

Minutes
City of Monona
Plan Commission
Monday January 25, 2021

The meeting of the City of Monona Plan Commission was called to order (7:00 pm).

Present: Alder Nancy Moore (Chair), Alder Kristie Goforth, Mr. Chris Homburg, Ms. Coreen Fallat, Mr. Robert Stein, Ms. Susan Fox and Mr. Brian Holmquist

Absent: Mr. Josh Peterson

Also Present: Doug Plowman, City Planner and Elisa Guerrero, City Planning Intern

Approval of Minutes

A motion by Mr. Stein, seconded by Alder Goforth, to approve the minutes of January 11, 2021 carried with one correction.

Appearances

Mr. Israel, owner of South Towne Mall, made an appearance and said that he was opposed to the Devon Self-Storage proposal, because it would not create much customer traffic and would not be a compatible use with the other retail businesses in the mall.

Mr. Glaser, a retail broker from CBRE, expressed his opposition to the Devon proposal and gave a summary of other big box stores that have opened or plan to open new locations in the Madison metro area in 2020 and 2021. He said that Dane County has a 4% vacancy rate for big box retail stores, which is lower than most other places in Wisconsin.

Ms. Golden, from CBRE, said she was opposed to the Devon proposal and said that all of the public comment received about the proposal at the last meeting was negative. She said that 24 months is not very long for a retail location to sit vacant, pandemic-related challenges aside, and urged the commission members to consider the public's comments when making their decision.

Ms. Starzynski, a representative from Floor and Décor, said that they were interested in opening a location in Monona and asked that any questions about Floor and Décor be directed to her.

Unfinished Business

A. Public Hearing on Request by Devon Self-Storage, LLC for Approval of a Zoning Permit for a New Use at 2101 W. Broadway. (Case No. 2-015-2020)

Mr. Mackay, of Devon Self-Storage, summarized a retail forecast from CBRE that projected a decline in retail over the next five years and recommended local municipalities plan for adaptive reuse in their communities. He urged the Commission members to allow for this self-storage use in the CDD zoning district. He also shared that Devon would be willing to deed out lot parcels created in the future to the Community Development Authority.

Mr. Binder, from Inland Private Capital, the capital partner for the project, said that Inland understands the retail market where vacancy is increasing and rental rates are decreasing. Commercial centers have faced challenges in the past couple years that the 2016 Comprehensive Plan could not have anticipated, and more impactful commercial centers have diversified their uses to adapt. Mr. Binder said that the self-storage consumer profile overlaps

with other stores in the mall and would direct traffic to those stores. Additionally, self-storage would bring stability to the mall, since self-storage is not as dependent on larger economic trends the way traditional retail is. He said that the proposed investment in the property is beneficial for the company and for the City. Devon is looking to collaborate with the City and the other tenants to make this a long-term project by developing the parking lot as out lot parcels.

Mr. O'Callaghan, the applicant's attorney, said that, although there is a preference for retail uses among community members and other tenants of the mall, the CDD zoning code allows for a mix of uses, not just retail. He also said that the Devon proposal meets the zoning district's performance standards and the 2016 Comprehensive Plan's goal of redeveloping empty buildings. He asked the Commission members to base their decision on the Comprehensive Plan and Zoning code, rather than community sentiment alone.

B. Consideration of Action on Request by Devon Self-Storage, LLC for Approval of a Zoning Permit for a New Use at 2101 W. Broadway. (Case No. 2-015-2020)

Planner Plowman reminded the meeting's attendees that all materials being discussed were available on the City's website, and recommended that the Commission discuss the compatibility of the proposed use with the Comprehensive Plan and CDD requirements.

Chair Moore reminded the Commission members and other attendees that the decision was to be made based on the application submitted, which did not include development of the out lots or Floor and Décor's interest in the space. Citing a *Business to Business* article that showed declines in demand for self-storage, Chair Moore asked if Devon had experienced declines in demand or increased vacancies in their properties. Mr. Mackay answered that they have seen rising demand in their business and that their occupancies are generally stable at around 80-90%. Alder Goforth asked how many storage units were in the proposal and if Devon's other properties were as large as this proposal. Mr. Mackay answered that there were 800 units in the plan and that about half of their other properties were of a similar size.

Mr. Stein, Mr. Homburg, Ms. Fallat and Ms. Fox all expressed concerns about the compatibility of this use with the other retail uses in the mall. The CDD allows for industrial uses, like storage, if the use is compatible with other uses in the district. The district guidelines favor large, planned developments, which are visually and operationally cohesive, over piecemeal development. Given the opposition to the use from nearby tenants and concerns about low customer traffic, Commission members felt that this use was not compatible.

Mr. Stein, Mr. Homburg, Alder Goforth, and Ms. Fallat said that the public comments received about the proposal do not support the requirement for compatibility between uses in the CDD. Mr. Homburg and Mr. Stein said that this was the most public feedback the Commission had seen on a proposal in many years, and that listening to the community was important.

Mr. Stein, Mr. Homburg, Mr. Holmquist, Ms. Fallat and Ms. Fox said they were concerned about how this change in use would affect future land use within the CDD, in relation to goals of the Comprehensive Plan. The Comprehensive Plan shows the South Towne area as a commercial area in future land use maps, and the Commission members were concerned that allowing an industrial storage use of this size would encourage more industrial uses in the area, rather than commercial uses, as envisioned in the Comprehensive Plan.

Alder Goforth and Mr. Homburg pointed to the CDD's requirement that uses meet employment needs of the area, saying that the Devon proposal, with only two employees, would not support that criterion. Mr. Homburg added that the City and Dane County had invested in adjacent transportation infrastructure with the goal of the area being a commercial hub, and worried that this use would not serve the goals of those transportation infrastructure investments.

The Commission members generally agreed that the project proposal was good, but that the CDD and South Towne mall was not an appropriate location for the proposed use. They said that the use would be better suited for the industrial area south of the Beltline.

A motion was made by Mr. Homburg, seconded by Mr. Stein, to deny a Zoning Permit for a New Use at 2101 W. Broadway with the following Findings of Fact:

Findings of Fact:

1. The community vision for this area is retail, office and entertainment.
2. The proposed use is industrial.
3. While the Plan Commission may allow the introduction of some other uses into the CDD Zoning District, it is not obligated to do so.
4. The size and scope of the proposed use is likely to have an adverse effect on the adjacent uses.
5. The proposed use will not generate a significant number of jobs.
6. The proposed use does not make adequate use of the significant transportation infrastructure that is already in place.

A friendly amendment to the motion was made by Ms. Fallat, and accepted by the maker of the original motion, that finding of fact number four read as follows:

4. The size and scope of the proposed use are not compatible with the adjacent uses.

The motion carried unanimously.

New Business

A. Economic Development in Monona – Presentation by City Administrator Gadow and City Planner Plowman

Planner Plowman and City Administrator Gadow gave a presentation about economic development within Monona, including the roles of the Community Development Authority and Plan Commission, guiding documents like the Comprehensive Plan, Tax Incremental Financing (TIF), and the process that development projects go through for City approval.

Ms. Fox asked if it would be possible to use TIF in an area like South Towne Mall, and Mr. Gadow explained that a new district would have to be created, since South Towne is not part of an existing Tax Increment District (TID). Chair Moore added that a new TID would only be created if a developer were committed to a redevelopment project for the area. Because there is a limit on how long a TID can be active, it is important to have a project set for a redevelopment area when creating a new district.

Ms. Fallat asked if the City ever proactively looks for developers who might back projects in Monona. Mr. Gadow answered that the City is both proactive and reactive, explaining that the City works with regional advocacy and brokerage groups to get the word out about potential redevelopment areas in Monona, but that it can be difficult to be entirely proactive.

Mr. Homburg asked if the 9% of Monona's current equalized value that is part of existing TIDs includes the third phase of the Riverfront development, and Mr. Gadow clarified that it does not, so the percent of Monona's equalized value in TIDs will increase when the third phase is completed. Five of Monona's TIDs are currently active and most will be active through at least 2026. Mr. Homburg expressed concern that the City will need to close some of the current TIDs before considering any new TIDs, once the third phase of the Riverfront is completed and raises Monona closer to the 12% equalized value limit.

Mr. Renner, president of MESBA, asked if the City's purchase of the San Damiano property would inhibit purchase or development of other vacant properties in the City. Mr. Gadow explained that it would not, because the purchase of San Damiano is separate from the creation and use of TIDs. The more limiting factor for the City, when considering new developments, is limitations with creating new TIDs. Mayor O'Connor added that staff time, with such a small planning department, is another limiting factor.

Ms. Fallat asked if there was room for retiring or updating some of the guiding documents like the Broadway Corridor Plan, or changing the requirements for the CDD. Chair Moore and Mr. Homburg said that the nice thing about the CDD is that it offers the Plan Commission flexibility when making decisions, although sometimes that leads to difficult decisions. Mr. Gadow said that it would be the place of the Plan Commission to make changes to the zoning code, if they felt it necessary.

Related to corridor plans, he said they are challenging because the City can create development guidelines, but has no control over what developers will be interested in the City. Corridor plans can also take a long time to develop, because of required public input processes, and can require steep monetary and staff time investments. Mr. Stein asked if the Broadway Corridor Plan could be retired, allowing the Plan Commission to focus more on the CDD requirements. Chair Moore said that the Broadway Plan has effectively been buried at this point, which is part of why the decision about the Devon proposal relied on guidance from the Comprehensive Plan, not the Broadway Plan.

Mr. Homburg explained how useful the Broadway and Monona Drive plans have been in reshaping those two areas since they were created, but agreed that the Broadway plan is now out of date and might be worth revisiting. Alder Kathy Thomas agreed that there are elements of the Broadway Plan are out of date, but that some elements may still be relevant, and the strength of the Plan Commission is the members' ability to make decisions about what development happens in the City.

Reports of Staff and Commission Members

- A. Staff Report Regarding Status of Development Project Proposals.
 - 1. Potential Upcoming Plan Commission Items
Mr. Plowman said that WPS and Monona Grove High School would have zoning permits on the agenda at the second meeting in February. The Four Lakes Yacht Club will have a pre-hearing conference on February 8.
 - 2. Upcoming Meetings: February 8, 2021, and February 22, 2021.
- B. Plan Commission Requests for Information from City Staff.

Adjournment

A motion by Ms. Fallat, seconded by Ms. Fox, to adjourn carried. (9:50pm)

Respectfully submitted by:
Elisa Guerrero, City Planning Intern