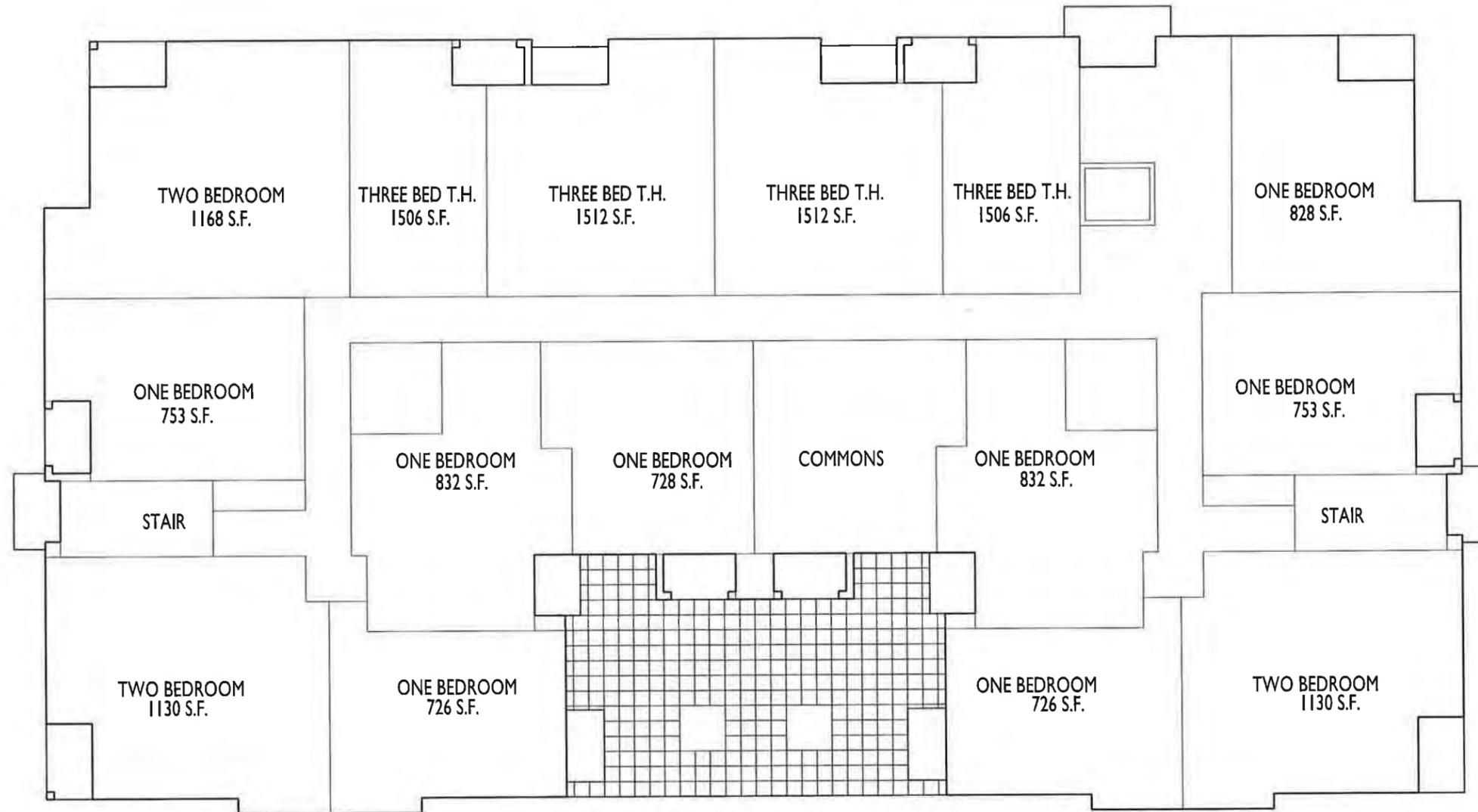
SHEET NUMBER

A-1.1B

PROJECT NO. 1339
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1 GROUND FLOOR PLAN
 A-1.1B 1/8"=1'-0"





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 Issued for GDP - January 12, 2016

PROJECT TITLE
2727 MARSHALL COURT

- 40 - ONE BEDROOMS
- 13 - TWO BEDROOMS
- 2 - TWO BED + DEN
- 4 - THREE BED T.H.

GROSS AREA: 16,098 S.F.
 NET AREA: 12,654 S.F.

Shorewood Hills, WI
 SHEET TITLE
First Floor Plan - Building #2

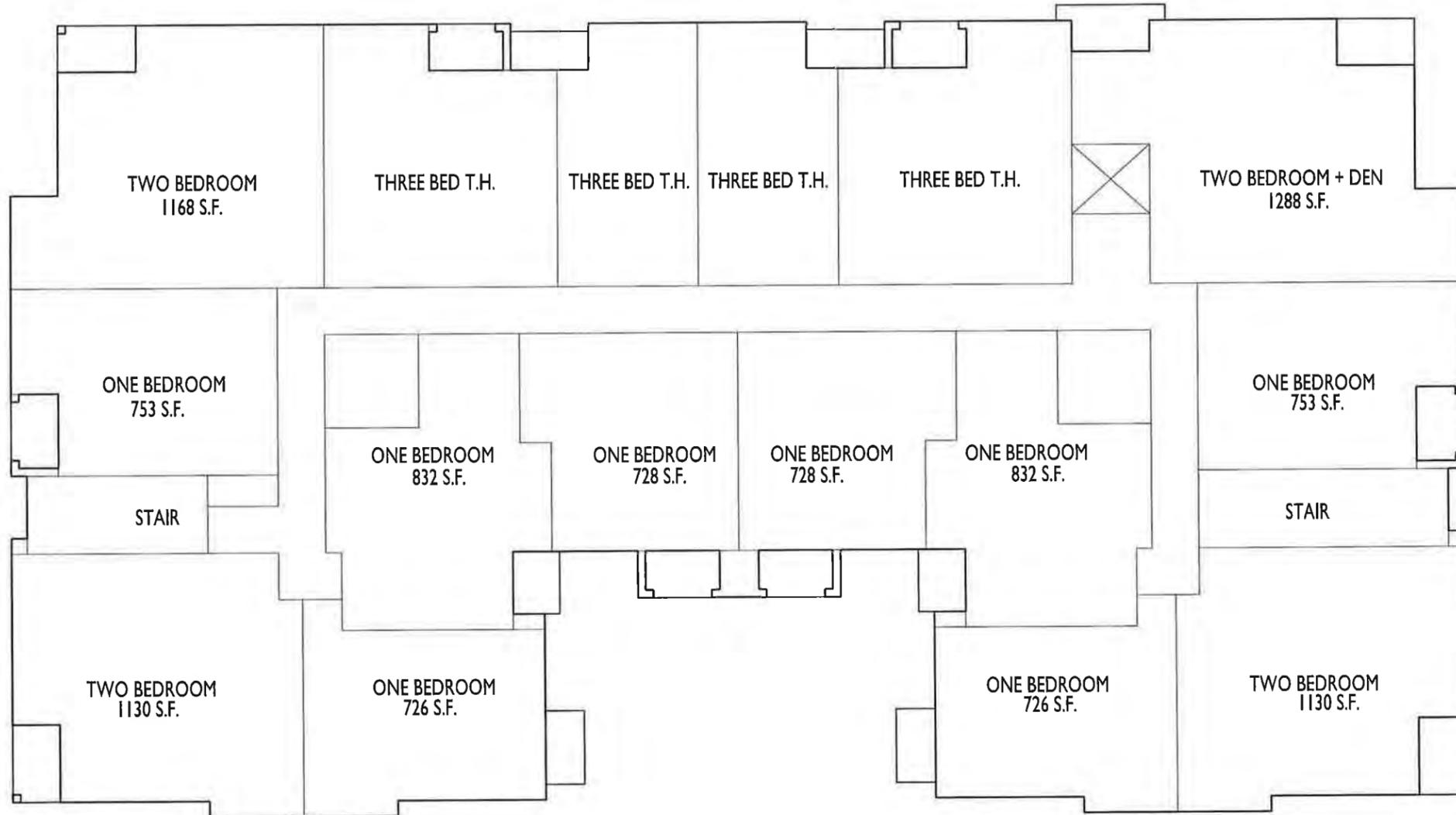
SHEET NUMBER

A-1.2B

PROJECT NO. 1339
 © 2013 Knothe & Bruce Architects, LLC

FIRST FLOOR PLAN
 A-1.2B 1/8"=1'-0"





GROSS AREA: 16,098 S.F.
 NET AREA: 13,850 S.F.

ISSUED
 Issued for GDP - January 12, 2016

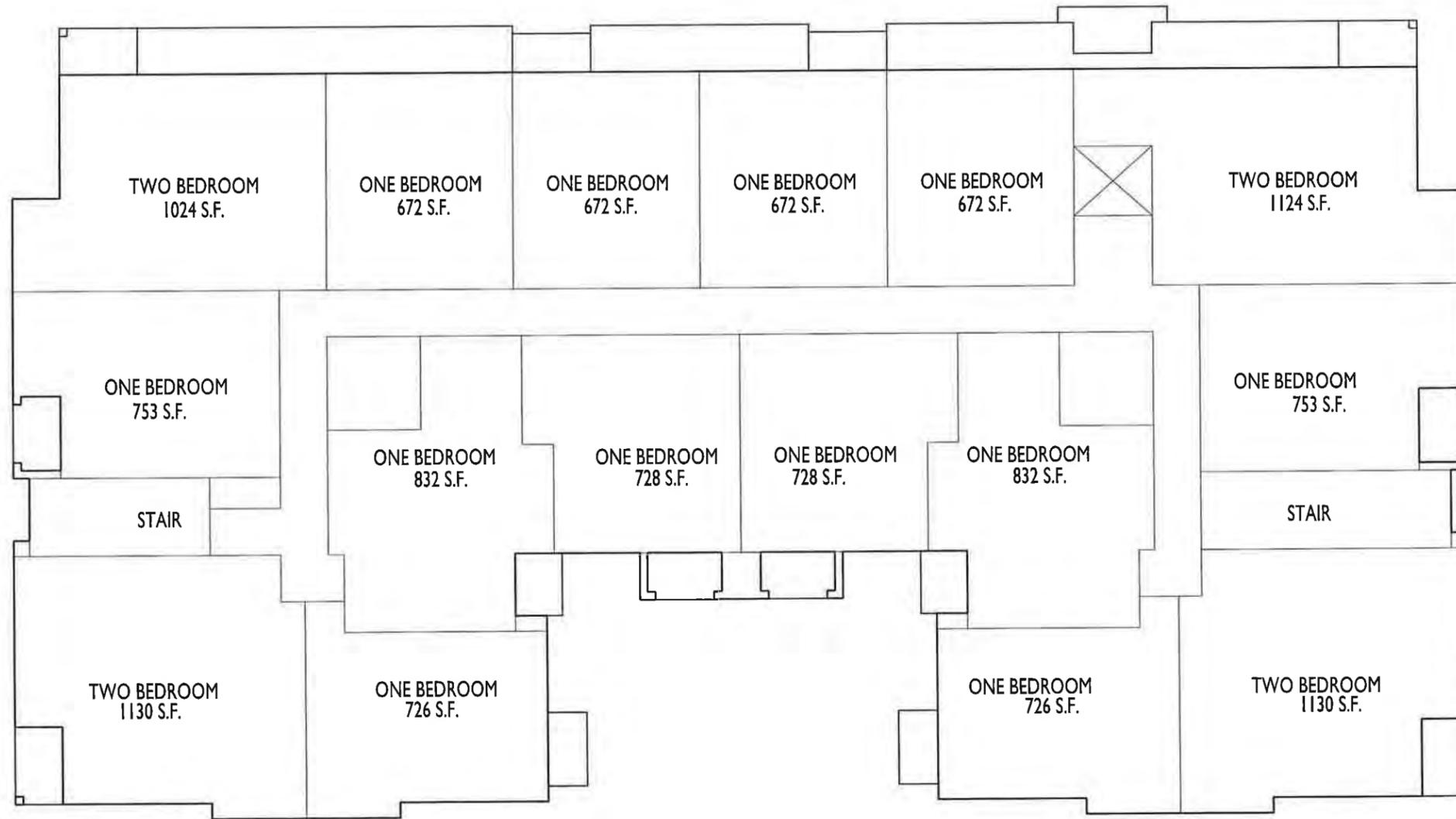
PROJECT TITLE
**2727 MARSHALL
 COURT**

Shorewood Hills, WI
 SHEET TITLE
**Second-Third
 Floor Plan -
 Building #2**

SHEET NUMBER

A-1.3B

PROJECT NO. **1339**
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GROSS AREA: 15,460 S.F./FLOOR
 NET AREA: 13,212 S.F./FLOOR

ISSUED
 Issued for GDP - January 12, 2016

PROJECT TITLE
 2727 MARSHALL
 COURT

Shorewood Hills, WI
 SHEET TITLE
 Fourth Floor Plan
 - Building #2

SHEET NUMBER

A-1.4B

PROJECT NO. 1339
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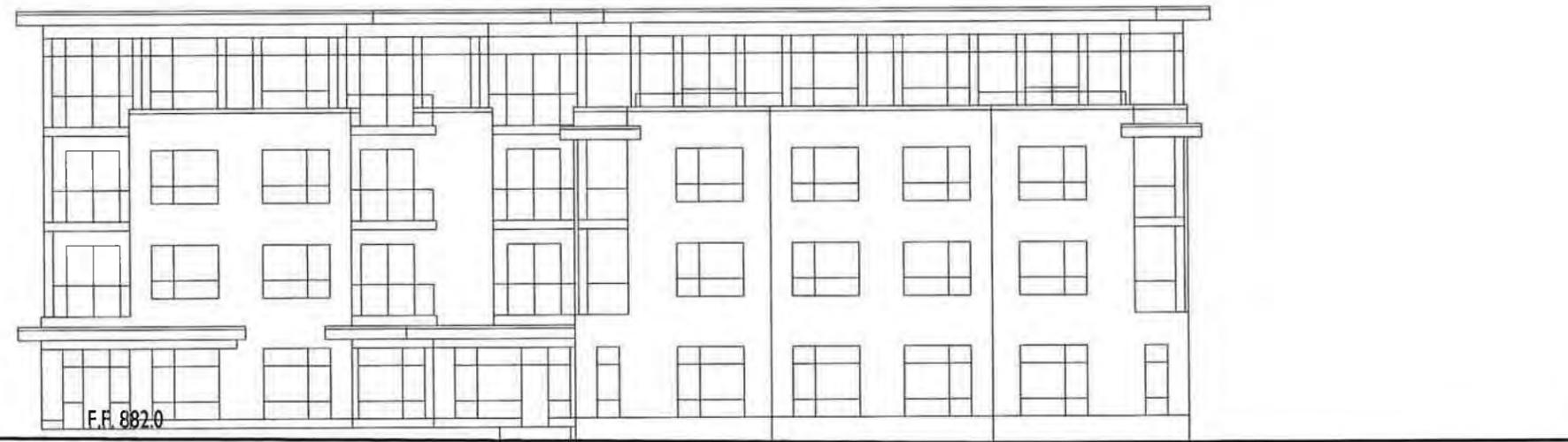
FOURTH FLOOR PLAN
 A-1.4B 1/8"=1'-0"





1 NORTH ELEVATION - BUILDING #2
 A-2.1 1/8"=1'-0"

ISSUED
 Issued for GDP - January 12, 2016



2 NORTH ELEVATION - BUILDING #1
 A-2.1 1/8"=1'-0"

PROJECT TITLE
**2727 MARSHALL
 COURT**



1 ELEV. ALONG MARS HALL CT.
 A-2.2 1/16"=1'-0"

Shorewood Hills, WI
 SHEET TITLE
**Concept
 Elevations**

SHEET NUMBER

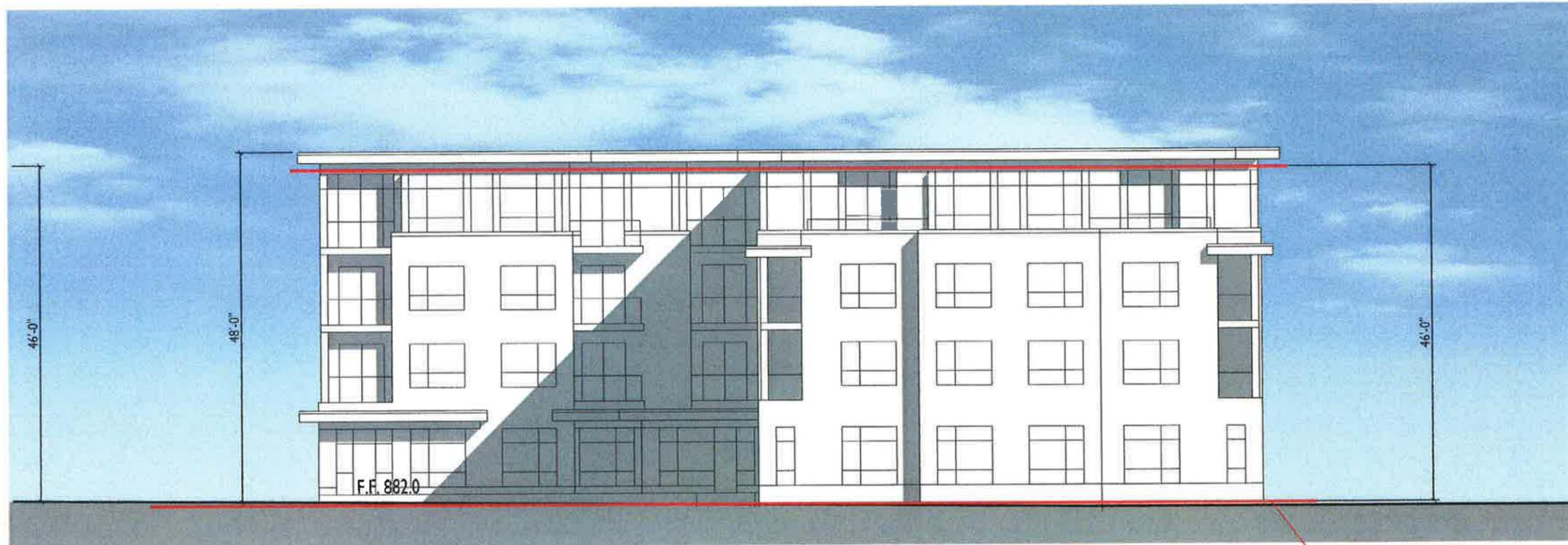
A-2.1

PROJECT NO. **1339**
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1 NORTH ELEVATION - BUILDING #2
A-2.1 1/8"=1'-0"

AVERAGE GRADE

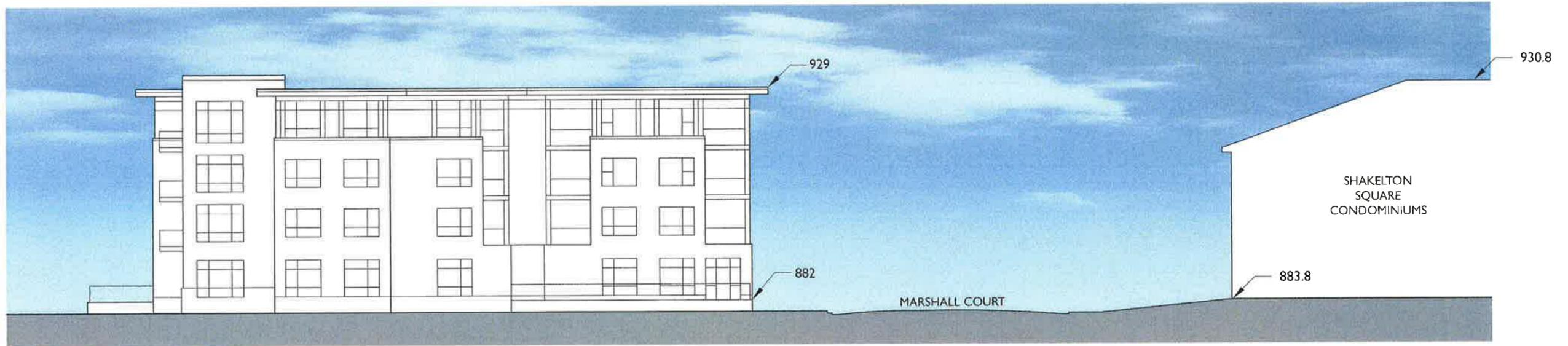


2 NORTH ELEVATION - BUILDING #1
A-2.1 1/8"=1'-0"

AVERAGE GRADE

A-2.2
2727 Marshall Court
Conceptual Elevations





2727 MARSHALL COURT
PHASE I - EAST ELEVATION

SITE SECTION

A-3.1
2727 Marshall Court
Site Section





A-3.2
2727 Marshall Court
Massing Model





A-3.3
2727 Marshall Court
Shadow Studies
December 21 - 9:00AM





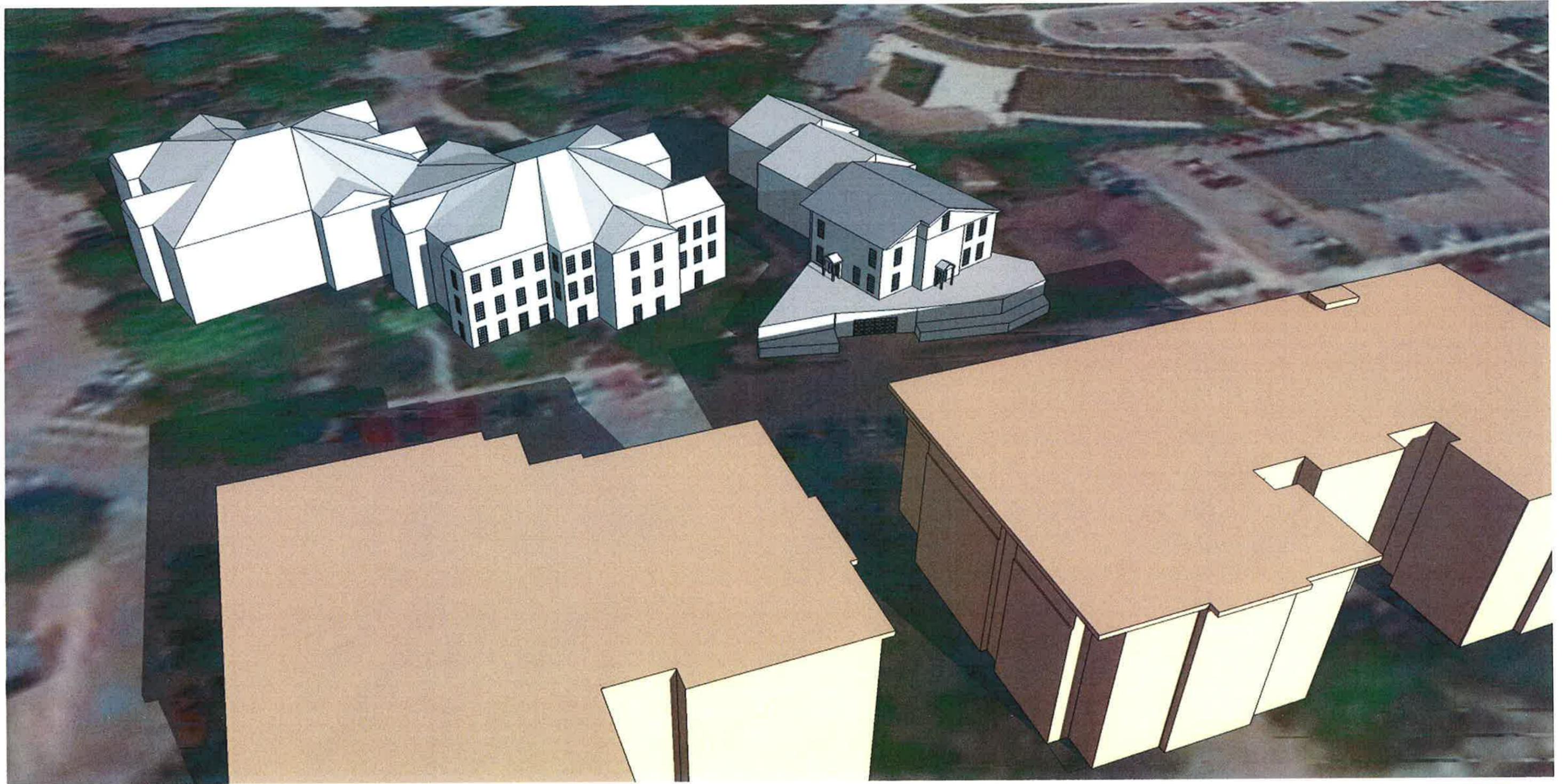
A-3.4
2727 Marshall Court
Shadow Studies
December 21 - 10:00AM





A-3.5
2727 Marshall Court
Shadow Studies
December 21 - 11:00AM





A-3.6
2727 Marshall Court
Shadow Studies
December 21 - 12:00PM





A-3.7
2727 Marshall Court
Shadow Studies
December 21 - 1:00PM





A-3.8
2727 Marshall Court
Shadow Studies
December 21 - 2:00PM





A-3.9
2727 Marshall Court
Shadow Studies
December 21 - 3:00PM





VANDEWALLE & ASSOCIATES INC.

March 6, 2016

Village of Shorewood Hills Plan Commission
c/o Karl Frantz, Village Administrator
810 Shorewood Blvd.
Madison, WI 53705

Re: Review of the proposed rezoning of 2725-2801 Marshall Court: "Arbor Crossing II"
From: Medical Office-Commercial (C-3)
To: Planned Unit Development (PUD) / General Development Plan (GDP)

Introduction

The Village of Shorewood Hills has retained Vandewalle & Associates to assist with the review of a proposed Planned Unit Development (PUD) / General Development Plan (GDP) to enable the redevelopment of three parcels located on the south side of Marshall Court and immediately east of the University Station shopping center. Each of these parcels is currently zoned Medical Office-Commercial (C-3), and contains an office building of one or two stories. Stone House Development, Inc. proposes to replace these three buildings with a four-story mixed office/commercial and residential building as Phase 1 on the west end of the area, and a four-story apartment building as Phase 2 on the east end of the area. Two levels of under-building parking are proposed for each building, with one parking level of the western building reserved for the exclusive use of the office/commercial space. "Arbor Crossing II" is the name of the project.

The procedure for reviewing a rezoning is detailed in Section 10-1-125 of the Zoning Code, and requires a public hearing at the Plan Commission, followed by the Commission's recommendation to the Village Board. After consideration of the Plan Commission's recommendation, the Village Board votes on the rezoning request.

Planned Unit Developments

The PUD zoning district is enabled by Section 10-1-33 of the Zoning Ordinance. The purpose statement in subsection (a) states that the PUD zoning designation was established:

"to encourage and promote improved environmental and aesthetic design in the Village by allowing for greater design freedom, imagination and flexibility in the development of land while insuring substantial compliance with the basic intent of [the Zoning Code] and the Village Comprehensive Plan. To further these goals, the [PUD] district allows diversification and variation in the bulk and relationship of uses and structures and spaces in developments conceived as comprehensive and cohesive unified plans and projects."

The referenced design freedom, above, is enumerated in subsection (b), which states that "within the PUD district there shall be no predetermined specific lot area, lot width, height, floor area ratio (FAR), yard, usable open space,

land use, sign and off-street parking requirements”, but are rather established through each PUD’s review and approval by the Village. Therefore, each PUD is a unique zoning district with zoning requirements that match the approved development. The General Development Plan (GDP) phase of a PUD establishes the PUD zoning district, and the general right to develop a range of land uses and development intensities, as approved. The following Specific Development Plan (SDP) phase of the PUD is akin to a design review process, and focuses on the aesthetics and site plan details of the project.

PUDs are common in the Village and throughout Dane County. They are frequently used for redevelopment projects where their ability to mix land uses, and enable more floor area than conventional zoning districts, helps to secure project financing. They are also commonly used for multi-phase projects, where the general layout and development format is known for all phases, but the aesthetics and site design details are not.

Section 10-1-33 also provides specific review criteria for evaluating proposed PUDs. This letter compares the proposed redevelopment project with the criteria applicable to the General Development Plan (GDP).

Project Overview

For Arbor Crossing II, Stone House Development, Inc. is proposing a mixed-use, mixed-income multi-family rental project totaling approximately 95 rental units and 10,520 square feet of office / commercial space in the two four-story buildings, with the following details.

PROJECT SUMMARY:	Phase 1 (West)	Phase 2 (East)	Completed Project
Lot Area (in sq ft & acres)	26,223 sq ft (0.60 ac.)	24,428 sq ft (0.56 ac.)	50,651 sq ft (1.16 ac)
Dwelling Units	36 DU	59 DU	95 DU
Lot Area per Dwelling Unit	728 sq ft of lot area	414 sq ft of lot area	533 sq ft of lot area
Residential Density	60 DUs / acre	105 DUs / acre	82 DU / acre
Residential Floor Area	38,984 sq ft	63,754 sq ft	102,738 sq ft
Commercial Floor Area	10,520 sq ft	0 sq ft	10,520 sq ft
Total Floor Area	49,504 sq ft	63,754 sq ft	113,258 sq ft
Floor Area Ratio (FAR)	1.96 FAR	2.61 FAR	2.24 FAR
Under-Building Parking	66	76	142
Surface Parking	3	0	3
Total Parking Spaces	69	76	145

The breakdown of dwelling units by bedroom counts is proposed as follows:

RESIDENTIAL SUMMARY:	Phase 1 (West)	Phase 2 (East)	Completed Project
Efficiency Units	9	0	9
One-Bedroom Units:	13	40	53
• Conventional	10	40	50
• Plus Den	3	0	3
Two-Bedroom Units:	11	15	26
• Conventional	11	13	24
• Plus Den	0	2	2
Three Bedroom Units:	3	4	7
• Conventional	3	0	3
• Townhouse (2-floors)	0	4	4
Total Dwelling Units	36	59	95
Affordable Units (of total)	(5)	(7)	(12)

Project Benefits Cited by the Applicant

The applicant’s submittal describes a variety of public benefits associated with Arbor Crossing II:

- The project proposes to provide a mix of market rate rental and affordable rental units, with approximately 12 of the apartments being set aside for families and individuals earning no more than 60% of the Dane County Median Income. This responds to a goal of the Village to provide housing options.
- A Certified Survey Map accompanying the Specific Development Plan phases of the project will result in:
 - Dedication of 22,700 square feet (.52 acres) of lot area to the Village for the continued improvement of Marshall Court on the north side of the project;
 - Completion of Catafalque Drive south of Building 2, curving north between Buildings 1 and 2;
 - A lot line adjustment with the University Station parcel to improve the parking pattern on the east end of its parking lot; and,
 - Provision of the “missing link” in the University Avenue Bike Path along the rail corridor.
- The project will provide a new high-quality commercial / office space intended to house an existing business located on-site, thus retaining the business in the Village.
- The mixed-use nature of the project, with an emphasis on residential development, will provide lower traffic and parking impacts than would the alternative of commercial and office land uses.

Proposed Project Timing

The Applicant proposes to begin construction of Phase 1 in the early summer of 2016, with completion scheduled for the summer of 2017. Phase 2 is projected to begin construction in the summer of 2017, with completion scheduled for the summer of 2018

PLANNERS' PROJECT REVIEW

Michael Slavney, FAICP; of Vandewalle & Associates, has provided the following review of the requested PUD/GDP proposed by Stone House Development for Arbor Crossing II. Scott Harrington, AICP; also of Vandewalle & Associates, has provided a separate review specifically addressing the Height Exception Analysis, and Jeff Held of Strand Associates, has provided a supplemental 2016 Marshall Court Traffic Review.

Review of the General Development Plan (GDP) Submittal

Subsection 10-1-33(d) of the Planned Development regulations requires a complete submittal for the GDP, as follows in the list in bold font. The planners' review comments are in regular font.

1. A statement describing the general character of the intended development.

The Letter of Intent responds well to this requirement. Aspects of the project related to final building, landscaping, exterior lighting, and outdoor amenities will be provided as part of the SDP phase.

2. An accurate map of the project area including its relationship to surrounding properties and existing topography and site details.

The first eight sheets of the development submittal respond thoroughly to this requirement, including:

- Sheet C-1.0: Site Plan depicting the proposed development in plan view.
- Sheet C-1.0A: GDP Limits Exhibit Map depicting the boundaries of the GDP.
- Sheet C-1.0B: GDP CSM Phasing & Right-of-Way Configuration Map showing the boundaries of Phase 1 and Phase 2, and the areas proposed for street and bike path dedication.
- Sheet C-1.0C: GDP Area Calculations for Right-of-Way Dedications and Vacations showing the details of proposed dedications and several small areas of proposed right-of-way vacations. Depicted dedications total to about 20,000 square feet. Depicted vacations total to about 2,150 square feet. (Note that said vacations will be reviewed and acted on by the Village independently of the proposed PUD / GDP and the proposed Certified Survey Map land division instrument.)
- Sheet C-1.1: Existing Conditions Plan showing details for the three existing buildings, current pavement configurations and striping, utilities, landscaping, and existing lot lines.
- Sheet 2-1.3: Grading Plan depicting existing and proposed topography, and proposed stormwater facilities, including the underground stormwater infiltration systems proposed for each building.
- Sheet C-1.4: Providing a recent air photo of the subject property and its environs.
- Sheet C-1.5: Providing an insert of the proposed project within a recent air photo of the environs.

3. A plan of the proposed project showing sufficient detail to make possible the evaluation of the criteria for approval set forth in Section 10-1-33(e).

The final sheets of the development submittal respond thoroughly to this requirement. They provide sufficient information to evaluate the requested rezoning from C-3 to PUD / GDP. They include:

- Sheet C-1.6: Providing a zoomed-in view of the proposed project within a recent air photo.
- Sheets A-1: Depicting the proposed floor plans, including the underground parking levels.
- Sheets A-2: Depicting the conceptual north and south façade elevations for both buildings.
- Sheets A-3: Depicting a cross-section view of Marshall Court, and shadow studies depicting the relationship between the Phase 1 building (western building) and Shakleton Square.

Comparison to Base Zoning District Standards

The GDP proposes several variations from the zoning requirements for the current C-3 Medical Office – Commercial District. The following table compares the current C-3 requirements with the proposed GDP. The requirements of the R-4 Multiple Family Residence District are also provided for comparison.

Comparison of the Proposed GDP with Standard C-3 & R-4 Zoning Requirements				
Item	Zoning Districts			Discussion
	C-3 Office	R-4 Multiple Family	Proposed PUD	
Land Use	Commercial Permitted	Apartments Permitted	Apartments & Commercial	The Zoning Code does not provide a zoning district that allows residential over commercial land use. A PUD is needed.
Maximum Density	Not Applicable	17.4 DU/ac.	82 DU/ac.	The Zoning Code does not differentiate density by bedroom count. R-4 density limit is too low to enable urban redevelopment.
Maximum Building Height	35'	50'	Building 1: 48' Building 2: 48'9"	Measurements taken along Marshall Court façade, excluding elevator bulkheads (as a permitted exception per Section 10-1-45(a)).
Minimum Building Setback to Streets	15' to north 42' to south	42' to north 42' to south	Building 1: 17' n/20' s Building 2: 6' n/2' s	Proposed setbacks reflect proposed dedication for Marshall Court, Catafalque Drive, and Bike Path; and are consistent with Arbor Crossing I.
Minimum Building Setback to Side	10' to outside 15' to Catafalque Dr.	10' to outside 15' to Catafalque Dr.	Building 1: 19' w/8' e Building 2: 13' w/10' e	Proposed setbacks reflect proposed dedication for Catafalque Drive; and are consistent with Arbor Crossing I.
Minimum Lot Size	Not Applicable	43,560 sq. ft.	Building 1: 26,223 s.f. Building 2: 24,428 s.f.	Lot sizes are comparable to Arbor Crossing I.
Maximum Lot Coverage by Building	40%	50%	Building 1: 49.99% Building 2: 65.90%	Calculations account for proposed dedications. Lot coverage of Building 2 is comparable to Arbor Crossing I.
Minimum On-Site Parking Spaces	1 per 300 sq ft of floor area	≤ 1 bedroom: 1.25 spaces ≥ 2 bedroom: 2.00 spaces	Building 1: 69 of 91 req. Building 2: 76 of 88 req.	The project proposes to provide 81% of required parking spaces. 75% is a typical requirement for projects near transit stops.

4. A statement addressing relevant items under Section 10-1-33(c).

Ground floor patios have been provided on the north and west sides of the western, mixed use building, adjacent to the entry and commercial space. A ground floor courtyard is provided on the south side of the residential building.

The top floor of both buildings has a step-back on the north façade to reduce shadowing onto the north side of Marshall Court. The western building shows a six- to eight-foot step-back, with a six-foot step-back shown for the eastern building. The building height to the top of the roof eaves are 48' 0" on Building 1 and 48' 9" on Building 2 – compared to the maximum of 46 feet set by the Doctors Park Neighborhood Plan. The detailed winter solstice shadow study provided in the submittal indicates late afternoon shadowing of the ground floor of the Ronald McDonald House and Shakleton Square, originating from the western building.

5. A general outline of intended organizational structure related to property owner's association, deed restrictions, and private provision of common services.

The submittal lists the owner as "2727 Marshall Court, LLC", to be formed upon project approval. As rental apartments and leasable commercial space, no covenants or related deed restrictions have been provided.

6. An economic feasibility study of the proposed use and proof of financial capability.

The applicant has requested tax increment financing assistance, and has submitted information with the request as to the economic feasibility of the project. A separate TIF request review letter will be provided to the Village Administrator and Village Board.

7. When requested, any other information necessary to evaluate the proposal.

In staff review meetings, the applicant has indicated that several factors are the basis of the TIF request, and the proposed four-story configuration:

- The need to relocate an existing business from the current site into the new buildings is a primary driver behind proposing two separate buildings, rather than a single large one.
- The need for two buildings, and the requirement to curve Catafalque Drive north to Marshall Court between them, has reduced the building footprint area available for each building.
- The Village's objective of providing affordable housing units is resulting in the need for more market rate units.

Acting together, these economic factors are the basis for proposing four-story buildings, rather than three-story buildings. My colleague at Vandewalle & Associates; Scott Harrington, AICP, has provided a separate memo evaluating the request for the proposed four-story buildings, as required by the neighborhood plan.

My analysis of Arbor Crossing II in relation to the PUD Ordinance's Review Requirement is presented on the following pages.

Analysis of the Proposed Planned Unit Development in Relation to the PUD Review Standards

The PUD provisions in Section 10-1-33(c) require this project to be reviewed by the following specific criteria:

(1) **Character and Intensity of Land Use.** A PUD district's uses and their intensity, appearance and arrangement shall be of a visual and operational character which:

a. Are compatible with the physical nature of the site or area.

The proposed land uses (office and residential) are fully compatible with the nature of the area.

The proposed development intensity is compatible with the established 4-story nature of newer buildings on the south side of Marshall Court. Buildings on the north side are somewhat smaller and shorter, though significantly larger than the adjacent neighborhood to the northwest.

The proposed appearance and arrangement is generally consistent with the nature of other buildings recently developed on Marshall Court, and very consistent with other new buildings on the south side of Marshall Court in terms of setbacks, height, and an "urban mixed use" architectural character related to exterior building materials, and roof, door, and window forms. Residential exterior materials and roof, door, and window forms prevail on the north side of Marshall Court. The buildings' rear-loaded under-building parking areas take advantage of the north to south down-slope of the site.

In total, I believe the two buildings strongly meet this criterion in that they are a strong match for the buildings to the east, and a good transitional form between Shakleton Square and the very busy University Avenue corridor. The modest Floor Area Ratio (FAR) of 2.24 for the proposal seems about right for the site under the proposed 4-story configuration.

b. Will produce an attractive environment of sustained aesthetic desirability, economic stability, and functional compatibility with the Village Comprehensive Plan.

The buildings' exteriors use materials that are attractive, high-quality, durable materials throughout each elevation. The buildings' appearances are very compatible with the building immediately to the east, and are generally consistent with the other new buildings on Marshall Court. The project follows the aesthetic guidelines of the Doctors Park Neighborhood Plan for building height, composition, scale, windows, materials, and colors. Both buildings provide significant large-scale articulation, and detailed changes in materials and textures. A useable commercial plaza is provided on the west side of the western building, and a useable residential courtyard is provided on the south side of the eastern building.

Building Code requirements for residences located over under-building parking result in stronger and safer construction. Such buildings are considered to have a long lifespan. The open plan of the western building's ground floor will provide long-term flexibility for evolving tenant needs.

The consolidation of three adjacent lots, and the provision of the extension of Catafalque Drive to Marshall Court, are also consistent with the adopted Plans, and would not be possible without buildings of substantial Floor Area Ratios (FARs) to help financially counteract the potential building footprint loss of dedicated rights-of-way for the street extension and the bike path dedication. As demonstrated in Mr. Harrington's report, the 4-story project will be a strong performer for the TIF District in the near-term and for the overall tax base in the long-term.

I believe the project strongly meets this criterion.

c. Will not adversely affect the anticipated provision for school or other municipal services unless jointly resolved.

Larger mixed-bedroom multi-family buildings tend to have more stable totals for their overall population, and for the number of school children, than other residential types. Generally, this stability is a desirable characteristic for the provision of public services.

Following is a summary of the resident population of the Village, and of similar recent projects (originally prepared by Vierbicher for the analysis of the proposal at 4610 University Avenue).

Project	Population	Dwelling Units	Population per Dwelling Unit	Population Increase over 2014	Dwelling Unit Increase over 2014
Village of Shorewood Hills WisDOA estimate 1/1/2014	1,776	660	.69	--	--
Arbor Crossing I (in estimate)	(149)	(80)	(1.86)	included	included
Walnut Grove	155	100	1.55	8.7%	15.2%
700 University Bay Drive	85	55	1.55	4.4%	8.3%
AT&T Plaza	64	41	1.55	3.3%	6.2%
Walnut Grove II	146	94	1.55	7.5%	14.2%
Arbor Crossing II <i>per submittal of January 2016</i>	177	95	1.86 <i>(per A. C. 1)</i>	8.9%	13.9%
TOTAL	2,403	1,045	2.30	24.1%	42.7%

Village Population. As demonstrated by the above table, the general population impacts of Arbor Crossing II will be consistent with those of other recently approved redevelopment projects -- with about 177 residents are projected.

School Services. School impacts are expected to be small. The Madison Metropolitan School District uses a general multiplier of 0.12 school children per two- and three-bedroom apartments, and no multiplier for 1-bedroom and efficiency apartments. This approach yields 4 school children typically coming from the total of 33 2- and 3-bedroom units proposed in Arbor Crossing II. However, Arbor Crossing currently has 22 school children originating from 80 dwelling units -- for a multiplier of 0.275 students per dwelling unit. If this multiplier were applied to Arbor Crossing II, 26 school children would reside at the proposed project.

Emergency Services. Discussion of previous similar projects, and in the May 2010 multi-family report to the Village, any increase in emergency service calls to the site is expected to be nominal based on past experience. The City of Madison, through its service agreement with the Village, is well-equipped to provide fire and EMS services to the project.

Arbor Crossing II is likely to be one of the last major redevelopment projects in the Village for some time to come. The Village's fee payment for fire and EMS service to the City of Madison depends on the change in Village population and equalized value relative to Madison's. If population and equalized value grow at a faster rate in the Village, the Village's payment will increase. In the short-term, the Arbor Crossing II project will result in a 10% increase in population over 2014 Village population levels, and an eight percent increase in population when pending development projects are added to the 2014 population level. This increase will affect the fees for emergency service. If the Arbor Crossing II is approved, the Development Agreement for the project will include provisions to address these costs. Furthermore, in the long-term, with future Village redevelopment slowing down, and Madison continuing to expand at the edges and through redevelopment, the City's growth in population and tax base is expected to grow at a significantly faster rate than the Village's – thus leading to stable or even reduced fees for fire and EMS.

Also during the short-term, the use of TIF on the subject property will result in property tax revenues from the project being frozen at current values, with the tax increment above current revenues being applied to the retirement of the TIF district. Mr. Harrington's report provides much more detail on this issue.

Other Services. The Village will not see any increase in demand for snow plowing or garbage collection, as such services will be provided for the project through private contract – with the exception of plowing the short extension of Catafalque Drive and the bike path.

I believe the project meets this criterion.

d. Will not create a utility, traffic, or parking demand incompatible with the existing or proposed facilities to serve it unless jointly resolved.

Utilities. The Village Engineer is reviewing utilities and stormwater issues, and will provide a separate review letter covering those items.

Traffic. Jeffrey S. Held, P.E., PTOE, has provided a report entitled "Marshall Court 2016 Traffic Review" with site investigations, traffic counts, and analysis provided in January and February 2016. Mr. Held concludes that traffic volumes have increased on Marshall Court in a manner consistent with the preceding 2008 Marshall Court Traffic Study. Mr. Held projects that based on traffic at Arbor Crossing I, traffic volumes resulting from the full occupancy of 700 U-Bay and Arbor Crossing II will likely increase trips over current levels by 20% to 30% -- with approximately 20% of those trips occurring without a car.

Mr. Held notes that the percentage of trips without a car will likely increase as weather gets better and university activity slows during the summer months. The 2016 traffic counts indicate that morning peak trips at both ends of Marshall Court are occurring at the predicted volumes and at the same time as the traffic peak for University Avenue, while evening peak trips are occurring earlier than the traffic peak for University Avenue, with the predicted trip volumes occurring, but spreading over a longer period of time.

As a side note, the 2016 traffic counts also indicate that the improvements at the west end of Marshall Court are handling more traffic than predicted, and are likely drawing trips away from the east end.

In reading Mr. Held's report, I conclude that Arbor Crossing II will have traffic volumes within the planned capacity of Marshall Court, and that this criterion is met.

Parking. The project is of very similar scale to other recent projects on the south side of Marshall Court, and is further similar in proposing to provide fewer on-site parking spaces than required under standard zoning. The following tables indicates that a total of 144 on-site parking spaces would be required under

standard zoning for the dwelling units, while another 35 on-site parking spaces would be required under standard zoning for the commercial / office flex space on the ground floor of Building 1.

Arbor Crossing II is proposing to provide a total of 145 on-site parking spaces. This total is 34 spaces under the 179 required under conventional zoning – or 19% below the typical requirement. In other words, the project is proposing to provide 81% of the typical requirement. As noted above, a very common benchmark for redevelopment projects is to provide a minimum of 75% of the typical requirement. Arbor Crossing II exceeds this benchmark.

A more detailed evaluation takes into account the reservation of 31 under-building spaces for the office/commercial use on the ground floor of Building 1. These 31 spaces, plus the 3 surface parking spaces provide a total of 34 of the 35 typically-required parking spaces for nonresidential development. The remaining 35 under-building parking spaces in Building 1 will be allocated to the 36 dwelling units (31 market-rate and 5 affordable housing uses), and will provide a total of 35 of the 56 typically-required parking spaces for residential development, with a total of 38 (35+3) spaces available on-site after business hours.

Based on discussions with several experts in urban Dane County mixed-use development at Vandewalle & Associates, I believe the above parking ratios are realistic for this project at this location. These experts point to the high degree of transit service and walkable employment at the site; the high number of efficiency and one-bedroom units in Building 1; and the fact that parking demand for the proposed medical use is likely to be closer to 21 spaces for employees and patients combined at a ratio of one space per 500 square feet of floor area. To provide additional flexibility in meeting evolving parking demand, our in-house experts suggest two additional provisions of the planned development:

- Require that residential parking spaces in Building 1 be leased separately from dwelling rent; and,
- Explicitly enable the owners of the commercial parking level to lease parking spaces to building residents – either for the whole day, or outside of normal business hours.

Details for bicycle parking have not been provided in the proposal. A common benchmark ratio is one sheltered bike space for every two dwelling units, and one surface bike space for every 2,000 square feet of office or retail spaces. These ratios result in a typical requirement of 48 under-building bike spaces, and 6 surface bike spaces. Significant bike use is anticipated, particularly with the project filling in the “missing link” in the bike path network. Therefore, I suggest the following provision of the planned development:

- Sheltered and surface bicycle rack spaces should be required and depicted on the floor plans and site plans, at the above ratios.

Please see the parking analysis tables on the following page.

Parking Analysis for Arbor Crossing II: Spaces Required Under Conventional Zoning			
Unit Type	# of Units	On-Site Parking Spaces Required per Unit	Total Required On-Site Parking Spaces
Efficiency	9	1.25	11.25
One-Bedroom Conventional	50	1.25	62.50
One-Bedroom plus Den	3	1.25	3.75
Two-Bedroom Conventional	24	2.00	48.00
Two-Bedroom plus Den	2	2.00	4.00
Three-Bedroom Conventional	3	2.00	6.00
Three-Bedroom Townhouse	4	2.00	8.00
Office / Commercial	10,520 s.f.	1 space per 300 s.f.	35.07
Project Totals:	95 /10,520	n.a.	178.57 say 179

Parking Analysis for Arbor Crossing II: Spaces Proposed for the Project				
Type of Parking Space	Spaces Proposed by Project	Typical Requirement	Difference	Percent of Typical Provided
<i>Building 1 Commercial</i>	<i>31 + 3 = 34</i>	<i>35</i>	<i>- 1 space</i>	<i>97%</i>
<i>Building 1 Residential</i>	<i>35</i>	<i>56</i>	<i>- 21 spaces</i>	<i>63%</i>
Total for Building 1	69	91	- 22 spaces	76%
Building 2 Residential	76	88	- 12 spaces	86%
Project Commercial	34	35	- 1 space	97%
Project Residential	111	144	- 33 spaces	77%
Project Totals:	145	179	- 34 spaces	81%
Bike Parking				
Sheltered Rack Bldg. 1	Unspecified number of bike spaces in labeled areas.	18	- 18 rack spaces	
Surface Rack Bldg. 1		6	- 6 rack spaces	
Sheltered Rack Bldg. 2		30	- 30 rack spaces	
Total Bike Parking:	None shown	54	- 54 rack spaces	

e. **Economic impact. A planned unit development district shall not adversely affect the economic prosperity of the Village or of surrounding properties.**

The developer is proposing for the Village to create a new Tax Increment Finance (TIF) District for the project.

The three subject properties currently assess at \$2,068,310 – which would be the base value of the newly-requested TID.

Mr. Harrington's report indicates the four-story development option offers market competitive returns on investment for redevelopment projects in Dane County, while the three-story option does not.

Mr. Harrington estimated a final assessed value of \$12,378,000 for Arbor Crossing II (in the four-story configuration), which would provide an increase in assessed value (TIF value increment) of \$10,309,690 at time of project completion – which is assumed to be April of 2018.

The developers are requesting TIF assistance of \$2,825,000 to pay down the extraordinary costs of providing affordable housing units and under-building parking.

In terms of the overall economic impact, Mr. Harrington concludes on the bottom of page 5 of his report:

Although a formal TIF feasibility analysis has not been performed, it should be noted that the amount of TIF assistance requested for the four-story option appears to be supported by the tax increment to be generated by the project, and that the project may still be feasible with even less than the requested amount. For the three-story option, the project does not appear to support the requested level of assistance.

Due to the general compatibility with the heights and bulks of other redevelopment sites on Marshall Court, the benefits of providing for the completion of Catafalque Drive and the University Avenue Bike Path, the retention and continuous operation of the Psychiatric Services Clinic, the addition of surface parking at the University Station, the provision of additional affordable housing units, and the provision of significant tax base increase, I believe Arbor Crossing II will be of economic benefit to the Village and surrounding properties.

In total, I believe all of the sub-criteria of e. above, are met.

I further believe that all of criteria 1.a. through 1.e. are met.

(2) **Preservation and maintenance of open space.** A PUD district shall make adequate provision for the improvement and continuing preservation and maintenance of attractive open space.

Arbor Crossing II is proposing an urban-character project to replace suburban character development. Currently, open space in the form of small lawn and landscaped areas surrounds each of the three buildings. Although contributing significantly to the sites' suburban character, these areas do not provide usable open space. Similarly, although the existing development provides sidewalks linking the building entrances to parking areas and Marshall Court, usable pavement areas are lacking. The proposed project offers a significant upgrade in terms of both public and private open space. Most notable are the private residential balconies or terraces for most units, the rooftop terraces, and Building 2's residential courtyard, and the public open spaces provided by the entry plaza and commercial plaza for Building 1.

- (3) **Implementation schedule.** A PUD district shall include suitable assurances that each phase could be completed in a manner which would not result in an adverse effect upon the community as a result of termination at that point.

Stone House has indicated that Building 1 is proposed to be completed in early 2017, and that Building 2 is proposed for completion in early 2018. The PUD ordinance requires a Specific Development Plan (SDP) to be submitted to the Village within 12 months of the Board's approval of the General Development Plan (GDP), and for construction to start within 12 months of the approval of an SDP. The ordinance allows the Village to consider annual extension requests from the developer, if needed.

The detailed TIF analysis required prior to creation of the requested Tax Increment Finance District, will demonstrate the effect of project delay on TIF feasibility. Mr. Harrington's preliminary analysis of project financing concludes that the proposed development timetable, in combination with the TIF request, ought to work.

- (4) **Adherence to Comprehensive Plan.** A PUD district shall further the Village Comprehensive Plan.

On January 8, 2016, Daniel J. Lindstrom, AICP, of Vierbicher Associates, Inc., provided the following introduction to a similar PUD analysis for the Ronald McDonald House GDP:

Because the Doctors Park Neighborhood Plan (DPNP) is an appendix to the Village's Comprehensive Plan and gives more detailed recommendations for the area than the Comprehensive Plan, the proposed PUD has been reviewed in relation to the DPNP. This analysis compares this proposal to relevant objectives from the DPNP. Page numbers are noted, and plan text/objectives are in *italics*, with commentary following.

I think this is an appropriate application of the Zoning Ordinance's review requirements for factor (4). My analysis will follow this example.

LAND USE:

Page 10. Land Use Goal No. 1: Diversify land use along Marshall Court.

- *Page 10: Objective No. 1: Develop mixed-use zoning districts to enable desired development.*

The proposed GDP is a project specific mixed use zoning district which includes office/commercial and residential development, including provision of a wide range of residential apartment formats and provision of affordable housing units.

- *Page 10: Objective No. 2: Work with developers and land owners to implement desired land use outcomes.*

The proposed GDP requires Village zoning approval, as does the request for Tax Increment Financing. The proposed project accomplishes key objectives of the current property owners of Psychiatric Services, which is to create a development that enables an uninterrupted move from their current building to proposed Building 1.

Page 10. Land Use Goal No. 2: Establish a land use pattern that mitigates the effect of redevelopment on traffic volume and circulation.

- *Page 10: Objective No. 1: Encourage opportunities for live-work situations, reducing the need for employees to drive to work.*

The proposed mixed use nature of Building 1, with residential over office /commercial, provides this opportunity.

- *Page 11: Objective No. 2: Balance high traffic-generating uses with lower ones.*

The proposed mixed use nature of Building 1, with residential over office /commercial, provides this opportunity, while the predominance of residential uses in both buildings generates lower peak hour traffic and counteracts the predominance of rush hour business traffic on Marshall Court, University Bay Drive, and University Avenue.

Page 11. Land Use Goal No. 3: Establish a land use pattern that complements the existing uses within and around the perimeter of the neighborhood.

- *Page 11: Objective No. 1: Encourage first floor uses that support pedestrian activity such as neighborhood retail or service-oriented business.*

The proposed open floor plan ground floor of Building 1, including the commercial plaza on the west side of the building, creates the long-term opportunity for such a space. The residential courtyard on Building 2, facing the bike path, creates a similar pedestrian-oriented feature.

- *Page 12: Objective No. 3: Redevelopment shall utilize structured parking (as opposed to surface parking).*

Two-level structured parking (unusual for four-story buildings) is proposed for both buildings.

However, this Objective further states that the goal of structured parking should be accomplished without TIF assistance, unless the Village receives additional benefits – such as a certain number of spaces set aside for public use. This aspect of the objective is not accomplished by the project.

- *Page 12: Objective No. 4: Parcels within the planning area shall remain taxable.*

Both buildings will remain taxable.

- *Page 13: Marshall Court Future Land Use & Building Heights Map.*

This map explicitly identifies the following bullet points for the subject property:

- *Mixed use office / commercial / residential* – Yes. Accomplished by project.
- *2-3story building heights (maximum of 46 feet)* – No. 4 story building heights at about 48 feet.
- *Shared structured parking facilities* – No. Not open to public.
- *Enhanced pedestrian connections to the street and retail to the west* – Yes, plazas and bike path.

URBAN DESIGN:

Page 23. Urban Design Goal No. 1: Promote a pedestrian-scale environment in the neighborhood.

- *Page 23: Objective No. 1: Promote pedestrian safety.*

The project will result in dedications of rights-of-way for Marshall Court that will support the implementation of a consistent street cross-section, including the provision of a wider sidewalk, and consistent on-street parking arrangements.

- *Page 23: Objective No. 2: Implement design guidelines for redevelopment to support a pleasant pedestrian experience.*

I believe this is generally accomplished. See the following detailed discussion.

The Urban Design chapter of the DPNP identifies the following Overall Design Objectives:

- *Building Height* – Possibly. Building heights above three stories and 46 feet are potentially enabled by demonstrating financial necessity. (See Mr. Harrington’s report.)

- *Floor Height* – Yes. First floor heights are about 12 feet – well under the 18 foot maximum. Upper floor heights are about 11 feet – well under the 14 foot maximum.
- *Building Composition* – Yes. Each building has a well-composed exterior with a definite top, middle, and bottom portion.
- *Building Articulation* – Yes. Each building has components that emphasize verticality and rhythm – particularly accomplished by wall plane recesses and extensions with stacked windows and balconies.
- *Building Scale* – Yes. Each building has a façade design that varies through the use of different materials, colors, and/or divisions to reduce their mass.
- *Windows* – Partially. Ground floor windows are not larger in scale. This could be accomplished along the perimeter of Building 1 – which is proposed for non-residential use. However, I do not think this guideline is appropriate for ground floor residential units – except at balconies.
- *Color* – Partially. Color choices complement the building’s materials and style, and harmonize with adjacent buildings. Sufficient variation in color is present. However, the color is not proposed to vary between these two buildings or with Arbor Crossing I.
- *Green Design* – Yes. Green design components are present, particularly with the approach to stormwater management.

The Urban Design chapter of the DPNP identifies the following Building Placement Objective:

- *Maintain a Pedestrian Scale* – Yes. Building 2 is placed about five feet from the Marshall Court right-of-way, compared to the recommended three feet. I believe the four-story height merits the additional two feet. Building 1 is placed 17 to 20 feet from the right-of-way, however, this placement provides for a stronger commercial entrance, a residential plaza, and reduces late afternoon winter shadow impacts to Shakleton Square and the Ronald McDonald House across the street.

The Urban Design chapter of the DPNP identifies a plethora of other objectives for the design of the public right-of-way area, including sidewalks, landscaping, pedestrian furniture, and on-street parking. With the dedication of rights-of-way occurring with this project, these objectives can be more readily attained.

URBAN DESIGN (continued):

Page 24. Urban Design Goal No. 2: Preserve the existing quality of life for users and residents of the neighborhood.

- *Page 24: Objective No. 1: Preserve and maintain “landmark” buildings.*

The DPNP does not identify the three existing buildings on the site as “landmark” buildings.

- *Page 24: Objective No. 2: Ensure that redevelopment provides an appropriate transition between new and existing structures.*

I believe this is generally accomplished. This portion of the DPNP text identifies the Unitarian Meeting House, Shakleton Square, and the Ronald McDonald House as “landmark structures”. The text further states:

“The existing iconic buildings discussed above do tend to suggest that the area could sustain redevelopment at a 3-4 story density. Shakleton Square and the Ronald McDonald House could be considered “three and a half story” buildings – Shakleton has dormer windows above the third floor, and the first floor of the Ronald McDonald House is above the street level of Marshall Court.”

- *Page 24: Objective No. 3: Require a shadow study of proposed redevelopment projects.*

The provided shadow study indicates that late afternoon winter shadows will sweep across the ground floors of the south facades of the Shakleton Square and Ronald McDonald House buildings. Village staff has asked the project architect to evaluate the potential to reduce this impact.

Page 24. Urban Design Goal No. 3: Encourage sustainable development.

- *Page 24: Objective No. 1: Encourage development to occur in a sustainable manner.*

The identification of these components will generally be delayed until the SDP phase.

TRANSPORTATION:

Page 35. Transportation Goal No. 1: Provide enhanced safety and connectivity for pedestrian and bicycle traffic.

- *Page 35: Objective No. 1: Implement the desired Marshall Court street section, with a consistent right-of-way width and sidewalk location.*

The proposed GDP provides the desired street section.

- *Page 35: Objective No. 2: Provide additional pedestrian connections from residential areas to destinations within the neighborhood area.*

The proposed GDP provides the dedication of the Catafalque Drive right-of-way that will enable it to extend west beyond Building 2 and north between Buildings 1 and 2, to connect to Marshall Court – thereby providing the mid-block connection from the Bike Path called for by the DPNP.

- *Page 35: Objective No. 3: Provide a designated bicycle route through the neighborhood area.*

The proposed GDP provides the dedication of the “missing link” portion of the University Avenue Bike Path. Page 41 of the DPNP states that:

The Village may need to acquire property or easements along the rail line in order to build the path. TID funds could be used for the expense. The mixed ownership of all the parcels along the railroad tracks will make acquiring the land difficult.

- *Page 36: Recommended Marshall Court Layout Map.*

This map explicitly identifies the following bullet points for the subject property:

- *Marshall Court Realignment* – Yes. Accomplished by project.
- *New Bicycle Connection* – Yes. Accomplished by project.
- *Alley Access to Structured Parking* – Yes, however Catafalque Drive is proposed to connect to Marshall Court between Buildings 1 and 2, rather than between the subject property and University Station. I believe this is a significantly safer connection point than next to University Station’s eastern connection to Marshall Court.

Page 41. Transportation Goal No. 2: Promote strategies and improvements aimed at mitigating existing and future traffic congestion.

- *Page 41: Objective No. 2: Require redevelopment proposals to reimburse the village for a traffic impact analysis (TIA) that identifies potential impacts of development on traffic circulation patterns. Development should not create traffic that cannot be handled by existing or anticipated transportation systems.*

The TIA has been conducted by Strand Associates, and indicates that the proposed GDP does not create such traffic. The project's emphasis on residential development is a key part of mitigating adverse traffic impacts.

- *Page 43: Objective No. 3: Encourage the use of mass transit and other non-vehicle oriented transportation methods.*

The project provides covered bike parking. The provision of showers for the commercial area is unknown at this time, and is appropriately addressed in the SDP phase of the PUD.

- *Page 43: Objective No. 4: Limit the amount of parking provided with new buildings; provided parking should be to serve Marshall Court businesses only.*

The top of the right-hand column on page 43 of DCNP suggests that:

The Village should allow parking for redevelopment along Marshall Court to be less than the Village's current standard of one space per 300 square feet of office/retail space, one space per 100 square feet of restaurant space, two spaces per two (or more) bedroom unit, and 1.25 spaces per one bedroom or efficiency.

I believe the reduced parking ratios proposed by the project reflect this objective in a responsible manner.

- *Page 43: Objective No. 5: Limit the number of curb cuts onto Marshall Court.*

The proposed intersection to accommodate the extension of Catafalque Drive is the only proposed vehicle connection that is similar to a curb cut, and is consistent with the DPNP's Layout Map, on page 36.

- *Page 44: Objective No. 6: Redevelopment projects should provide off-street loading areas.*

An off-street loading area is not specified for either Building 1 or Building 2. This should be discussed with the developer.

Page 44. Transportation Goal No. 3: Encourage cooperation on parking issues between property owners and between the Village and developers.

- *Page 44: Objective No. 1: Encourage cooperation and shared parking between uses and businesses.*

The predominantly residential nature of the project is generally not conducive to shared parking. However, I believe that enabling the commercial parking level in Building 1 to be leased for month-to-month use by residential tenants of Building 1, would be consistent with this objective, and a potential benefit to both the commercial space owner and Building 1 residents. Such parking should not be made available to off-site customers or residents.

UTILITIES AND COMMUNITY FACILITIES:

Pages 46 - 49. These goals and objectives are applicable to the dedicated portions of Marshall Court and Catafalque Drive, but will be a municipal responsibility independent of the project.

This report concludes on the following page.

Summary of Comments and Recommendations

The proposed site layout accomplishes important public objectives for the site, as identified in the Comprehensive Plan and the Doctors Park Neighborhood Plan, including:

- the retention of a long-term business on-site;
- the westerly and northerly continuation of Catafalque Drive to Marshall Court;
- the completion of the University Avenue Bike Path through the “missing link”;
- the provision of 12 additional affordable housing units;
- the provision of additional on-street parking;
- the elimination of (all but 3) surface parking spaces in favor of under-building parking;
- additional parking at the University Station shopping center;
- improved stormwater management in the central portion of Marshall Court;
- urban design and building architecture largely compliant with the Doctors Park Neighborhood Plan.

I believe the proposed four-story building heights are essential for project economics and TIF District success. I further believe the Village’s traffic objectives are met by the proposal. However, several aspects of the project are inconsistent with Village objectives, and I believe these issues merit consideration by the Plan Commission and Village Board. These include:

For the General Development Plan (GDP) Phase:

1. Late afternoon winter shadowing of the first floors of Shakleton Square and the Ronald McDonald House.
2. The potential to require dedication of an easement for the completion of the Bike Path as part of Phase 1 of the project, followed by right-of-way dedication for the Bike Path in Phase 2.
3. The lack of designated off-street loading areas for both Building 1 and Building 2.

For the Specific Development Plan (SDP) Phase -- if the GDP is approved:

- A. The lack of floor-to-ceiling windows for the first floor public spaces in Building 1.
- B. The consistency of exterior design, materials, and colors between the Arbor Crossing I building, and both buildings proposed in Arbor Crossing II (which may be judged appealing or undesirable).
- C. The need to ensure the proposed timeline of development for both buildings, to ensure the ability to retire the requested TIF district, and/or the related need for developer-guaranteed TIF performance.

I recommend approval of the Arbor Crossing II project as a Planned Unit Development, with the resolution of the General Development Plan issues 1-3 immediately above. The remaining issues A-C, above, are appropriately resolved during the review of the Specific Development Plan process.

I will be attending the Village Plan Commission meeting on March 15th to participate in the review of this project, and to answer any questions regarding this letter. If you have any questions of comments prior to the Plan Commission meeting, please contact me at 255-3988, or by email at msslavney@vandewalle.com.

Sincerely,



Michael A. Slavney, FAICP



VANDEWALLE & ASSOCIATES INC.

To: Shorewood Hills Plan Commission Members
CC: Karl Franz, Village Administrator
Mike Slavney, Vandewalle & Associates
From: Scott Harrington, AICP
Date: February 29, 2016
Re: Arbor Crossing II Height Exception Analysis

Introduction and Summary of Findings

The proposed Arbor Crossing II project consists of two buildings with a total of 95 units (including 12 affordable units), 10,200 sq. ft. of office space, and 142 structured parking spaces. The project has four floors of habitable space with two levels of underground parking, and it will replace the three buildings currently located at 2725, 2727, and 2801 Marshall Court.

The adopted Doctor's Park Neighborhood Plan calls for mixed-use development with structured parking for this area of Marshall Court, with a height limit of three stories and 46 feet. The proposed project has four stories and a maximum height of approximately 49 feet. A provision in the neighborhood plan states that, *"To the extent that it is determined by substantial proof that a desirable structure can only be economically constructed at four stories/60 feet in height, the Plan Commission will consider such an exception."*

The applicant has submitted construction cost and revenue projections for both four-story and three-story options and is seeking an exception to the height limits to construct two four-story buildings. According to the applicant, the four-story buildings will achieve a cash on cash return of 6.25% (including the use of tax increment financing [TIF] assistance) but the three-story buildings will achieve a cash on cash return of only 3.27% (also with TIF assistance). This low rate of return renders the three-story option to be infeasible for the applicant.

At the request of the Village, Vandewalle & Associates has analyzed the applicant's construction costs and revenue projections for the proposed four-story and three-story options. Although our analysis includes the level of TIF assistance as requested by the applicant, **this analysis is limited strictly to the difference in financial performance between the three- and four-story options and is not intended to be an analysis of the appropriateness of the use of TIF assistance for the project nor the amount of TIF assistance requested.**

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Shaping places, shaping change

As described in more detail in this report, our analysis concludes that the financial performance is significantly different between the three- and four-story options and that the four-story option is likely to achieve market-feasible rates of return, but the three-story option likely will not.

Project Overview

Table 1 provides a summary of the key project data used in this analysis as provided by the applicant.

Table 1

Project Component	4 Stories			3 Stories		
	Building 1	Building 2	Total	Building 1	Building 2	Total
Site Area (sf)	26,223	24,428	50,651	22,633	20,838	43,471
Gross Floor Area (sf) - Residential	38,984	63,754	102,738	27,104	48,294	75,398
Gross Floor Area (sf) - Office	10,520	-	10,520	10,520	-	10,520
Total Gross Habitable Area (sf)	49,504	63,754	113,258	37,624	48,294	85,918
Number of Floors	4	4	-	3	3	-
Maximum Bldg. Height (ft)	48	48.75	-	36	36.75	-
Market Rate Units	31	52	83	23	36	59
Affordable Units	5	7	12	3	5	8
Total Units	36	59	95	26	41	67
Parking Levels	2	2	-	2	2	-
Structured Parking Spaces - Residential	35	76	111	35	76	111
Structured Parking Spaces - Office	31	-	31	31	-	31
Surface Parking Spaces	3	-	3	3	-	3
Total Parking Spaces	69	76	145	69	76	145
Approx. Completion Date	April 2017	April 2018	-	April 2017	April 2018	-
Absorption Schedule (months)	4	7	-	4	7	-
Total Construction Cost	-	-	\$18,455,000	-	-	\$15,100,000
TIF Request	-	-	\$ 2,825,000	-	-	\$ 2,310,000
Current Assessed Value	\$ 650,000	\$1,418,310	\$ 2,068,310	\$ 650,000	\$ 1,418,310	\$ 2,068,310
Completed Assessed Value	\$ 5,648,000	\$6,730,000	\$12,378,000	\$4,548,000	\$ 4,670,000	\$ 9,218,000
Value Increment	\$ 4,998,000	\$5,311,690	\$10,309,690	\$3,898,000	\$ 3,251,690	\$ 7,149,690
Total Property Taxes	\$ 124,256	\$ 148,060	\$ 272,316	\$ 100,056	\$ 102,740	\$ 202,796
Tax Increment	\$ 109,956	\$ 116,857	\$ 226,813	\$ 85,756	\$ 71,537	\$ 157,293
1st Year Stabilized NOI	-	-	\$ 1,122,937	-	-	\$ 823,552

Analysis

The adopted Doctor's Park Neighborhood Plan permits the Plan Commission to consider an exception to the three-story/46 foot height limits in this area of Marshall Court as follows: *"To the extent that it is determined by substantial proof that a desirable structure can only be economically constructed at four stories/60 feet in height, the Plan Commission will consider such an exception."* The following is an analysis of the three primary components of this provision, 1) Desirable Structure, 2) Substantial Proof, and 3) Economically Constructed.

1. Desirable Structure

As described in the Plan Commission report prepared by Mike Slavney of Vandewalle & Associates, the proposed project meets a number of goals, objectives, and recommendations contained in the adopted Doctor's Park Neighborhood Plan and Village Comprehensive Plan. With the exception of the number of stories and height, the proposed project is highly consistent with these planning

documents as well as the adopted Tax Increment District #3 project plan. Accordingly, Mr. Slavney finds the project to be a “desirable structure” with desirable uses.

While there may be other desirable project types and configurations that could meet the requirements of the applicable plans and codes, projects of any type will need to address the following unique factors and challenges that impact development on this site, which significantly limit the options for constructing a desirable and feasible structure:

- Clinic Relocation: According to the applicant, the owners of Psychiatric Services, S.C., located at 2727 Marshall Court have indicated that they will sell their property only if a suitable alternative location can be made available to them within the immediate area and require them to relocate only once. Given a general lack of other available sites in the area and the expense of constructing a new, freestanding building strictly for this business, the only likely option is to include the clinic within an on-site redevelopment project as proposed here. However, this also requires constructing a project in two buildings/phases such that the clinic can continue to occupy its current space until a new space is available.
- Continuation of Catafalque Drive: As part of previous redevelopment projects to the east, Catafalque Drive has been constructed to serve as the primary vehicular access to these projects. The street currently terminates at the proposed project’s eastern property line, and the Doctor’s Park Neighborhood Plan calls for continuing the street to the east and eventually connecting it back to Marshall Court through this site. The required right-of-way for the street, and the minimum building setback requirements adjacent to it, significantly reduce the developable area of the site.
- Continuation of the University Avenue Bike Path: The University Avenue Bike Path also currently terminates at the east end of the site and is planned to continue through the site and across University Station to the west end of Marshall Court where it will jog to the north and connect to the existing portion of the path that runs through Post Farm Park. This section is the “missing link” of a path that runs all the way from Spring Harbor Drive on the west end to Camp Randall Stadium and the University Avenue bike lanes that run through the UW campus on the east end. The dedication of land for the path also has the effect of further reducing the developable area of the site.
- Mixed-use Development and Structured Parking: The Doctor’s Park Neighborhood Plan calls for mixed-use development that is significantly more intensive than previous development and to be supported by structured parking with minimal surface parking. Accordingly, a development of any type on the site will need to balance the cost of structured parking with the available amount of revenue-generating habitable area in order to make the project financially feasible.

2. Substantial Proof

The Doctor’s Park Neighborhood Plan requires that developers seeking an exception to the maximum story and height requirements submit substantial proof that their projects are not economically feasible without the height exception. The projected project costs, operating expenses, debt service, and revenues submitted by the applicant are included in Attachment A.

Development costs and revenues can vary from project to project and over time. However, based on the level of detail currently available about the project, our analysis of the costs and revenues provided by the applicant finds them to be in line with similar projects recently constructed or

approved within the Village. Although the costs were not determined by actual construction bids, these estimates are sufficient for purposes of conducting an analysis to determine the general economic feasibility of a three- versus four-story project.

For purposes of this analysis, the developer and we assumed that the three-story structures would be the same in all other respects to the four-story structures minus the fourth floor. This is about a 25% reduction in overall floor area, so the number of affordable units likewise is reduced from 12 to 8 and the TIF request is reduced from \$2.825M to \$2.31M. As noted previously, there are potentially different ways a project could be designed and developed on this site. However, this analysis is based only on the project options as proposed and not a hypothetical project of some other type or configuration as such an analysis would be nearly impossible to conduct (since there would need to be an actual developer willing to construct such a project) and the fact that our interpretation of the height exception provision in the neighborhood plan does not require such a hypothetical comparison. Further, the two proposed buildings, as designed, already occupy nearly all of the developable area of the site, so there is very little room to expand/reconfigure the size of the floor plates for the first three floors in order to gain significantly more revenue-producing square footage.

Our analysis includes the levels of TIF assistance as proposed by the developer for the three- and four-story options. To date, the developer has not made a formal request for TIF assistance, but he has indicated his intention to do so following zoning approval for the project. Once a formal request is made, a detailed analysis of the use of TIF will be conducted by the Village including a further review of the potential cause of any financial gaps, the amounts of tax value and tax increment to be created, and the method/type of assistance to be provided. Accordingly, the use of the developer's TIF assistance request for purposes of this height exception analysis is in no way intended to be a recommendation for the use of TIF in this project at this or any other level. That said, it appears some level of TIF assistance will be required to support the project as proposed, and the Village already has begun the process to create a new TIF District that includes this site. Therefore, since the use of TIF is likely (whether for the three-story or four-story option), we believe the financial performance of both scenarios should, likewise, assume some level of TIF support and we used the levels proposed by the developer as the basis for our analysis.

3. Economically Constructed

The Doctor's Park Neighborhood Plan requires an applicant to demonstrate that a desirable project can only be economically constructed in a four-story configuration at a maximum of 60 feet in height in order for the Plan Commission to consider an exception to the three story/46 foot height limits. As proposed, the four-story structures are 48 feet and 48 feet, 9 inches in height, respectively, and as discussed in Mr. Slavney's report, some modifications to the façades could reduce the height to the 46 foot limit. As a result, the requested exception primary deals with the number of stories, not the actual height of the buildings.

In evaluating and approving recent requests for TIF assistance, including Flad Development's Boulevard and Lodge Phase 2 (Pyare Square), the Village Board has been using the following three measures of project financial feasibility/performance to establish an actual need for assistance and the level of support to be provided. For each of these, the Village Board also has used performance benchmarks that are consistent with prevailing rates of return for projects of a similar nature within the Madison and greater Upper Midwest markets. Although our analysis is not for the purposes of determining the need for/level of TIF assistance, these economic performance/feasibility measures and benchmarks are appropriate for use in determining the difference in the financial returns

between the two building height options and for determining the general economic feasibility of each option.

- Initial Stabilized Year Return on Equity: This is the net present value of the ratio/percentage of net operating income in the first year in which the project is fully occupied to the amount of developer equity used for project construction. Given that the project is to be built in two phases with a lease-up period of several months following completion of the last phase, the first stabilized year is projected to be 2019, or Year 3 of the project.
- Average Annual Return on Equity: This is the net present value of the ratio/percentage of the average annual net operating income over the first ten years of the project to the amount of developer equity used for project construction.
- Internal Rate of Return: This is the effective interest rate received on the developer's equity over the first ten years of the project based on the discounted annual net operating income over this period of time and a projected net sales value of the project at the end of ten years.

Table 2 provides the projected returns for the three- and four-story options.

Table 2

Project Performance/Feasibility Measure	4 Stories	3 Stories	Benchmark
NPV Initial Stabilized Year Return on Equity (ROE)	9.0%	5.6%	7%
NPV Average Annual Return on Equity (ROE)	6.1%	3.9%	13-16%
Internal Rate of Return (IRR)	11.8%	6.6%	10-13%

As indicated on Table 2, the four-story option is within or above standard benchmark rates of return for two of the three measures and the three-story option falls below all three of the benchmarks. In other words, the three-story option fails to meet prevailing market rates of return for projects of this type while the four-story option meets or exceeds at least some measures of market feasibility. While different developers use different measures of financial performance, a typical developer would likely not undertake the three-story option with these levels of return but would likely pursue the four-story option. Note that our projected returns are different than what the developer estimated for the Initial Stabilized Year Return on Equity as he incorporated the TIF assistance as source of project equity (i.e. an upfront cash contribution) and we incorporated it as a source of annual income (i.e. an annual payment based on the tax increment generated by the project).

Although a formal TIF feasibility analysis has not been performed, it should be noted that the amount of TIF assistance requested for the four-story option appears to be supported by the tax increment to be generated by the project and that the project may still be feasible with even less than the requested amount. For the three-story option, the project does not appear to support the requested level of assistance (i.e. the tax increment to be generated by the project may not be enough to cover the developer's requested amount of assistance once interest is included). As a result, the three-story option may be even less financially feasible than shown in our analysis.

Conclusion

In analyzing the information provided by the developer against the requirements of the Doctor's Park Neighborhood Plan as required for the Plan Commission to consider an exception to the number of stories and height of the proposed structures, we find that:

1. The proposed mixed-use project with structured parking is a "desirable structure" in that it meets most of the goals and objectives of the adopted Doctor's Park Neighborhood Plan, Village Comprehensive Plan, and TID #3 project plan.
2. With some modifications, the height of the four-story buildings could be reduced to comply with the 46-foot height limit contained in the Doctor's Park Neighborhood Plan so the requested exception primarily concerns the number of stories and not the maximum height of the building.
3. The developer has submitted "substantial proof" of project costs and revenues for both three- and four-story options that are in line with similar projects recently constructed and approved within the Village.
4. The four-story option meets or exceeds two of three measures for project economic feasibility used by the Village Board, and the three-story option falls below all three measures. Further, the level of TIF assistance requested by the developer for the three-story option may be more than what the tax increment from the project could actually support indicating that the financial performance of the three-story option may be even less than that determined by this analysis.
5. Based on the above, the applicant has shown that the project can only be economically constructed at four stories and, therefore, the Plan Commission may consider granting an exception to the project to permit four stories and a height of 48 feet, 9 inches.

Attachment A

2727 Marshall Court - 4 stories

Sources of Funds

Equity	2,880,000	
TIF	2,825,000	15.31%
First Mortgage	12,750,000	
Total Sources	18,455,000	

Project Costs

Acquisition	2,240,000	
Construction - Office core and shell	1,100,000	
Construction - Residential / 2 levels underground parking	13,350,000	
Extraordinary Costs - 2nd underground parking level	1,200,000	
Extraordinary Costs - Capitalized cost of affordable housing	1,625,000	

Soft Costs:

Development Construction Management Services	880,000	
Design/Engineering	275,000	
Construction Period Real Estate Taxes	50,000	
Construction Insurance	30,000	
Title Policy	25,000	
Appraisal	5,000	
Legal Fees	40,000	
Survey	10,000	
Loan Fees	75,000	
Construction Period Interest	250,000	
Reserves	75,000	
Pre-Opening Costs	50,000	
Total Project Costs	18,455,000	

Stabilized Operating Proforma:

Revenue:

Market Rate - 83 units	(\$1.60-\$1.95 per sf)	\$1,453,000
Affordable - 12 units	(\$.93 per sf)	\$142,000
Parking Revenue		\$99,000
Vacancy	5.00%	\$84,700
Net Revenue		\$1,609,300
Total Operating Expenses		\$608,000
Net Operating Income		\$1,001,300
Debt Service		\$821,337
Cash Flow		\$179,963
Cash on Cash Return		1.2191 DCR
		6.25%
First Mortgage		12,750,000
Interest Rate First Mortgage		5.00%
Amortization Period	Years	30
Debt Service		\$821,337

2727 Marshall Court - Eliminate 4th floor

Sources of Funds

Equity	3,790,000	
TIF	2,310,000	15.30%
First Mortgage	9,000,000	
Total Sources	15,100,000	

Project Costs

Acquisition	2,240,000
Construction - Office core and shell	1,100,000
Construction - Residential / 2 levels underground parking	10,200,000
Extraordinary Costs - 2nd underground parking level	1,200,000
Extraordinary Costs - Capitalized cost of affordable housing	1,110,000

Soft Costs:

Development Construction Management Services	825,000
Design/Engineering	225,000
Construction Period Real Estate Taxes	50,000
Construction Insurance	30,000
Title Policy	25,000
Appraisal	5,000
Legal Fees	40,000
Survey	10,000
Loan Fees	50,000
Construction Period Interest	210,000
Reserves	50,000
Pre-Opening Costs	40,000
Total Project Costs	15,100,000

Stabilized Operating Proforma:

Revenue:

Market Rate - 55 units	<i>(\$1.60-\$1.95 per sf)</i>	\$965,000
Affordable - 12 units	<i>(\$.93 per sf)</i>	\$142,000
Parking Revenue		\$99,000
Vacancy	5.00%	\$60,300
Net Revenue		\$1,145,700

Total Operating Expenses \$442,000

Net Operating Income \$703,700

Debt Service \$579,767

Cash Flow \$123,933

Cash on Cash Return 1.2138 DCR
3.27%

First Mortgage 9,000,000
Interest Rate First Mortgage 5.00%
Amortization Period Years 30
Debt Service \$579,767



March 1, 2016

Mr. Karl Frantz
Village Administrator
Village of Shorewood Hills
810 Shorewood Boulevard
Madison, WI 53705-2115

Re: Marshall Court 2016 Traffic Review

Dear Karl,

Enclosed is the Marshall Court 2016 Traffic Review. Please provide any comments or questions at your convenience.

Sincerely,

STRAND ASSOCIATES, INC.®

A handwritten signature in blue ink, appearing to read 'Jeffrey S. Held'.

Jeffrey S. Held, P.E., PTOE

Enclosure: Report

c/enc: File

Report for
**Village of Shorewood Hills,
Wisconsin**

Marshall Court 2016 Traffic Review

Prepared by:

STRAND ASSOCIATES, INC.®
910 West Wingra Drive
Madison, WI 53715
www.strand.com

March 2016



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or Following

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BACKGROUND

The Doctor's Park area of the Village of Shorewood Hills (Village) is generally located north and south of Marshall Court on the southeast side of the Village. Figure 1 shows the study area for this report. The area is in the midst of significant redevelopment including recently completed projects at 800 University Bay Drive (800 U-Bay) on the east end of the corridor north of Marshall Court and Arbor Crossings I (AC I) in the middle of the corridor south of Marshall Court. Redevelopment at 700 University Bay Drive (700 U-Bay) on the east end of the corridor south of Marshall Court is currently under construction. The Ronald McDonald house east of Shackleton Square condominiums and north of Marshall Court anticipates an expansion project. The three parcels west of AC I are proposed for the site of Arbor Crossings II (AC II). The redevelopment that has or is expected to occur is generally mixed use in nature including office, commercial, and residential land uses. Most sites are three to four stories.

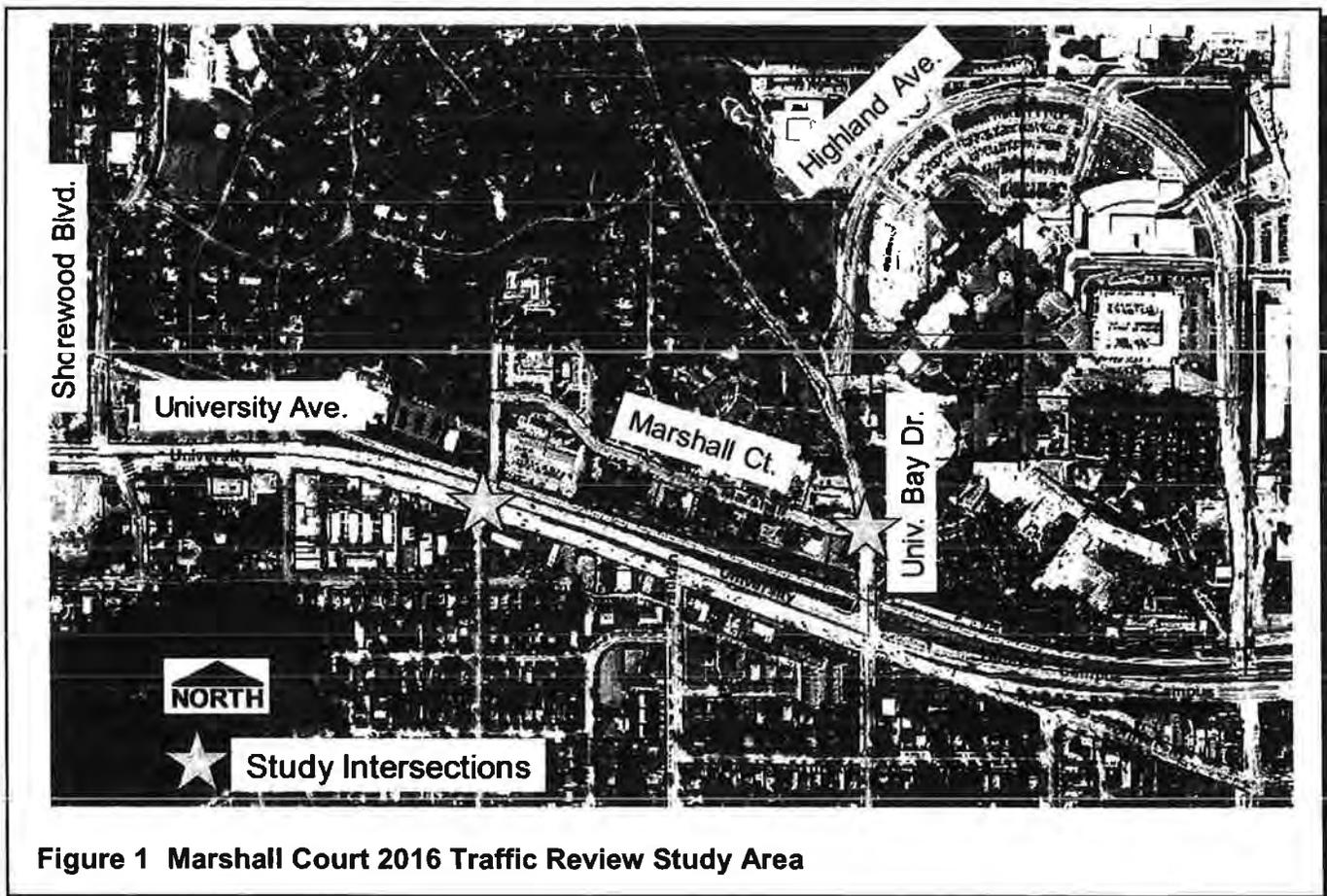


Figure 1 Marshall Court 2016 Traffic Review Study Area

At the request of Village staff, Strand Associates, Inc.[®] (Strand) completed a review of traffic conditions on Marshall Court from University Avenue to University Bay Drive. This report includes a summary of previous studies and plans for the area and discusses data related to traffic volumes, parking occupancy, crashes, and speeds on Marshall Court.

PREVIOUS STUDIES AND PLANS

Several studies and plans have been completed for the Doctor’s Park Marshall Court area since 2008. Following is a brief summary of these.

A. Marshall Court Traffic Study (2008)

This study was completed by Strand at the time the 800 U-Bay redevelopment was moving through the Village approvals process. The study included assumptions about the redevelopment potential of the Doctor’s Park area and estimated the net increase in traffic that would result based on two redevelopment scenarios. Figure 2 shows the trip generation results from the report.

	Daily Trips	AM Peak Hour			PM Peak Hour		
		AM In	AM Out	Total	PM In	PM Out	Total
Scenario 1 (more residential)	3,078	167	94	261	125	205	330
Scenario 2 (more office)	3,680	317	75	392	116	325	441

Figure 2 Marshall Court Traffic Study (2008) Estimated Net New Motor Vehicle Trips

Scenario 1 assumed the following:

- 22,000 square feet (SF) of retail
- 200,000 SF of office
- 200 residential dwelling units (RDU)

Scenario 2 assumed:

- 22,000 SF of retail
- 330,000 SF of office
- 80 RDU

The report proposed consideration of the following:

1. Construct a partial signal at University Avenue and Marshall Court/Ridge Street (since completed)
2. Construct a full median on University Bay Drive at Marshall Court to prohibit left turns in or out. Provide the opportunity for U-turns at University Bay Drive and Highland Avenue to replace the northbound left turn in from University Bay Drive to Marshall Court with a northbound U-turn followed by a southbound right turn (not completed).
3. As the Marshall Court street section is reconstructed, provide sidewalk on both sides, parallel parking, and on-street bike lanes (partially completed).

4. Provide an off-street multiuse path along the north side of the railroad tracks parallel to University Avenue (partially completed).

Traffic operations modeling indicated some increase in traffic congestion and delays after full redevelopment even if all the proposed improvements were implemented. Figure 3 shows the modeling results.

Intersection	Movement	2008 Post 800 U-Bay		2015 Scenario 1 Redevelopment		2015 Scenario 2 Redevelopment	
		AM	PM	AM	PM	AM	PM
Marshall Court and University Avenue	SBR	C	C	B	D	B	D
	EBL	C	C	D	D	D	D
University Avenue and University Bay Drive	EBL	C	C	D	D	C	C
	SBL	D	D	E	E	D	E
	SBR	A	C	A	D	A	D
	<i>Overall</i>	C	C	C	C	C	C
Marshall Court and University Bay Drive*	EBR	E	C	A	B	A	B
	NBL	A	A	--	--	--	--

Table reports the motor vehicle Level of Service (LOS) values A (excellent) through F (over capacity).
* Traffic modeling assumes restriction of left turns into and out of Marshall Court at University Bay Drive in Scenario 1 and Scenario 2 conditions

Figure 3 Marshall Court Traffic Study (2008) Traffic Operations Analysis

B. Doctor's Park Neighborhood Plan (2009)

This plan was completed by Vierbicher Associates, Inc. (Vierbicher) in 2008 and 2009. It includes goals for land use, urban design, transportation, and utilities and facilities. Generally speaking, the plan calls for more diverse land uses, projects that minimize traffic impacts to the extent possible, improved conditions for bicycles and pedestrians, and cooperation on parking issues.

The plan calls for the following:

1. Mixed land uses including office, commercial, and residential with two- to four-stories and shared, structured parking provided on-site (similar to completed and proposed projects to date).
2. As the Marshall Court street section is reconstructed, provide sidewalk on both sides and parallel parking (partially completed).
3. Provide an off-street multiuse path along the north side of the railroad tracks parallel to University Avenue (partially completed).

4. Provide pedestrian connections between Marshall Court and the multiuse path along the railroad tracks (partially completed).

C. Marshall Court Improvements Study (2010)

This study was completed by Strand to further evaluate the proposed partial signal at University Avenue and Marshall Court/Ridge Street. It also investigated improvements at University Avenue and University Bay Drive/Farley Avenue. The estimated net increase in motor vehicle trips in the area resulting from redevelopment from the 2008 study was used for the analysis.

The report includes additional traffic operations evaluation of the partial signal at University Avenue and Marshall Court/Ridge Street and a list of outstanding issues to be resolved in its design (completed). It also includes additional traffic operations evaluation of the University Avenue and University Bay Drive/Farley Avenue intersection and a list of outstanding issues to be resolved when future improvements are made (not completed, discussions ongoing).

D. Stone House Development Traffic Review (2011)

This letter was completed by Strand at the time AC I was going through the Village approvals process. It compared the trip potential of the three parcels being redeveloped versus the proposed four-story mixed-use AC I site. Trip generation indicated that AC I would generate a similar amount of motor vehicle trips to the three parcels being redeveloped if each were simultaneously fully occupied as they once had been. It also included some recommendations for the site plan regarding bicycle and pedestrian accommodations.

E. University Bay Drive Conceptual Layout (2015)

Strand completed a conceptual layout of improvements to University Bay Drive at University Avenue. The primary features of the improvements include the addition of sidewalk along the east side, potential locations for a bus pullout, and an improved refuge area at the location of the multiuse path crossing north of the railroad tracks.

TRAFFIC DATA REVIEW

Strand discussed common issues cited by Village residents and stakeholders regarding conditions on Marshall Court with Village staff and developed an approach to investigate them. The study team completed review of data provided by the Village as well as data collected in the field. Following is a summary of the data review.

A. Current Traffic Volumes

Strand completed turning-movement counts of all vehicles entering and leaving Marshall Court at University Avenue/Ridge Street and at University Bay Drive. The counts were conducted on January 14 and January 21, 2016. UW-Madison was not in session at this time. The dates for the turning-movement counts are not ideal considering the large share of bicycle and pedestrian trips common in warmer months; however, they should represent a conservative condition (higher motor vehicle volumes).

Because traffic counts are completed during all months of the year, seasonal factors are often applied so that counts from different months can be compared to each other on an “apples to apples” basis. Factors are applied that modify the count data to represent a “typical” day of the year, based on the month the data was collected. The seasonally adjusted values are referred to as “average annual” volumes. Figure 4 shows the results of the traffic counts compared to 2009 data. It includes the “Raw” data without seasonal adjustments and the “Adjusted” data that includes them.

AM Peak Hour	Raw Data			Seasonally Adjusted Data		
	AM In	AM Out	Total	AM In	AM Out	Total
2009 Count	251	105	356	255	107	362
2016 Count	313	118	431	373	141	514
Net Change	62	13	75	118	34	152
Forecasted Net Change after All Redevelopment (2008 report, Scenario 2)	317	75	392	317	75	392
% to Date	20%	17%	19%	37%	45%	39%
PM Peak Hour	Raw Data			Seasonally Adjusted Data		
	PM In	PM Out	Total	PM In	PM Out	Total
2009 Count	170	258	428	173	263	435
2016 Count	163	354	517	194	422	617
Net Change	-7	96	89	21	160	181
Forecasted Net Change after All Redevelopment (2008 report, Scenario 2)	116	325	441	116	325	441
% to Date	-6%	30%	20%	18%	49%	41%

Figure 4 Traffic Volumes Summary

Both values are shown in the table because it is difficult to know what a true “typical” value would be without count data from additional months. For most roadways in the area, January volumes are lower than Average Annual volumes. However, considering the high share of trips completed via alternate modes (walking, biking, and bus) in the area, it is possible that the reverse is true and January motor vehicle volumes are actually higher than on a “typical” day for the year in the Marshall Court area. As such, the study team recommends that the two values be considered together as a range of results throughout the year.

At the time of the 2016 counts, two of the four major redevelopments anticipated were complete and operating. This includes 800 U-Bay and AC I. The other two, 700 U-Bay and AC II, were in planning or construction. In the AM and PM peak hour, none of the volume measures have yet reached 50 percent of the forecasted volume increase resulting from redevelopment. The increase in total trips (inbound and outbound) is about 20 to 40 percent of the total forecasted volume increase.

The data does indicate a higher share of traffic entering and exiting via the partial signal at University Avenue and Marshall Court/Ridge Street compared to Marshall Court and University Bay Drive. Total volume in and out of the area via University Bay Drive is the same or lower in 2016 compared to 2009, while it has grown at Marshall Court/Ridge Street.

B. Future Traffic Volumes

Strand conducted field counts of people entering and leaving AC I on Thursday, February 18, 2016. Data was collected by two staff, one counting the front of the building and one counting the back, from 6:00 A.M. to 7:00 P.M. All persons and vehicles entering and leaving the building were counted to get a true understanding of the total trips generated by AC I. Figure 5 shows the results, as well as how they compare to the industry standard trip generation rates that would typically be used to estimate total traffic in and out of the site.

Time of Day	Field Counted AC I Trips									Estimated AC I trips from ITE*		
	Front of Building			Rear of Building			All Trips			All Trips		
	In	Out	Total	In	Out	Total	In	Out	Total	In	Out	Total
AM Peak: AC I and Adjacent Street Traffic (7:15 to 8:15 AM)	16	22	38	15	27	42	31	49	80	30	51	81
PM Peak: AC I (2:45 to 3:45 PM)	16	5	21	19	27	46	35	32	67	--	--	--
PM Peak: Adjacent Street Traffic (4:00 to 5:00 PM)	7	9	16	7	16	23	14	25	39	55	50	105

* The Institute of Transportation Engineers (ITE) publishes trip generation rates for various land uses that are commonly used to estimate future traffic volumes.

Figure 5 Arbor Crossings I Trip Generation—Actual versus Estimated

During the AM peak hour AC I generates the same amount of total trips as the rates published by the Institute of Transportation Engineers (ITE) would predict. In the afternoon, the site itself has a peak that is well before the PM peak hour for overall traffic. In addition, the peak trips are only about 60 percent of the total estimated by the ITE trip generation rates. During the PM peak hour for traffic AC I generates less than 40 percent of the ITE based values.

The numbers in Figure 5 are for total trips in and out for all travel modes. Trips using the rear of the building are nearly all made by car. Trips in and out of the front of the building are more likely to be people that are walking, biking, or using the bus. Without interviewing people it was difficult to know for certain how many of them were ultimately walking to or from a car parked in the area. Generally speaking, the alternate mode share in this area has been found to be about 20 percent of all trips. Assuming this percentage is accurate for trips in and out of the front of the building, the AM AC I peak hour trips drops to 72 and the PM AC I peak hour trips drops to 63. It is also important to note that traffic and total trips fluctuate daily, and the trips in and out of AC I may be higher or lower than the values in the table on any given day.

Based on the characteristics of the trips in and out of AC I, the study team estimated the trips that will be generated by the 700 U-Bay project and AC II. Table 6 shows the results and compares the estimated

total trips in and out of the Marshall Court area after full redevelopment to the predicted traffic in the 2008 traffic study.

Time of Day	Existing Trips			Estimated 700 U-Bay Trips*			Estimated AC II Trips*			Estimated Total Trips after Full Redevelopment*			Estimated Increase over Existing Trips		
	In	Out	Total	In	Out	Total	In	Out	Total	In	Out	Total	In	Out	Total
AM Peak (7:15 to 8:15 AM)	313	118	431	28	25	53	45	46	91	386 (572)	189 (182)	575 (754)	23%	60%	33%
PM Peak (4:00 to 5:00 PM)	163	354	517	18	25	43	35	40	75	216 (289)	419 (588)	635 (877)	33%	18%	23%

* Estimated trips in this table are based on the field measured trip generation rates of AC I. The values in parentheses represent the estimated total trips in and out of the area in the 2008 Marshall Court Traffic Study using Scenario 2 land uses.

Figure 6 Arbor Crossings I Trip Generation—Actual versus Estimated

Total trips in and out of the area are expected to increase about 20 to 30 percent over today's totals after the 700 U-Bay and AC II projects are completed. The fourth column shows the post redevelopment trip estimates with the 2008 study's estimated values in the parentheses. Only the total outbound trips during the AM peak hour are expected to reach the previous report's estimates. In general, the higher increases in trips (outbound in the morning, inbound in the evening) are opposite the peak directions of travel.

C. Current Parking Conditions

Strand staff and the Village of Shorewood Hills Police Department (SHPD) recorded parking stall occupancy at various times of the day between January 13 and January 22, 2016. Parking serving the University Station shopping center and on-street parking along Marshall Court was included. The parking was divided into three zones to better understand demand at various locations along the street. The zones are shown in Figure 7. A summary of the results is provided in Figure 8.

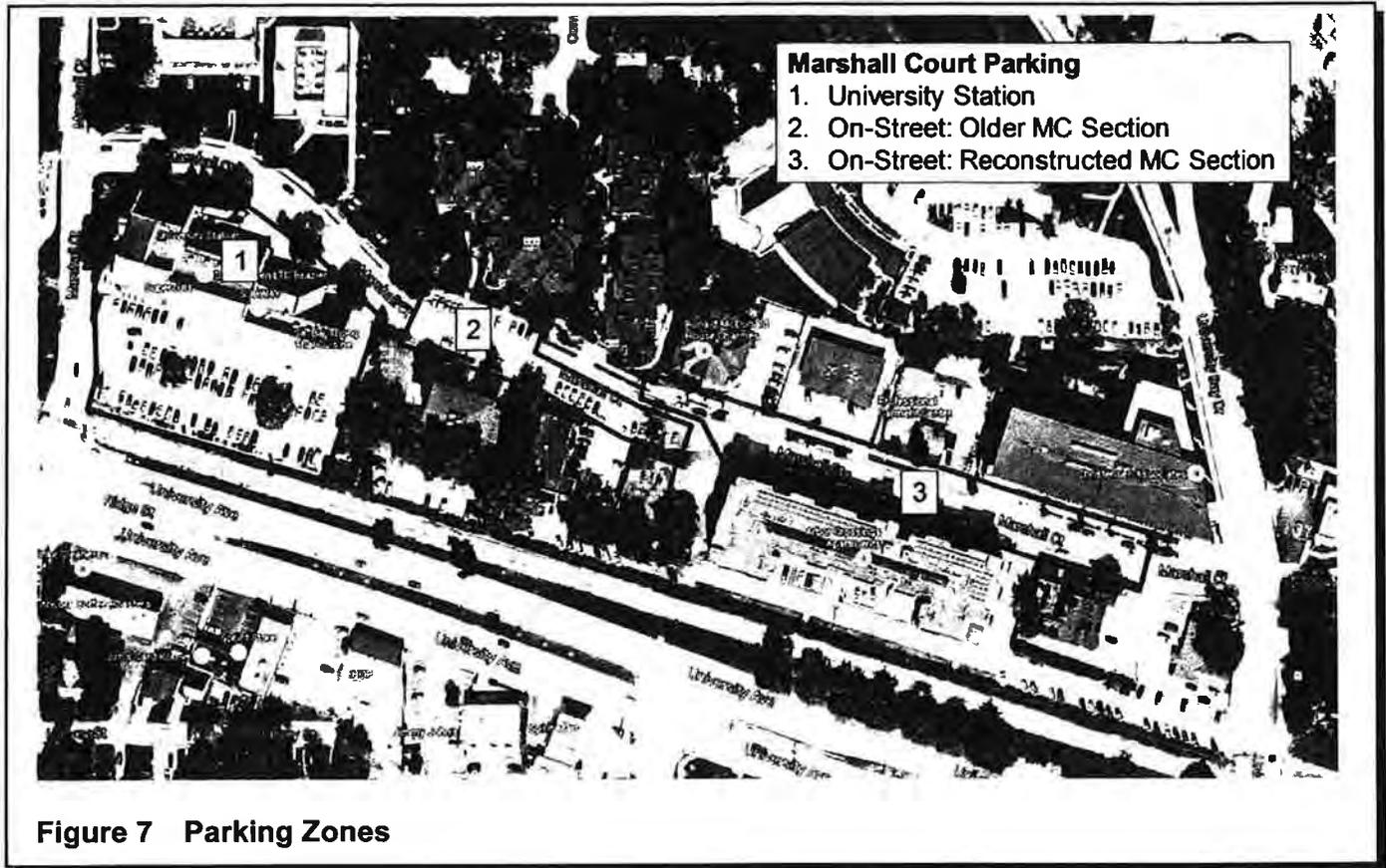


Figure 7 Parking Zones

Date	Time	Zone 1 (Parking Lot)			Zone 2 (West On-Street)			Zone 3 (East On-Street)			Totals		
		No.	Empty	% Occ.	No.	Empty	% Occ.	No.	Empty	% Occ.	No.	Empty	% Occ.
Jan. 22	9:00	93	31	67%	33	16	52%	25	3	88%	151	50	67%
Jan. 25	9:00	93	46	51%	33	12	64%	25	1	96%	151	59	61%
Jan. 26	9:00	93	40	57%	33	11	67%	25	1	96%	151	52	66%
Jan. 22	9:30	93	32	66%	33	14	58%	25	2	92%	151	48	68%
Jan. 25	9:30	93	37	60%	33	5	85%	25	1	96%	151	43	72%
Jan. 22	10:00	93	34	63%	33	9	73%	25	1	96%	151	44	71%
Jan. 22*	10:15										58	21	64%
Jan. 26	10:30	93	34	63%	33	4	88%	25	2	92%	151	40	74%
Jan. 22	11:00	93	16	83%	33	11	67%	25	4	84%	151	31	79%
Jan. 25	11:00	93	35	62%	33	0	100%	25	1	96%	151	36	76%
Jan. 26	11:00	93	32	66%	33	5	85%	25	3	88%	151	40	74%
Jan. 25	11:30	93	21	77%	33	3	91%	25	3	88%	151	27	82%
Jan. 26	11:30	93	19	80%	33	1	97%	25	3	88%	151	23	85%
Jan. 22	12:00	93	0	100%	33	3	91%	25	0	100%	151	3	98%
Jan. 25	12:00	93	11	88%	33	7	79%	25	5	80%	151	23	85%
Jan. 22	12:30	93	1	99%	33	1	97%	25	0	100%	151	2	99%
Jan. 25	12:30	93	3	97%	33	12	64%	25	10	60%	151	25	83%
Jan. 20	13:00	93	13	86%	33	1	97%	25	7	72%	151	21	86%
Jan. 25	13:00	93	12	87%	33	10	70%	25	4	84%	151	26	83%
Jan. 20	13:30	93	20	78%	33	13	61%	25	0	100%	151	33	78%
Jan. 25	13:30	93	13	86%	33	11	67%	25	5	80%	151	29	81%
Jan. 13	13:45	93	34	63%	33	11	67%	25	1	96%	151	46	70%
Jan. 20	14:00	93	15	84%	33	17	48%	25	5	80%	151	37	75%
Jan. 13	14:45	93	42	55%	33	5	85%	25	0	100%	151	47	69%
Jan. 26	15:00	93	43	54%	33	2	94%	25	0	100%	151	45	70%
Jan. 21*	15:30										58	15	74%

* Citizen count of Zone 2 and Zone 3 only, unspecified
 Note: Occupancy over 85% generally considered to be "at capacity"

Figure 8 Weekday Parking Occupancy by Time of Day

For planning purposes, a threshold of 85 percent occupancy is often considered to be "at capacity" for parking. The field data suggests that during the weekday lunch hour, each of the three zones is nearly full and consistently over the 85 percent threshold. Additionally, Zone 3 near the AC I building is typically highly occupied for most of the day. Zone 2 near Shackleton Square varies from day to day.

SHPD provided statistics on the number of parking tickets issued throughout the Village and on Marshall Court itself. In 2012 (after 800 U-Bay opened but before AC I opened), there were 950 parking violations issued in the Village, 633 of which (67 percent) were issued on Marshall Court, and 1 of which was issued to a person with a Marshall Court home address. In 2015 (after AC I opened) there were 1,465 parking violations issued, 856 of which (58 percent) were issued on Marshall Court, and 41 of which were issued to a person with a Marshall Court home address.

There are several factors that are expected to help reduce some sources of demand for parking (and to some degree general traffic congestion):

1. 700 U-Bay Drive will provide 101 total parking stalls underground including a surplus of 10 to 12 underground parking stalls to make up for the fact the 800 U-Bay drive project intentionally provided fewer parking stalls than typically are required. This was due to the anticipated Transport 2020 commuter rail project as well as the increasing implementation of Transportation Demand Management (TDM) measures such as mixed land use projects, etc. There are also a few on-street parking spaces that are currently not in use due to construction of the building. They will be available after construction. Both of these facts should reduce the demand for on-street parking.
2. The Ronald McDonald house (located north of Marshall Court, east of Shackleton Square) is proposing a site expansion that will include 17 above ground and 22 underground parking stalls which is expected to be sufficient to accommodate its guests, visitors, and staff (which is not the case today). This should reduce the demand for on-street parking.
3. There will be a net gain of 5 parking stalls for the University Station shopping center after a proposed land swap and parking lot reconfiguration associated with completing the off-street multiuse path north of the railroad tracks.
4. Continued elimination of private parking stalls leased to commuters along the railroad tracks should reduce peak hour traffic into and out of the Marshall Court area.
5. AC II will provide 142 underground parking stalls, which is expected to be sufficient for its residents, staff, and commercial tenants.
6. For reference, the Shackleton Square property has 15 above ground and 49 below ground parking stalls. 800 U-Bay Drive has 193 stalls all under the building. AC I has 149 stalls all under the building.

It is estimated that completing the reconstruction of Marshall Court including conversion from 90 degree to parallel parking near AC II and Shackleton Square could result in a net loss in total parking stalls available. The net loss would be between approximately 0 and 15 parking stalls depending on whether or not parallel parking is added west of Shackleton Square where there is none today. If it is added to both sides, there would be 0 stalls net change. If it is added to one side, there would be between 5 and 10 stalls lost net. If it is not added to either side, there would be 15 stalls lost net.

D. Traffic Speeds and Crashes

Some residents have voiced concerns about speeding and overall safety. SHPD issued 5,989 speeding citations from 2012 through 2015. None of these were issued on Marshall Court. Traffic speeds do not appear to be a major issue along the corridor.

With respect to safety, there were 81 reported crashes in the Village in 2015; only 2 of these occurred on Marshall Court. One crash was a hit and run of a parked vehicle on Marshall Court. The other involved a

driver reversing from the signal at University Avenue and Marshall Court/Ridge Street upon realizing a southbound left turn on to University Avenue was not possible. The driver backed into a vehicle behind it.

One of the goals behind the modified cross section being implemented with the Marshall Court reconstruction is to communicate to all users that Marshall Court functions as a city street and is therefore a space that is to be shared by the various travel modes. Sidewalks are being added to both sides of the street. Providing parallel parking and traffic calming features such as periodic "bumpouts" that narrow the overall street width are typically found to reduce average travel speeds. The parallel parking configuration is also generally considered safer for on-street bicyclists because visibility of bikes is improved for drivers exiting their parking space. The Federal Highway Administration (FHWA) maintains a clearinghouse of Crash Modification Factors (CMF) for various types of improvement projects. When a CMF is less than one, it is an indicator that a specific project should reduce the number of crashes. The FHWA clearinghouse lists CMF values from 0.59 to 0.72 for all crash types for "Convert angle parking to parallel parking" projects, suggesting that doing so has typically been found to reduce crashes.

SUMMARY

Redevelopment of properties along Marshall Court is approximately half complete as of early 2016. From a traffic volumes standpoint, the total increase in traffic to date is in line with (for the most part lower than) what was forecasted in the 2008 Marshall Court Traffic Study. Based on field data collection of how many trips AC I is currently generating, total trips in and out of the area are expected to increase by 20 to 30 percent after the 700 U-Bay and AC II projects are complete. It is likely that 20 percent or more of these new trips will not be made by car.

On weekdays, parking can be challenging to find during the lunch hour but it is generally available at other times. Several ongoing and planned projects should help offset or reduce some of the parking demand in the area. The general approach the Village has followed is to require that sites provide adequate parking to serve their own needs as they are redeveloped. The question of whether additional parking beyond this approach is prudent is a matter of perspective that may warrant additional discussion among Village staff, representatives, residents, and area stakeholders. Long-term needs are challenging to predict for many reasons. For example, at some point land uses may change on the University Station site. In a larger context, the City of Madison and University of Wisconsin - Madison continue to include TDM strategies within their long-range transportation plans, which could alter the demand for parking over time.