

City of Verona  
Minutes  
Plan Commission  
July 6, 2020

**Due to the COVID-19 pandemic, the Verona Plan Commission held its meeting as a virtual meeting. The Plan Commission did not meet at City Hall, 111 Lincoln Street. Members of the Plan Commission and Staff joined the meeting by using Zoom Webinar. Members of the public were able to join the meeting using Zoom Webinar via a computer, tablet, or smartphone, or by calling into the meeting via phone.**

- 1. Call to Order:** Luke Diaz called the meeting to order at 6:33 p.m.
- 2. Roll Call:** Luke Diaz, Katie Kohl, Pat Lytle, Tyler Powers, and Beth Tucker Long were present. Also present: City Administrator Adam Sayre, Community Development Specialist Katherine Holt, and City Engineer Carla Fischer. Mike Hankard and Steve Heinzen were absent and excused.
- 3. Approval of minutes from June 1, 2020 Plan Commission meeting.**  
Motion by Lytle, seconded by Tucker Long, to approve the minutes from the June 1, 2020 Plan Commission meeting. Motion carried 5-0.
- 4. Public Hearing – Precise Implementation Plan (PIP) amendment for a Planned Unit Development (PUD) to change approximately 3,900 square feet of commercial space to three (3) live-work units located at 142 Paoli Street.**

Motion by Diaz, seconded by Powers, to open the public hearing at 6:36 p.m. Motion carried 5-0.

There were no comments from the public.

Motion by Tucker Long, seconded by Lytle, to close the public hearing at 6:36 p.m. Motion carried 5-0.

- a. Discussion and Possible Action – Precise Implementation Plan (PIP) amendment for a Planned Unit Development (PUD) to change approximately 3,900 square feet of commercial space to three (3) live-work units located at 142 Paoli Street.**

Sayre explained this is a Precise Implementation Plan (PIP) amendment for the Velocity project on Paoli Street. This property contains 29 apartment units and approximately 3,900 square feet of commercial space. The Applicant is proposing to convert the current commercial space into three live-work units, which are designed to hold both living space and office space. Staff has no concerns with the parking on this property. The exterior of the building will not change. Staff recommends restricting the hours of operation to 6:00 a.m. to 10:00 p.m., and that the uses be restricted to office, professional service, and smaller scale commercial uses, consistent with the Neighborhood Commercial (NC) zoning district.

Diaz asked if there will be more or less traffic for this type of use.

Sayre replied there will be more than what there is today, as the space is currently empty, but overall there should be less, because it will be for smaller scale commercial and non-residential use.

Diaz asked what kinds of businesses would fit here.

Sayre replied it could be someone that is working from home, or possibly an insurance agent or some other office use.

Holt stated artist's studios, hair salons, accountant and law offices are some examples of how live-work units can be used. It also eliminates the need to rent a separate office or artist space by combining the public and living spaces into one rental unit.

Lytle asked if existing tenants are aware of this potential change.

Holt replied as part of the ordinance requirements a public hearing sign is posted on the property. In this case, it is on the corner of South Nine Mound Road and Paoli Street. Someone employed by Zander Solutions did contact the City to inquire about the purpose of the public hearing.

Sayre stated the City also received a call from a neighbor across the street from the Velocity building. Holt replied to the call, and no other contact was made to the City.

Kyle Dumbleton, representing Velocity, joined the meeting. He stated he contacted Madison Property Management, the property manager for the building, to inform them that live-work units were being considered, and asked them to pass the information along to the current residential tenants in the building. He did not hear back from the property manager regarding any comments from current tenants regarding the possible changes.

Lytle asked if there will be any vacant commercial space left in the building after the live-work units are created. He would like to see a coffee shop or ice cream-type business there for people to stop in when they are on Military Ridge State Trail.

Dumbleton replied that is their plan. It has been a long-term vision of the company to provide a stop that is accessible off the bike trail.

Tucker Long asked if there is anyone interested at this time in utilizing one of the live-work spaces.

Dumbleton replied he believes the property manager determined they would not begin soliciting tenants for the live-work units until receiving approval from the City to move forward with the project.

Dumbleton replied there were some live-work condominium units on East Mifflin Street a number of years ago.

Tucker Long asked if the property management company has other experience with live-work units in the area. Madison Property Management does have a commercial leasing unit, as well as residential.

Tucker Long asked how long they have been trying to lease the commercial space.

Dumbleton replied they started leasing for both the residential and the commercial portions of the building early 2018. Unfortunately, after the project was built, there was a reduction in interest for the space.

Tucker Long stated she is concerned that the space has not been rentable for a number of years and is wondering what the implications are for other mixed-use buildings the City is considering approving at this time.

Powers stated he shares Tucker Long's concerns regarding the number of commercial units being proposed for Verona. However, he believes that this project may be making the best of a bad situation.

Tucker Long asked if the commercial aspects of the live-work units will cause problems for the residential tenants.

Sayre replied due to the smaller size of the office spaces, it is unlikely that there will be conflicts. He believes the property management company will also limit the type of businesses that will be allowed in the units.

Motion by Lytle, seconded by Kohl, to recommend to the Common Council to approve a Precise Implementation Plan (PIP) amendment for a Planned Unit Development (PUD) to change approximately 3,005 square feet of commercial space to three (3) live-work units located at 142 Paoli Street, with the following conditions:

1. The businesses located within the live-work units shall operate between the hours of 6:00 a.m. and 10:00 p.m. for external customers.
2. The businesses located within the live-work units shall conform to the allowable uses of the Neighborhood Commercial (NC) zoning district.

Motion carried 5-0.

**5. Discussion and Possible Action – Site plan review for MilliporeSigma to allow for the construction of 68,000 square feet addition located at 1101 Kettle Moraine Trail.**

Sayre explained this property is located in the Verona Technology Park. The proposed addition will be located southeast of the existing building. Access to the expansion area would remain off of Kettle Moraine Trail, and all setback requirements will be met. The parking area will be expanded from 63 parking spaces to 163 spaces. The proposed building design is intended to match the existing facility. Materials include brick and metal panels, with a band of windows on the north side of the building. The landscaping plan exceeds requirements, and stormwater and erosion control plans are under review by the City Engineer. Staff has no concerns with either. Staff recommends the Plan Commission waive the initial review for the proposed building addition and approve the site plans for MilliporeSigma to add approximately 68,000 square feet of space at 1101 Kettle Moraine Trail. The intention of the Applicant is to start construction on the addition at the beginning of August.

Diaz asked if waiving the initial review process means the Commission is waiving an essential part of the process, or is that done from time to time as a courtesy to applicants.

Sayre replied the initial review process is not a code requirement. The process has been in place for many years, with the intent that sometimes projects come up for which there are significant concerns that should be contended with before the project designers get too far into the project. The initial review process has been waived in the past for applicants that are under a tight construction schedule. The initial review is waived more often for addition projects than for new projects.

Motion by Tucker Long, seconded by Powers, to waive the initial review and approve the site plan for MilliporeSigma to allow for the construction of a 68,000 square foot addition located at 1101 Kettle Moraine Trail.

Diaz is glad to see a Verona business expanding, and appreciates the landscaping plan.

Motion carried 5-0.

**6. Discussion – Planned Unit Development (PUD) concept plan review for a four (4)-story, 79-unit apartment building with 9,319 square feet of commercial located at 410 and 420 West Verona Avenue.**

This project is the redevelopment of the Klassik Tavern and Old National Bank properties. The concept plan review is the opportunity for the Plan Commission to provide comments and feedback to the Applicant. Staff has recommended to the Applicant that if the Plan Commission and Common Council meetings go well, they will hold a neighborhood meeting with the neighbors in the area surrounding the property. The property is located within the Downtown Mobility and Development Plan, and the Applicant's request to redevelop the site is consistent with the City's long-term plans. The property is also included in TIF District No. 9. The eastern portion of the property will be primarily residential, with the commercial component on the western end of the project. Old National Bank will remain as a tenant, and will include a drive-through. The requested 16-foot setback falls within the minimum and maximum setbacks allowed in the Downtown Design and Use Overlay District. The Applicant is requesting an exemption to the maximum height requirement of 45 feet to allow for 50 feet to the upper parapet. The addition of two new access points and the removal of two existing access points are being proposed. Staff is encouraging the Applicant to move the new West Verona Avenue access point as far to the east as possible to pull it away from the intersections of West Verona Avenue with Rita Avenue and West Verona Avenue with Legion Street. Proposed parking will include 88 underground parking stalls and 53 surface spaces, which is sufficient for both the commercial and residential areas of the building. Pedestrian connections will be provided as part of the site design. Staff recommends that bicycle parking be provided. They proposed that most of the residential units be rent restricted for 30 years and available to households earning 30% - 60% of Dane County Median Income. The Applicant will apply for grant funds from Dane County, as well as WHEDA and federal tax credits, and hopes to begin construction in the fall of 2021, pending financing and approvals. Additional design details are necessary, but Staff is generally comfortable with the redevelopment of the project.

Diaz encouraged members of the public to reach out to Plan Commission members, Alders, City Staff and himself with any comments or feedback on the project. Ha also asked Sayre if he believes the commercial portion of the project can be successful.

Sayre replied one-third to one-half of the commercial space will be filled by Old National Bank. COVID-19 is the big unknown for everyone at this point. The reality on this project is that there is only a small amount of commercial space concentrated on one end of the project. It is important to look at the vacant spaces in the City. There is usually some reason that a space is vacant. It could be that rents are too high, a lack of density in the area, or the size of the space.

Sean O'Brien, representing Northpointe, replied that Old National Bank is driving the design of the site. The bank has asked for 2,700 square feet of space, and is planning to sign a 25-year lease with options. In addition, any of the tax credits earned will be sold to a tax credit investor that will discount nearly all of the retail. However, having the bank as a tenant will allow them to list that on their pro forma. This allows them to offer a reasonable rental rate, while having a strong anchor in Old National Bank.

Kohl stated she is glad to see workforce housing in the project, and asked if bike parking and space can be incorporated in the project.

O'Brien replied there is enough space for bike parking to be added to the project, and will show that on future iterations of the plan.

Powers asked if the Klassik Tavern site is included in this project.

O'Brien replied the Klassik's owners are under contract for Northpointe to purchase the site. There is interest in keeping restaurant/bar options in the neighborhood.

Tucker Long asked why the commercial is along Rita Avenue, rather than West Verona Avenue.

O'Brien replied the first driver of the configuration is that WHEDA requires that 16% of the residential units (13) be first-floor, three-bedroom units with private entrances. The first and second floors of the residential space consist of three-bedroom townhomes. The second driver is the bank drive-through. The design is meant to keep the residents safe, yet allow the commercial drive-through use for the bank.

Lytle stated this is a good opportunity to get more residential units in the downtown area. Having more people in the downtown area drives more commercial wanting to locate there. This is more about not playing favorites with sites. He asked Sayre to clarify that the caps on the number of apartment units allowed to be built in the City each year do not apply to mixed-use developments.

Sayre replied a project is exempted if it is redevelopment, mixed-use, or age-restricted housing.

Lytle likes that there are more affordable rental units included in this project, and is in favor of the proposed redevelopment, however he anticipates potential parking conflicts on the north side of the residential component if the proposed restaurant/bar gets busy.

Tucker Long stated she is concerned about the number of parking spaces proposed for the development.

Sayre stated Staff will continue to work with the Applicant on parking for this project. Typically, the goal is to reach 1.5 – 1.75 spaces per unit.

Diaz stated the City wants to be sure this area, which will likely be considered part of the downtown, will be as pedestrian and bike friendly as possible.

The Plan Commission took no action on this item.

**7. Discussion – Planned Unit Development (PUD) concept plan review for an approximately 161,050 square foot wholesale building and fuel facility with a maximum of 24 pumping locations in the southwest corner of CTH M and Thousand Oaks Trail in the Verona Technology Park.**

Sayre explained because the building is larger than 100,000 square feet in size, the Planned Unit Development process is required. This project will also require a land division, as well as land vacation to remove the proposed John P. Livesey Boulevard right-of-way from the site. The site is located in the Southeast Neighborhood Plan, and is zoned Commercial. The Applicant has agreed to preserve the large oak tree near the southeast corner of the site. A landscaping plan will be submitted in future applications. The building meets all the zoning and setback requirements. The fuel facility will be located in the southern portion of the site off of American Way, and meets setback requirements. Access to the site will be from Thousand Oaks Trail and American Way. The road from American Way to the parking area will be constructed by the Applicant, and portions of it will be vacated. This road, currently John P. Livesey Boulevard, will be renamed by the Applicant. Access to the fuel location will be from American Way. The proposal includes 751 parking spaces, including 20 handicapped parking spaces. Space for an additional 59 parking spaces is also available. Staff recommends that a walkway be created midway through the block to increase pedestrian access through the business park. Staff also recommends that bicycle racks be installed at the front of the store. A traffic impact analysis will be completed, which will give us a better idea of what road improvements will be necessary as part of the project. Regarding stormwater management, Staff is encouraging the

Applicant to master plan the stormwater for the site. Building design includes recycled architectural metal panels, structural brick and split face CMU and stone veneer. Of the acreage on this site, Costco will use approximately 17.8 acres, which will be combined into one lot, and approximately six acres will be for three or four outlots. A vacant store agreement between Costco and the City will be required. Public comment about this project has been generally supportive, though some have concerns about the increase in traffic, noise, and access point conflicts. Staff is comfortable with the proposed use on this property.

Diaz asked if the vacant store agreement applies to the gas station pumps, and if it does not, if it could apply.

Sayre replied it does not apply, and added that it would be difficult to ask the Applicant to agree to it, as the City did not require the same from the new gas station on the west end.

Diaz stated he is concerned because there are two contaminated sites on West Verona Avenue that have been difficult to redevelop because of the contamination. He does not want future Plan Commissions or Councils to have to deal with that in the future.

Sayre replied a good question to ask may be how the tanks will be built. Kwik Trip site has a double-walled tank, which is different than the ones on West Verona Avenue. Many of the newer tanks have alarm systems, as well.

Diaz asked what type of businesses might locate in the outlots on the site along CTH PB.

Sayre replied that would depend on what type of businesses the Applicant would target, but they would probably be stand alone or multi-tenant buildings, similar to the area next to the Costco store in Middleton.

Kohl stated this is a good spot for this store, and believes it will support the entire area. Costco provides good jobs and treats its employees well.

Powers stated he agrees with Kohl. The area seems like it is tailor-made for this type of store, and will fuel growth in that area.

Tucker Long asked if a two-tiered parking ramp could be considered as a way of reducing the amount of paved space around the building. She believes Costco will be a good employer to have in the City.

Lytle stated he is excited to see an anchor tenant and destination retail on that corner of the City, as well as for the region. He asked if Costco will purchase and develop the entire site, including the outlots.

Sayre replied his understanding is the outlots will be controlled by Costco.

Lytle asked if the undeveloped space on the south side of the gas station portion of the project is a requirement for spill control for the gas station, or is it reserved for stormwater management.

Fischer replied there is a regional basin to the south in this area that was planned for the entire Technology Park, and certain elements of this site will be covered by that basin, but they will be required to put infiltration on their site. It looks like they may have identified the green space south of the gas station as a place where they could be adding infiltration.

In reply to Tucker Long's question about the large impervious area in the parking lot, Fischer stated within the Technology Park, the plan was for up to 70% impervious, so as long as the entire park is at or below that threshold, they can use the treatment pond to the south as long as they provide infiltration on their own site.

Kohl asked if Costco could partner with Wisconsin Brewing Company to provide some parking as a way to prevent people from parking along the sides of the roads on the nights that Wisconsin Brewing Company has live music.

Sayre replied Staff discussed the Wisconsin Brewing Company events with Costco representatives. Because the store closes at 8:30 p.m. on Friday and at 6:00 p.m. on Saturday, Costco does not believe the parking situation will be an issue.

Diaz would like to see the pedestrian walkway extend through the parking lot. He is excited about the job potential with this project. He asked if Costco has done rooftop solar in other locations and would be willing to consider it for this location.

Steve Cross, representing Cross Engineering and Associates, deferred the question to Risa Yuki, representing MG2 Architects.

Yuki replied Costco has reviewed the concept of using solar power at this location, but based on the limitations of the use gained, Costco's approach to sustaining energy for this location is to optimize their use of energy with the concept of using less. They do, however, incorporate the potential for solar panel loads in the construction of the buildings, so the structure will be sustainable for conversion to solar in the future.

Kohl asked about the possibility of public transportation to the Technology Park area.

Sayre replied Staff has discussed the possibility of additional bus routes in the City. That is an expensive proposition, and he is not sure if the Technology Park has reached the business capacities that justify that at this time, but it is something that is in the big picture and will likely be considered again in the future. The extension of Liberty Drive will assist with a safe pedestrian connection to this area and up to Whalen Road.

Holt added the Metropolitan Planning Organization does on-demand routes and other transportation options that could also be discussed.

The Plan Commission took no action on this item.

**8. Adjournment**

Motion by Tucker Long, seconded by Powers, to adjourn. Motion carried 5-0. The meeting was adjourned at 8:13 p.m.