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Analysis of property located at 1929-1935 Monroe Street, Madison, Wisconsin.

Landmark Research, Inc.

[s.l.]: [s.n.], [s.d.]

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ANALYSIS OF PROPERTY LOCATED AT

1929 - 1935 MONROE STREET

MADISON, WISCONSIN

*Landmark
Research
Inc.*

Landmark
Research
Inc.

Jean B. Davis, President
James A. Graaskamp, 1933-1988

August 24, 1989

Naila E. and Alfred E. Harper
3447 Edgehill Parkway
Madison, WI 53705

RE: ANALYSIS OF MOST PROBABLE USE AND ESTIMATE OF RANGE OF MOST
PROBABLE SELLING PRICE OF PROPERTY LOCATED AT 1929-1935 MONROE
STREET, MADISON, WI

Dear Mr. and Mrs. Harper:

As previously agreed, Landmark Research, Inc. has analyzed the property referenced above to determine its most probable use, and given that use, has estimated the most probable price range buyers seeking this kind of property will pay for it. This analysis is not intended to be used as a formal appraisal of the subject property. Although Landmark Research, Inc. has reviewed the sales of property comparable to yours to learn of historical pricing practices and has evaluated the positive and negative attributes of the subject property in relationship to this pricing behavior, Landmark Research, Inc. cannot guarantee future buyer behavior regarding the subject property. This letter report is subject to our Statement of General Assumptions and Limiting Conditions found in Appendix A.

Our study first focuses upon the probability of alternative and/or expanded uses of the subject property. Once the range of most probable uses is determined, the study then focuses upon the estimation of the most probable range of selling prices that can be anticipated, given the historical selling prices for this type of property.

PHYSICAL ATTRIBUTES OF THE SUBJECT PROPERTY

1. Site Analysis

A zoning map of the area, found in Exhibit 1, indicates the site is located in a C2 zoning district surrounded by residential areas zoned R2 and R4A. In this general shopping area of Monroe Street, only two blocks are in C2 districts; the remainder are zoned C1, PUD, or R5. The permitted and conditional uses allowed in a C2 zoning district are listed in Appendix B.

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The subject site, located at the corner of Monroe and Van Buren Streets, is at the southern tip of this commercial area which has a 1988 traffic count of 18,650 vehicles during an average 24 hour weekday. This count compares favorably with the 1988 traffic count of 18,450 vehicles for the northern end of Midvale Avenue by the Hilldale Shopping Center. University Avenue carries the largest traffic volume of 40,750 vehicles at its Midvale intersection and 36,050 vehicles as Campus Drive becomes University Avenue near Breese Terrace.

The retail stores located on the subject site open their doors at 10 A.M. each working day, but the bulk of the traffic passing directly in front of the site is work-bound earlier in the day. On the return trip at the end of the day, the large volume of traffic south bound on Monroe Street makes it difficult to cross over to access the subject site. So although the retail stores have high visibility, access can be difficult at the times of highest traffic volume.

The site measures approximately 80 feet by 80 feet for a total area of 6,400 square feet. There are two access points to the six parking stalls of off-street parking; one driveway is off Van Buren Street and the other is off Monroe Street. Exhibit 2 shows a sketch of the site and building footprint.

2. Improvements

The original building is a two story wood frame structure with a stucco finish and gabled roof; the building was originally used as a single family home. The one story addition is also wood frame with a stucco finish and a flat roof. According to the City of Madison Assessor's records the original structure was built in 1914 and the addition was built in 1946. A full basement is under both sections of the building. A metal two car garage is located on the northeast corner of the site.

The first floor, with a gross building area of approximately 2,478 square feet, is divided into two retail areas with some shared common area at the rear of the building. A stairwell to the second floor separates the two retail areas. A three bedroom apartment, with a gross building area of approximately 1,505 square feet, is located on the second floor. This unit also has a sleeping porch without a closet which serves as a fourth bedroom. A full size kitchen, bathroom and living room complete the inventory of rooms in the apartment. The apartment tenants have access to the flat roof of the one story building, to the attic for extra storage space, and to a second separate stairwell to the first floor located at the rear of the building. Sketches of these income producing areas are found in Exhibit 3. There is also rentable office space in the

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basement area; this space, which measures approximately 300 square feet, has a separate outside entry, a window air conditioner, a separate half bath, and a small kitchenette area. The building is heated by a very old, but well-maintained boiler (coal converted to gas), and the building is separately metered for electricity so each of the tenants is responsible for his/her electricity usage. Each of the tenants is responsible for janitorial services and the cost of the waste dumpster is shared by the retail tenants and the landlord. The landlord provides cold and hot water and pays for the sewer charges. A summary of each lease is found in Exhibit 4.

3. Expansion Potential of the Improvements

To determine if there are any other feasible alternative uses for the subject property or if the improvements can be expanded, the existing improvements were evaluated both for their physical capabilities and their conformity to the zoning and building code requirements. Arlan Kay, a local architect who specializes in the adaptive reuses of older buildings was hired by Landmark Research to make this assessment. In summary, a number of variances would have to be obtained to expand the number of bedrooms in the apartment, either new construction over the flat roof or in the attic. The number of parking stalls is already non-conforming and there is no room on the site to add more stalls. The one story wooden frame addition has an inadequate support system which is in need of reinforcement. Arlan Kay's report is found in Exhibit 5.

Given the low probability of securing the required variances to expand the building, it is our opinion that the current use continues to be the most probable use of the subject property.

ESTIMATION OF THE MOST PROBABLE RANGE OF SELLING PRICES

To estimate the most probable range of selling prices for the subject property, three approaches were used. First, a search was made for sales of properties that have a combined residential/retail use and commercial properties that are located in the Monroe Street areas which have been sold within the last three years. Comparisons were made between the subject property and the sale properties based upon size of the rental space, location, structural type, and lot size to estimate what a buyer would have paid for the subject property.

Second, an estimate was made of the investment value of the subject property, given its current and potential revenues and expenses and the investment requirements of a buyer. Two income approaches to

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value were used to estimate value: direct capitalization and discounted cash flow.

An inventory was made of the asking rents for other retail space and apartments currently on the market to determine if the current leases are at market. If the rental rates are currently below market then a buyer could anticipate increasing the rents when the current leases expire.

1. Range of Most Probable Selling Prices Using Comparable Sales

A listing of commercial properties that have sold in the last five years was purchased from the City Assessor's office. A list of 27 properties was selected and viewed by the analyst. The list was then narrowed to nine properties that are most comparable to the subject property. The salient data for each property is summarized in Exhibit 6. Because the sales occurred in different time periods, the sale price for each property is adjusted for time by using the implicit price deflator for the gross national product (GNP). The buildings that are constructed predominately of steel have the higher selling prices per square feet of gross usable area. The range of selling prices for the two story wood frame buildings is from \$35.44 per square foot for Comparable No. 4 to \$52.47 per square foot for Comparable No. 1 located on University Avenue across from the campus. A range of \$40.00 per square foot to \$43.00 per square foot applied to the 4,300 square feet of gross usable area yields a range of most probable selling prices of \$172,000 to \$185,000 for the subject property.

2. Range of Most Probable Selling Prices Using Direct Capitalization Methodology

The inventory of asking rents for retail space of similar sized retail spaces is found in Exhibit 7. A list of asking rents for three and four bedroom apartments in the campus area is found in Exhibit 8. When these market rents are compared with the existing retail rents of the subject property, it appears that the subject property is close to market if all of the revenues provided for in the lease are collected. (See Exhibit 4 for a summary of the leases and rental rates for each of tenants of the subject property.) The main advantage enjoyed by the tenants of the subject property is that heat is included in the rent. The apartment rents are slightly less than market when the subject is considered a three bedroom unit. The rents are grossly under market if the fourth bedroom was a standard bedroom. The analyst concludes that when the current leases expire there should be an increase in the rental rate for the apartment and modest inflationary increases for the retail area. These increases are incorporated into the five projection of revenues and expenses found in Exhibit 10.

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Another source of potential revenue for the subject property is the finished office area of approximately 300 square feet in the basement. A gross rent of \$4.00 per square foot is reasonable for office space located below grade without window wells. The tenant would provide for janitorial services, but the utilities and other operating expenses would be paid by the landlord.

Given the age of the building, special attention was given to the on-going and periodic costs of repairs and maintenance. A six year history of these expenses are found in Exhibit 9. In anticipation of the major and periodic repairs and replacements that will continue to occur, a reserve for replacements is included in the projection of revenue and expenses over the five year holding period.

The five year projection of revenues and expenses is shown in Exhibit 10. The assumptions that are the basis of the projections are found at the bottom of Exhibit 10. All of the revenues and pass-through expenses provided for in the leases are included in this projection. The amounts estimated for repairs and maintenance and for the reserve for replacements are based on the six year historical averages.

The last two lines of Exhibit 10 are used to calculate a rough estimate of the range of most probable selling prices in any of the five projected years of operation. This method is referred to as the direct capitalization method of valuation. Two capitalization rates which are frequently used in this market to measure investment risk and required return are 0.090 to 0.095; the resulting range of values for 1989 is \$169,000 to \$178,000.

3. Range of Most Probable Selling Prices Using Discounted Cash Flow Methodology

A computerized discounted cash flow program called ATV (after tax valuation) is used to convert the five year projected net operating income to an estimate of value, given certain assumptions which include financing parameters, investor equity yield and cash on cash requirements, and investor tax liabilities. Given an equity yield requirement of 11 percent, the resulting value estimate is \$168,000 rounded. The income and expense summary, using the data developed in Exhibit 10, is shown in Exhibit 11. The computer output, including a summary of the assumptions, are also found in Exhibit 11.

If the equity yield requirement is reduced to 10 percent, the value estimate increases to \$171,000 rounded. At an unrealistic yield rate of 8 percent, the investment value is \$178,000; an investor would be better off to invest in safer U.S Treasury notes.

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4. Summary of Estimated Ranges of Most Probable Selling Price

Based on comparable sales:	\$172,000 to \$185,000
	\$40/SF \$43/SF
Based on direct capitalization:	\$169,000 to \$178,000
	\$39/SF \$41/SF
Based upon discounted cash flow:	\$168,000 to \$171,000
	\$39/SF \$40/SF

Because properties of this type are purchased for other reasons than just investment value, more reliance can be placed on the value suggested by sales of comparable properties. Often a property is purchased to be partially owner-occupied, as was the subject property in 1980, or a retired business person may want to invest his time and energy into the ownership of a smaller real estate project. The most probable buyer will be prudent, but there may be intangible reasons for the purchase that are difficult to quantify.

ANALYSIS OF FINANCING TERMS OF PURCHASE PRICE

When the subject property was purchased in 1980, our economy was on the verge of a rapid rise in interest rates spurred on by double digit inflation. Conventional home mortgage interest rates reported for the Milwaukee area by the American Institute of Real Estate Appraisers during those years were as follows:

	June 1980	12.97%
	November 1980	11.87%
	September 1981	15.79%
	September 1982	15.20%
	September 1983	12.41%
	September 1984	12.53%
	September 1985	11.52%
	September 1986	9.78%
	September 1987	8.93%
	September 1988	9.48%
Estimated	September 1989	10.50%

Because of the extremely high interest rates, most real estate purchases was financed creatively with the seller taking back paper to close the sale. Therefore real estate analysts were required to separate the extra charge paid for the financing to arrive at a cash equivalency price for the real estate. In other words, what is the value of the real estate if it were paid for in cash or financed by conventional financing?

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The subject property was purchased for \$169,000 in 1980 with a down payment of \$49,010 and a balance due of \$119,990. The seller financed the buyer with a favorable land contract. The interest rate and term stated on the land contract are 11.5% for 20 year term with monthly payments of \$1,178.46. If the monthly debt service was based upon 11.5% interest, 20 year term, the monthly payment would be \$1,279.61. But with a smaller debt service of \$1,178.46, either the effective interest rate is 10.25 percent or the term of the loan is 32.58 years. So not only is the nominal interest rate stated on the land contract below the September 1980 market rate of approximately 12 percent, the effective rate of interest or the term of the loan are even more favorable to the buyer.

If the financing was at a market rate interest of 12% for 20 years, the monthly payment would be \$1,321.19. In effect, the buyer purchased both real estate and favorable financing. To calculate the cash equivalent value of the real estate, the present value of the financing advantage must be subtracted from the total purchase price. The difference between \$1,178.46 and \$1,321.19, or \$142.73 per month is the financing advantage also purchased by the buyer. The present value of this stream of cash savings, discounted at 12.0 percent, over the 20 year loan term is approximately \$13,000. Therefore the cash equivalent purchase price is estimated to be \$156,000 or \$36.21 per square foot.

Given an estimated cash equivalent purchase price of \$156,000 in September, 1980 and an September, 1989 sale price estimated between \$175,000 and \$180,000, the property would have appreciated from \$19,000 to \$24,000 over a nine year period or an average growth rate of 1.4% to 1.7% per year; this would be reasonable growth rate for an older, smaller investment property in Madison, especially given the upheaval in our economy during that nine year time period.

We hope that our findings will assist you in making future decisions regarding the disposition of your property. It has been a pleasure to work with you; your cooperation and availability to respond to our questions have been extremely helpful. If you have any questions, please contact us.

FOR LANDMARK RESEARCH, INC.

Jean B. Davis
President

JBD:rjb

EXHIBITS

EXHIBIT 1
ZONING MAP FOR 1929-1935 MONROE STREET
AND SURROUNDING AREA

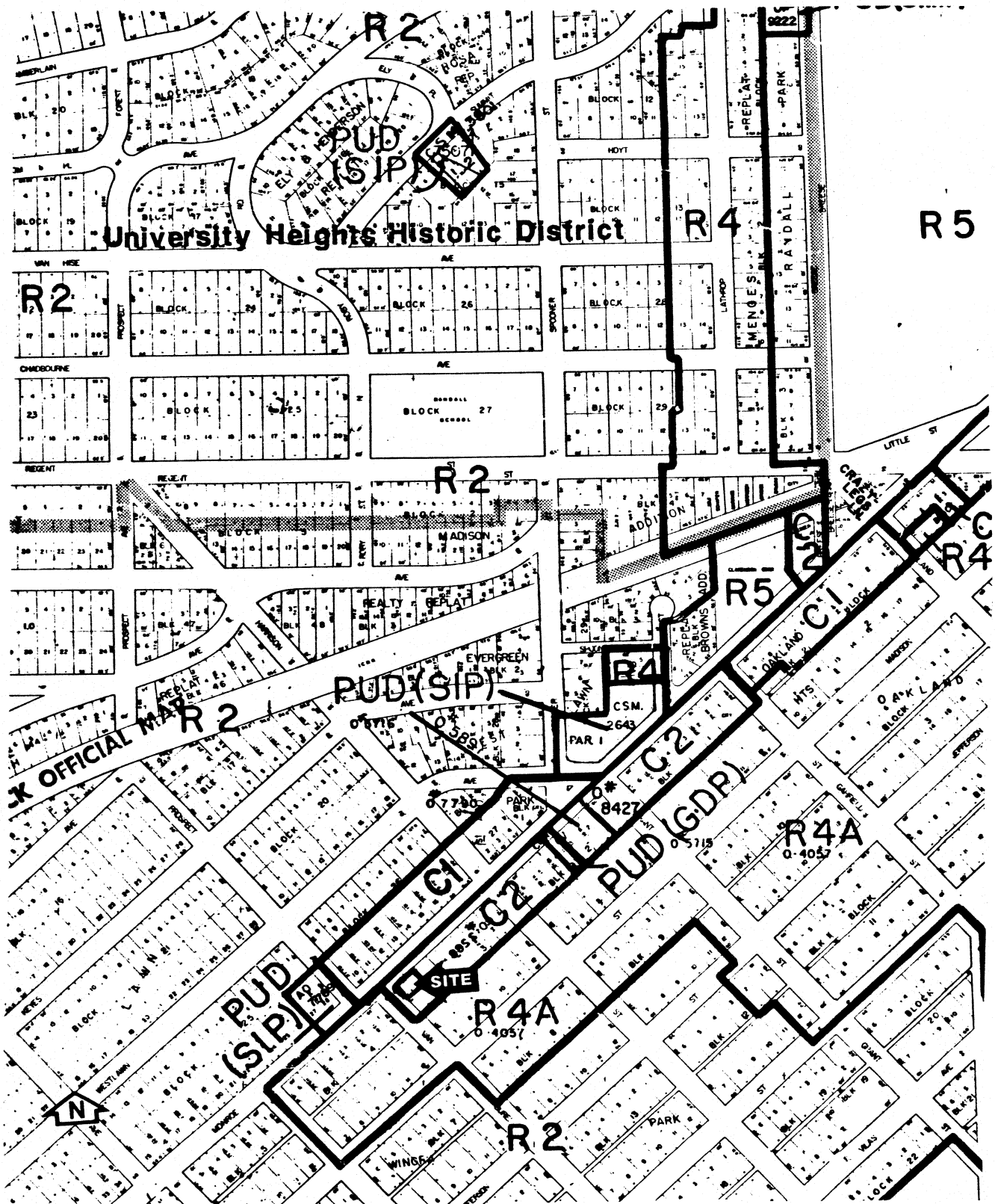


EXHIBIT 2

**1929-1935 Monroe Street
Sketch of Site Plan
and
Building Footprint
(Not Drawn to Scale)**

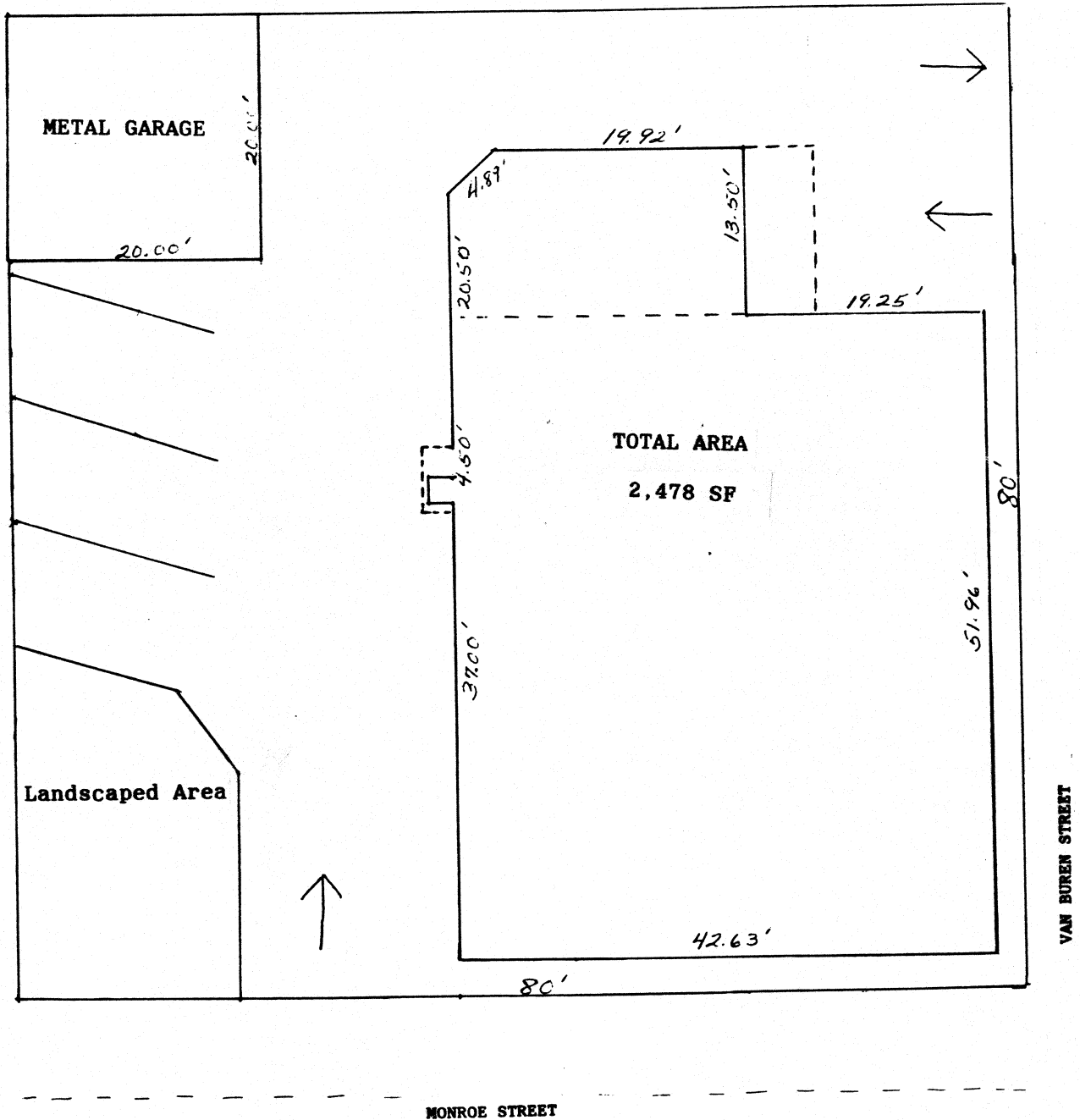


Exhibit 3

1929 -1935 Monroe Street
Sketch of First Floor Rental Area
(Not Drawn to Scale)

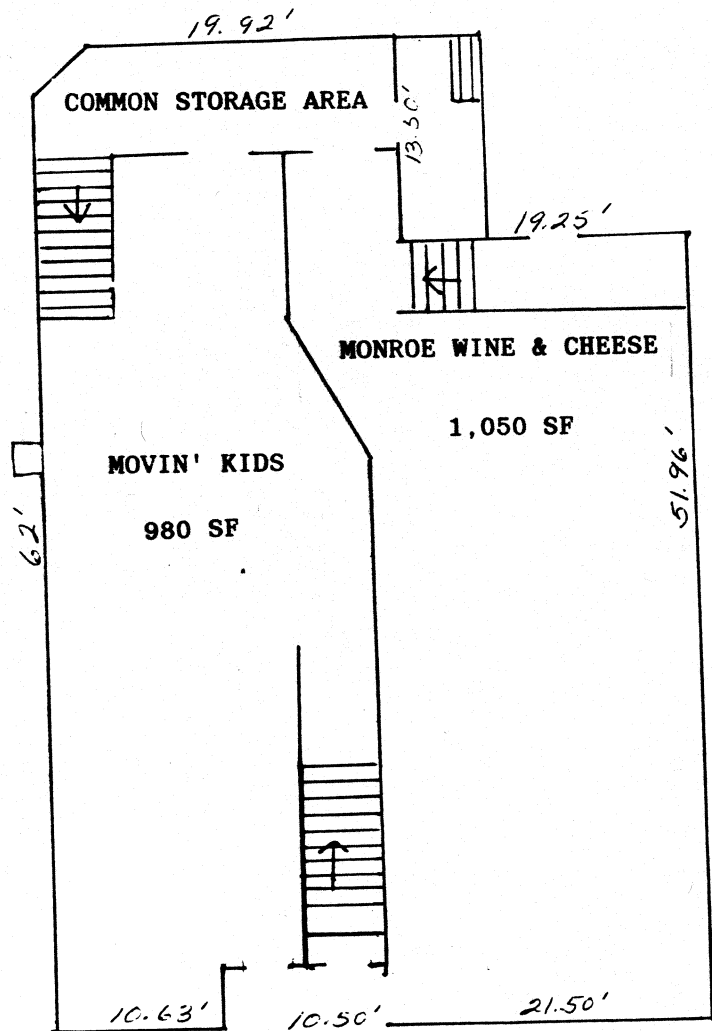
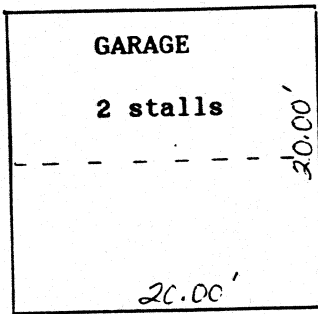
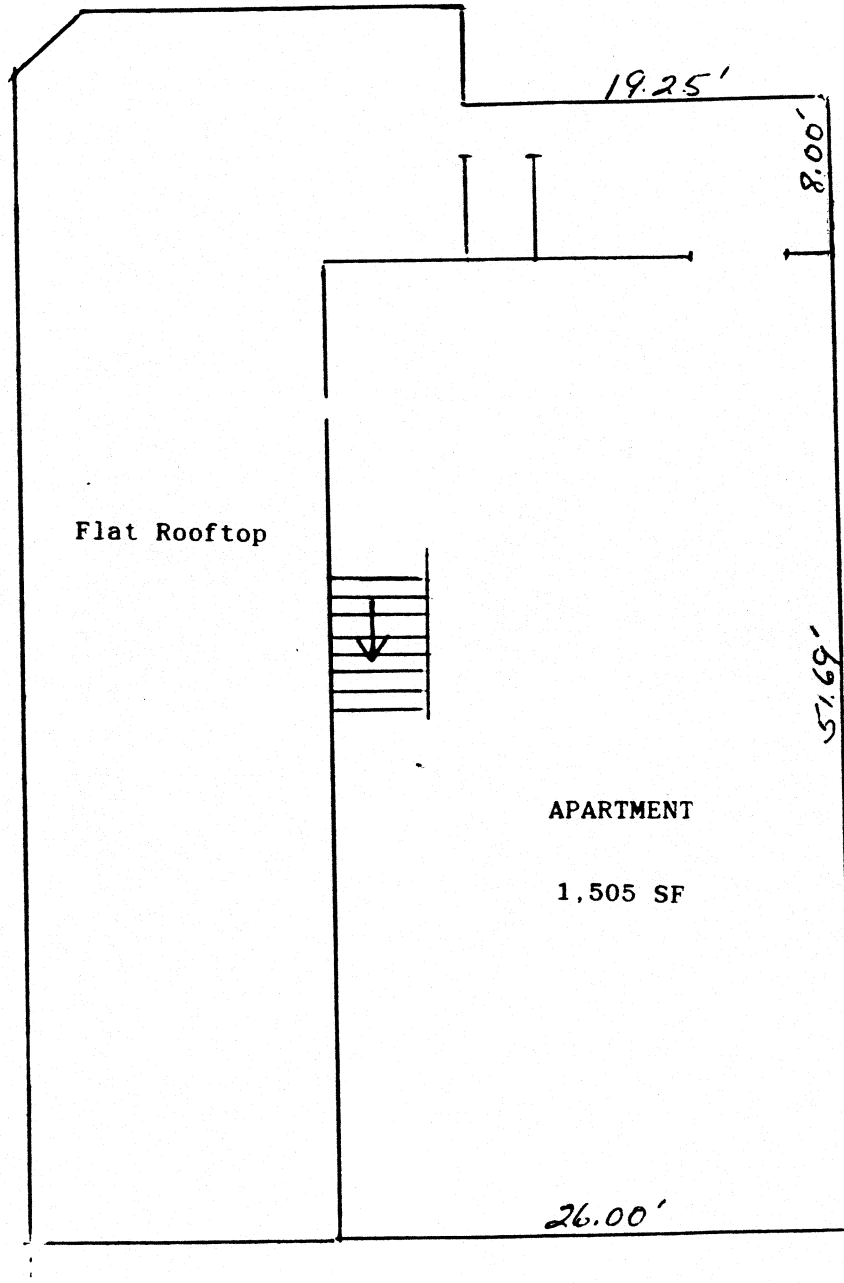


EXHIBIT 3
(Continued)

Sketch of Apartment on Second Floor
(Not Drawn to Scale)



**EXHIBIT 3
(Continued)**

**Sketch of Basement and Office Space
(Not Drawn to Scale)**

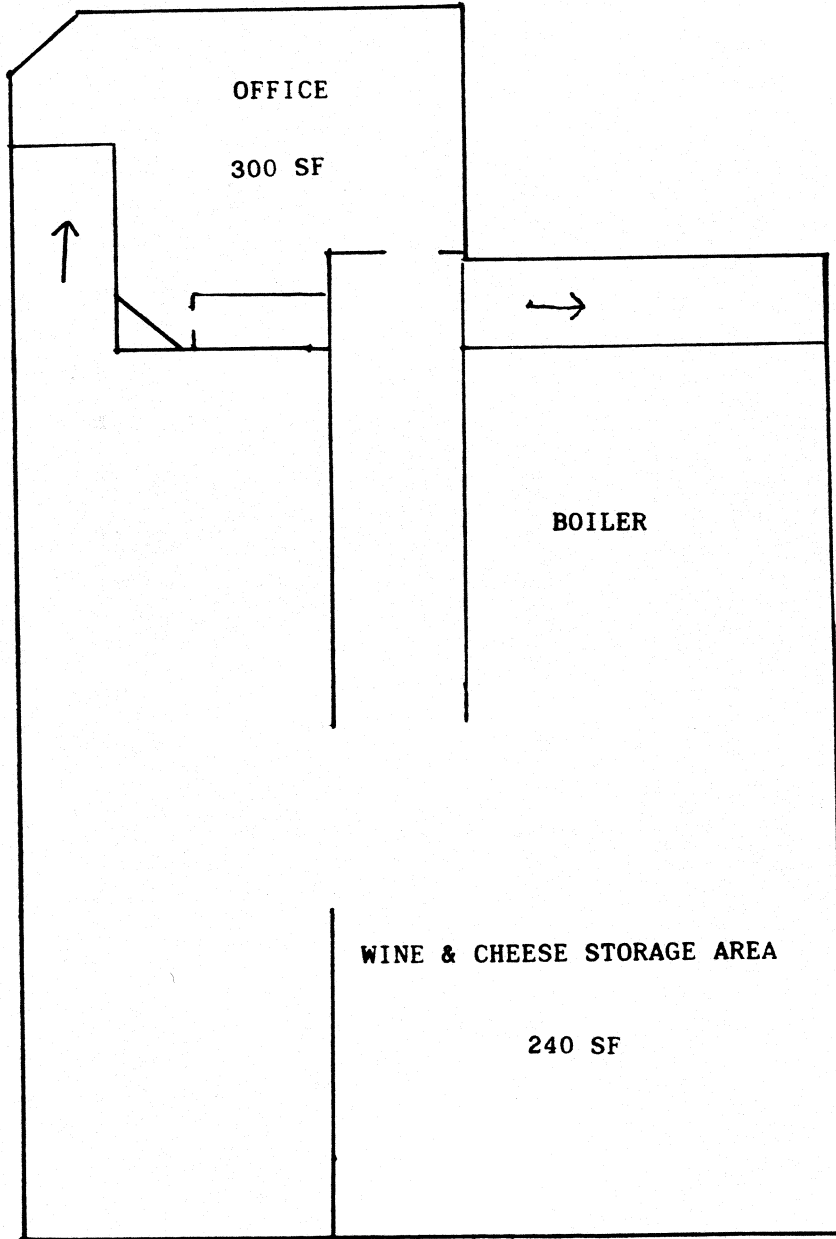


EXHIBIT 4

SUMMARY OF LEASE INFORMATION
FOR 1929 - 1935 MONROE STREET

As of September 1, 1989

MONROE WINE AND CHEESE

ADDRESS: 1935 Monroe Street

LESSOR: Alfred E. Harper and
Naila E. Harper

LESSEE: Norman and Joyce DeVries

SIZE OF
LEASABLE AREA: Approximately 1,050 square feet

TERM OF LEASE: 3 years from September 1, 1987
through August 31, 1990

OPTION(S) FOR RENEWAL: Additional 3 years from
September 1, 1990 through
August 31, 1993 subject to new
rental rate.

RENTAL RATE: \$9,684.83/year or approximately
\$9.22 per square foot per year,
plus as of January 1, 1988, 30%
of any increase in real estate
taxes/assessments above base year
of 1986 payable monthly, plus
rental of approximately 250
square feet of storage space in
basement at \$240 per year

RESPONSIBILITY FOR
OPERATING EXPENSES:

LESSEE

+Electricity
+Water
+Plumbing
repairs
(excluding
washrooms)
+Ordinary
maintenance
of premises
+Insurance of
tenant
improvements
+Trash removal

LESSOR

+Heat
+Structural
repairs
+Utilities for
common areas
+Snow removal
+Insurance

**EXHIBIT 4
(Continued)**

**SUMMARY OF LEASE INFORMATION
FOR 1929 - 1935 MONROE STREET**

REMARKS:

Currently the trash removal expense is approximately \$10 per month or \$120 per year. Real estate taxes (does not include personal property taxes) have increased \$203.50 from 1986 to 1987 and \$256.90 from 1986 to 1988. 30% of the 1988 increase is \$77.07 per year. Monthly revenues for 1989 should be increased by \$6.42 per month according to terms of the lease.

**EXHIBIT 4
(Continued)**

**SUMMARY OF LEASE INFORMATION
FOR 1929 - 1935 MONROE STREET
As of September 1, 1989**

LEASE FOR MOVIN'KIDS

ADDRESS: 1931 Monroe Street

LESSOR: Alfred E. Harper and
Naila E. Harper

LESSEE: Thomas B. and Dvorah H. Kaufman

**SIZE OF
LEASABLE AREA:** Approximately 980 square feet

TERM OF LEASE: 3 years from July 1, 1988 through
June 30, 1991

OPTION(S) FOR RENEWAL: Additional 3 years
from July 1, 1991 through
June 30, 1994 subject to new
rental rate.

RENTAL RATE: \$9,600.00/year, or approximately
\$9.80 per square foot per year
paid monthly at \$800.00/month,
plus as of January 1, 1990,
30% of any increase in real
estate taxes and/or assessments
above base year of 1988, payable
monthly.

**RESPONSIBILITY FOR
OPERATING EXPENSES:**

<u>LESSEE</u>	<u>LESSOR</u>
+All other utilities including electricity not paid for by lessor	+Heat
+1/3 of trash removal bill	+Water
+Routine A/C maintenance	+Major repairs to A/C unit
+Ordinary maintenance of interior space	+Structural repairs including heating and plumbing
	+Snow removal

**EXHIBIT 4
(Continued)**

SUMMARY OF LEASE INFORMATION

FOR 1929 - 1935 MONROE STREET

REMARKS:

Currently the trash removal expense of approximately \$10 per month or \$120 per year is not being collected. Real estate pass throughs are not in effect until January 1, 1990

**EXHIBIT 4
(Continued)**

**SUMMARY OF LEASE INFORMATION
FOR 1929 - 1935 MONROE STREET
As of September 1, 1989**

LEASE FOR APARTMENT

ADDRESS: 1933 Monroe Street

LESSOR: Alfred E. Harper and
Naila E. Harper

LESSEE: Nino Ridgway, Susan Julson,
Monica Sella and Yao Tzy-Jyun

**SIZE OF
LEASABLE AREA:** Approximately 1,505 square feet

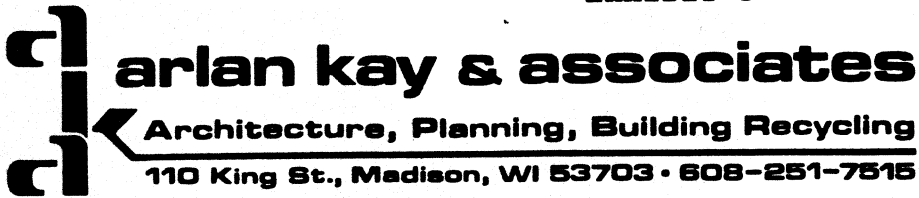
TERM OF LEASE: 1 year from August 15, 1988
through August 15, 1989.
Renewed for additional year
from August 15, 1989 through
August 13, 1990 at the same rate.

RENTAL RATE: \$8,352.00/year paid monthly at
\$696.00 per month

**RESPONSIBILITY FOR
OPERATING EXPENSES:**

<u>LESSEE</u>	<u>LESSOR</u>
+Electricity	+Heat
+Interior maintenance	+Exterior and structural maintenance
	+Water and sewer
	+Trash removal
	+Snow removal

REMARKS: Apartment has three separate
bedrooms with closets plus a
sleeping porch without a closet



JOB PROGRESS REPORT

ARLAN KAY & ASSOCIATES

DATE: August 17, 1989
PROJECT: 1929/31/35 Monroe Street
LOCATION: Madison, WI
COMM. NO.: K8950

PARTICIPANTS: Jean Davis, Landmark Research, Inc.
Naila E. Harper, Owner
Arlan Kay, Architect

DOCUMENTS
TRANSMITTED: None

PURPOSE: Inspect and determine potential and limitations of adding a second floor with an apartment over the one story addition, developing the attic space (third floor) into bedrooms or an apartment and other items that may be observed that would affect the value of the building. (This is to assist in determining a sale price for the building.)

DISCUSSION:

The commercial building, built about 1910/20, is a two-story wood frame house with the first floor converted to commercial use and a three-bedroom apartment with a sleeping porch on the second floor. The attic is large with a single stair from the second floor apartment. A small office is in one end of the basement. The balance is storage. A one story, type 5 addition was built in the 1940s.

The lot is 80 ft. x 80 ft., with a two car garage in one corner. Four surface parking spaces are also available with a drive to both Monroe and Van Bruan Streets.

The building floor print is about 2478 square feet.

Zoning is C-2.

**EXHIBIT 5
(Continued)**

Several factors limit the ability to expand the building and/or develop the vacant space in the attic.

Zoning Code

- 1) Adding an apartment would require a conditional use permit, which requires approval of the Plan Commission.
- 2) Usable open space of 160 sf is required for each bedroom. A variance would be needed from the zoning Board of Appeals.
- 3) Parking space is required for each apartment and each 300 sf of commercial space. Therefore, nine spaces are required now. Any additional apartments or commercial space would require a variance from the Zoning Board of Appeals.
- 4) A rear yard of thirty feet is required for two-story buildings. If the addition goes back to the existing rear wall, a variance would be needed.

Building Code

Development of third floor levels of wood frame buildings is difficult due to the increased fire hazard. Two stairs, fire alarms and fire proofing all walls, floors and structure would be required. An appeal process is available through the DILHR Safety and Building division of the State of Wisconsin.

It is not likely that any of the above appeals, permits or variances will be granted because the lot is small and the present building and lot are non-conforming. A hardship is a reason to grant exceptions to the codes while economic benefit is not an acceptable reason.

Other items noted that will affect the value of the building:

- 1) Asbestos insulation on the steam pipes is in bad shape and falling off.
- 2) The boiler is a very old coal-type converted to gas.

**EXHIBIT 5
(Continued)**

- 3) The floor structure in the addition appears to be undersized. A beam in part of that basement has serious deterioration.
- 4) Floor beams have been added in the house section.
- 5) There is excessive rust on pipes and water stains on wood in the addition basement, indicating excessive moisture possibly from a previous occupancy.

This report is limited to the above questions and does not imply a complete inspection nor listing of every possible code limitation that would affect this project.

If you have any questions, please do not hesitate to call.

Arlan Kay, Architect

copies: Jean Davis

1929 - 1935 MONROE STREET
COMPARABLE SALE DATA
TIME ADJUSTED
USING IMPLICIT PRICE DEFLATOR [1]

COMP SALE NO.	DATE OF SALE	ADDRESS	ASSESSOR'S USE CODE	SALE PRICE	ZONING	LAND AREA	BLDG/ STORIES	GROSS USEABLE AREA (GUA)	SALE PRICE/ SF OF GUA	TIME ADJUSTED SALE PRICE	BLDG EXTERIOR	REMARKS
1	5/1/87	1401-3 University Suburpia Submarine	Restaurant/ Apartment	\$170,000	C2	2,000	1/2	3,480	\$48.85	\$52.47	Wood frame Face brick on stud Flat roof	Located on corner of Randall and University High traffic area
2	2/28/86	1639 Monroe Walter's Swim & Sun	Apartment/ Store	\$100,000	C1	3,196	2/2	3,067	\$32.61	\$36.20	Wood frame-2 story Corr steel-1 story at time of sale	New 1 story concrete block structure replaced corr. bldg after purchase
3	2/28/86	1723 Monroe Orange Tree addition	Apartment/ Store	\$92,000	C2	3,481	1/2	2,388	\$38.53	\$42.77	Wood frame Wood siding	Purchased as annex for Orange Tree Imports
4	10/21/88	2611 Monroe DaCajun Way restaurant	Apartment/ Office	\$144,200	C2	7,360	1/2	4,158	\$34.68	\$35.44	Ext masnry/steel Face brick on frame Flat roof	Located next to Michael's Custard-high pedestrian traffic area
5	6/26/86	1709 Monroe Fantasia	Store/1 story Small	\$190,000	C2	7,501	1/1	4,559	\$41.68	\$45.67	Ext masnry/steel Face brick front Flat roof	Located next to public library with metered parking
6	10/1/87	1906 Monroe WI Institute for Psychotherapy	Office/ Medical	\$95,000	C1	6,000	1/2	2,640	\$35.98	\$38.98	Wood frame Full bsmt Wood frame/siding	Older 2 story home converted to office
7	4/14/89	1619 Monroe WI Mutual Insurance	Office/ 2 story	\$250,000	C1	5,400	1/2	5,264	\$47.49	\$47.49	Steel frame Full bsmt Flat roof	Located just south of Regent-Monroe intersection Solid bldg
8	5/31/88	1901 Monroe Monroe St. Framing & Gallery	Office/ 1 story	\$107,800	C2	4,602	1/1	1,875	\$57.49	\$60.06	Steel frame Full bsmt	Downsloping lot with basement opening at rear
9	1/4/89	2741 University Kinko's Copies	Restaurant/ Office	\$165,000	C2	6,952	1/1	4,366	\$37.79	\$38.25	Ext masnry/wood No basement Flat roof	Located just west of Lakepoint Commons High traffic area

SOURCE: City of Madison Assessor's office. Data relied upon as accurate.
The analyst viewed the exterior of each of the sales comparables.

[1] The implicit price deflator for the gross national product as of the sale date divided by the implicit price deflator at the time of valuation results in a ratio that is then divided into the sales price to adjust that price forward in time. The most recent price deflator is 126.0; the deflators for Sale 1=117.3, Sales 2 and 3=113.5, Sale 4=123.3, Sale 4=115.0, Sale 5=116.3, Sale 7=126.0, Sale 8=120.6, and Sale 9=124.5.

Judith Ann Rasmussen, Inc.

EXHIBIT 6

**INVENTORY OF MARKET RETAIL RENTS
FOR SMALLER COMMERCIAL PROPERTIES**

NAME AND ADDRESS	ASKING RENT/SF	SIZE	Pass Through Expenses					OTHER	ALLOWANCE FOR TENANT IMPROVEMENTS	RENTAL CONCESSIONS	AGE OF BUILDING	TYPE OF BUSINESSES CONTAINED IN SPACE
			HEAT	ELECTRIC	INSURANCE	R.E. TAX						
6713 Odana Rd.	\$7.00	1,780	Yes	Yes	Increases	Yes	N/A	No	No	8 years	Retail/Professional	
Retail Space University Station 2870 University Ave.	\$13.00	1,568	Yes	Yes	Yes	Yes	C.A.M.	No	No	8 months	Retail/Professional	
Office Space University Station 2870 University Ave.	\$12.50	1,321	No	No	No	No	N/A	Yes	No	8 months	Retail/Professional	
2579 University Ave.	\$8.80	750	No	Yes	Yes	Yes	C.A.M.	No	No	25+ years	Retail/Apartments	
Sundale Shop. Center 900 Windsor Ave. Sun Prairie, WI	\$4.06	1,690	Yes	Yes	No	Increases	N/A	No	No	20 years	Retail only	
1916 Mayflower Ave. Corner of University Ave.	\$5.00	1,618	Yes	Yes	Increases	Increases	N/A	No	No	40 years	Retail/Professional	
Market Square 6680 Odana Road	\$10.50	2,000	Yes	Yes	Yes	Yes	C.A.M. Promotions	No	No	3-5 years	Retail only	
1825 Monroe Street [1]	\$8.25 to \$9.40	2,500 to 3000	Yes	Yes	Yes	Yes	N/A	No	No	Older		

- [1] Asking rent is \$2,200 to \$2,500 per month for 3,200 square feet of first floor retail space; also includes 2,000 square feet of storage space in basement
- [2] Estimated, based on information received from lessor

Southwest Research, Inc.

EXHIBIT 7

Soudanville Research, Inc.

INVENTORY OF MARKET RENTS OF COMPARABLE APARTMENTS

EXHIBIT 8

NAME AND LOCATION	RENT/MO	NO. OF BDRMS	MO. RENT PER BDRM	NO. OF SQ. FT.	MONTHLY RENT/SF	INCLUDED IN RENT			PARKING AVAILABLE			MONTHLY CHARGE FOR PARKING	AMENITIES
						HEAT	HOT WATER	ELECTRIC	OFFSTREET	ENCLOSED	NONE		
6 N. Charter	\$870	3	\$290	900	\$0.96	No	Yes	No	Yes	No	No	Offstreet-\$35	None
316 N. Breese	\$1,000	3	\$333	900	\$1.11	Yes	Yes	Yes	Yes	No	No	Offstreet-\$35	None
103 N. Randall S	\$1,275	4	\$319	1,100	\$1.16	Yes	Yes	No	Yes	Yes	No	Garage-\$40 Offstreet-\$35	Partially Furnished
1250 E. Dayton	\$800	3	\$267	N/A	N/A	Yes	Yes	No	Yes	No	No	None	None
130 N. Breese	\$875	3	\$292	N/A	N/A	Yes	Yes	No	Yes	No	No	None	None
412 W. Main	\$875	3	\$292	1,000	\$0.88	No	No	No	Yes	No	No	1 car allowed	None
813 Garfield	\$750	3	\$250	N/A	N/A	No	No	No	Yes	No	No	None	None
1046 Jennifer	\$660	3	\$220	N/A	N/A	Yes	Yes	No	No	No	Yes	None	Trash Rem.
SUBJECT PROPERTY													
	\$696	3	\$232	1,505	\$0.46	Yes	Yes	No	No	No	Yes	N/A	Trash Rem.
1935 Monroe	\$696	4	\$174	1,505	\$0.46	Yes	Yes	No	No	No	Yes	N/A	Trash Rem.

EXHIBIT 9

**REPAIR AND MAINTENANCE EXPENSES FOR 1929 MONROE STREET
A SIX YEAR HISTORY OF EXPENSES**

TYPE OF EXPENSE	1983	1984	1985	1986	1987	1988	SIX YEAR TOTAL
ON-GOING							
PLUMBING	\$775.82	\$462.63	\$261.99	\$253.23	\$170.98	\$188.75	
ELECTRICAL	\$148.24	\$105.00	\$0.00	\$332.74	\$35.32	\$300.28	
STRUCTURAL MAINTENANCE	\$433.00	\$0.00	\$0.00	\$113.30	\$35.00	\$65.00	
SNOW REMOVAL & YARD CARE	\$144.00	\$250.00	\$274.50	\$254.50	\$156.00	\$302.00	
GENERAL REPAIRS & PAINTING	\$226.75	\$997.76	\$410.20	\$639.19	\$522.14	\$699.69	
TRASH REMOVAL	\$72.00	\$107.25	\$697.47	\$642.50	\$771.00	\$394.25	
HEATING & AIR	\$322.82	\$244.30	\$341.25	\$319.85	\$519.08	\$549.85	
SUPPLIES	\$164.03	\$180.19	\$155.13	\$403.99	\$126.86	\$14.02	
APPLIANCE REPAIR	\$84.37	\$0.00	\$0.00	\$0.00	\$227.36	\$0.00	
MISCELLANEOUS	\$8.40	\$165.59	\$0.00	\$0.00	\$0.00	\$45.00	
TOTAL - ONGOING	\$2,379.43	\$2,512.72	\$2,140.54	\$2,959.30	\$2,563.74	\$2,558.84	\$15,114.57
							\$2,519.10 AVERAGE/ YEAR
MAJOR & PERIODIC							
EXTERIOR & APT PAINTING	\$0.00	\$1,650.00	\$0.00	\$0.00	\$0.00	\$0.00	
NEW ROOF	\$0.00	\$0.00	\$0.00	\$4,860.00	\$0.00	\$0.00	
EQUIPMENT REPLACEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$488.25	\$0.00	
TOTAL	\$0.00	\$1,650.00	\$0.00	\$4,860.00	\$488.25	\$0.00	\$6,998.25
							\$1,166.38 AVERAGE/ YEAR

**FIVE YEAR PROJECTION OF REVENUE AND EXPENSES
AND CAPITALIZED VALUE ESTIMATE BASED UPON
NET OPERATING INCOME
FOR 1929-1935 MONROE STREET**

REVENUE	1989	1990	1991	1992	1993
=====					
WINE AND CHEESE SHOP					
Base Rent [1]	\$9,685	\$9,685	\$10,169	\$10,169	\$10,169
Storage Area [2]	\$240	\$240	\$250	\$250	\$250
Trash Removal [2]	\$120	\$124	\$127	\$131	\$135
Increases-R.E. Tax [2]	\$77	\$80	\$83	\$87	\$90
	-----	-----	-----	-----	-----
	\$10,122	\$10,129	\$10,629	\$10,637	\$10,644
MOVIN' KIDS					
Base Rent [1]	\$9,600	\$9,600	\$9,600	\$10,080	\$10,080
Trash Removal [2]	\$120	\$124	\$127	\$131	\$135
Increases-R.E. Tax [2]	\$0	\$80	\$83	\$87	\$90
	-----	-----	-----	-----	-----
	\$9,720	\$9,804	\$9,810	\$10,298	\$10,305
APARTMENT [3]	\$8,352	\$9,000	\$9,270	\$9,548	\$9,835
	-----	-----	-----	-----	-----
	\$8,352	\$9,000	\$9,270	\$9,548	\$9,835
GARAGE [4]	\$600	\$600	\$600	\$600	\$600
OFFICE [5]	\$1,440	\$1,440	\$1,440	\$1,483	\$1,483
	-----	-----	-----	-----	-----
	\$2,040	\$2,040	\$2,040	\$2,083	\$2,083
=====					
TOTAL POTENTIAL GROSS REVENUE	\$30,234	\$30,973	\$31,749	\$32,566	\$32,867
LESS VACANCY @ 3% [6]	(\$907)	(\$929)	(\$952)	(\$977)	(\$986)
	-----	-----	-----	-----	-----
TOTAL EFFECTIVE GROSS REVENUE	\$29,327	\$30,044	\$30,797	\$31,589	\$31,881
=====					
EXPENSES					
=====					
UTILITIES	\$2,230	\$2,297	\$2,366	\$2,437	\$2,510
REPAIRS AND MAINTENANCE	\$2,520	\$2,596	\$2,673	\$2,754	\$2,836
INSURANCE	\$1,985	\$2,045	\$2,106	\$2,169	\$2,234
REAL ESTATE TAXES	\$4,531	\$4,712	\$4,901	\$5,097	\$5,301
LEGAL AND PROFESSIONAL	\$435	\$448	\$461	\$475	\$490
OTHER	\$417	\$430	\$442	\$456	\$469
RESERVE FOR REPLACEMENTS	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167
	-----	-----	-----	-----	-----
TOTAL EXPENSES	\$13,285	\$13,694	\$14,117	\$14,554	\$15,007
	-----	-----	-----	-----	-----
NET OPERATING INCOME	\$16,042	\$16,350	\$16,680	\$17,035	\$16,874
	=====	=====	=====	=====	=====
CAPITALIZED VALUE @ 0.095	\$168,863	\$172,105	\$175,576	\$179,313	\$177,622
CAPITALIZED VALUE @ 0.090	\$178,244	\$181,666	\$185,331	\$189,275	\$187,490

- ASSUMPTIONS:
- [1] At end of three year lease, base rent increases at 5%; average increase/year is 1.67%.
 - [2] Operating expenses increase at 3%/year and real estate taxes increase at 4%/year.
 - [3] Apartments rents are increased to \$750/month or \$250/bedroom/month based upon market rent for a three bedroom unit. Thereafter rent increases at 3% per year.
 - [4] Garage rent remains flat during the five year projection.
 - [5] Office rent increases at 3% at the end of a three year lease.
 - [6] Vacancy allowance at 3%/year to anticipate some loss of revenue when leases are up for renewal.

EXHIBIT 10

Bourbonville Realty, Inc.

EXHIBIT 11

**ATV COMPUTER OUTPUT
TO ESTIMATE INVESTMENT VALUE
OF 1929-1935 MONROE STREET**

INCOME AND EXPENSE SUMMARY

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
WINE AND CHEESE	\$10,122	\$10,129	\$10,629	\$10,637	\$10,644
MOVIN' KIDS	\$9,720	\$9,804	\$9,810	\$10,298	\$10,305
APARTMENT	\$8,352	\$9,000	\$9,270	\$9,548	\$9,835
GARAGE	\$600	\$600	\$600	\$600	\$600
OFFICE	\$1,440	\$1,440	\$1,440	\$1,483	\$1,483
GROSS INCOME	\$30,234	\$30,973	\$31,749	\$32,566	\$32,867
VACANCY	-\$907	-\$929	-\$952	-\$977	-\$986
EFF. GROSS INCOME	\$29,327	\$30,044	\$30,797	\$31,589	\$31,881
TOTAL EXPENSE	\$13,285	\$13,694	\$14,117	\$14,554	\$15,007
NET OPERATING INC.	\$16,042	\$16,350	\$16,680	\$17,035	\$16,874

ASSUMPTIONS

EQUITY YIELD RATE	11.00000
HOLDING PERIOD	5
LOAN NUMBER	1
INTEREST RATE	0.10500
LOAN TERM	20.00000
PAYMENTS PER YEAR	12
DSCR & LOAN/VALUE RATIOS	1.25000
TAX RATE	0.33000
CAPITAL GAINS TAX RATE	0.33000
RESALE PRICE	\$198,518.
LAND VALUE	\$32,000.
DEPRECIATION METHOD	SL
COST RECOVERY PERIOD	30
NET OPERATING INCOME	\$16,042.
CHANGE IN NOI	0.05186
INCOME ADJUSTMENT FACTOR	YR
SELLING COST	0.02000

**EXHIBIT 11
(Continued)**

MONROE ST. WINE & CHEESE, MOVIN' KIDS, APARTMENT, GARAGE, AND OFFICE
1929-1935 MONROE STREET
MADISON , WI 53711

By LANDMARK RESEARCH INC

VALUE	<u>\$167,704.</u>
AFTER TAX YIELD	11.00000
OVERALL RATE	0.09566
MORTGAGE CONSTANT	0.11981
MORTGAGE VALUE	\$107,120.
BUILDING VALUE	\$135,704.
EQUITY VALUE	\$60,584.
EQUITY DIVIDEND	0.05296

C A S H F L O W S U M M A R Y

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
NOI	\$16,042.	\$16,350.	\$16,680.	\$17,035.	\$16,874.
DEBT SER#1	-\$12,834.	-\$12,834.	-\$12,834.	-\$12,834.	-\$12,834.
BTCF	\$3,208.	\$3,516.	\$3,846.	\$4,201.	\$4,040.
NOI	\$16,042.	\$16,350.	\$16,680.	\$17,035.	\$16,874.
INTEREST 1	-\$11,169.	-\$10,986.	-\$10,782.	-\$10,556.	-\$10,305.
DEPREC	-\$4,508.	-\$4,508.	-\$4,508.	-\$4,508.	-\$4,508.
TAXABLE	\$365.	\$856.	\$1,389.	\$1,971.	\$2,061.
TAXES	\$120.	\$282.	\$458.	\$650.	\$680.
ATCF	\$3,088.	\$3,234.	\$3,388.	\$3,551.	\$3,360.

RESALE PRICE \$198,518.
SELLING COST -\$3,970.
LOAN BALANCE # 1 -\$96,749.

RESALE PRICE \$198,518.
SELLING COST -\$3,970.
ADJUSTED BASIS -\$145,162.
TAXABLE GAIN \$49,386.
LONG TERM GAIN \$49,386.
ORDINARY TAXES \$0.
CAPITAL GAINS TAX \$16,297.

BEFORE TAX PROCEEDS \$97,798.
TAXES -\$16,297.
AFTER TAX PROCEEDS \$81,501.

EQUITY CASH FLOW SUMMARY

YEAR	CASH FLOW
0	-\$60,584.
1	\$3,088.
2	\$3,234.
3	\$3,388.
4	\$3,551.
5	\$84,861.

**EXHIBIT 11
(Continued)**

ASSUMPTIONS USED FOR DISCOUNTED CASH FLOW VALUATION OF 1929 MONROE STREET

1. Current conventional financing would require an interest rate of no less than 10.5 percent amortized over a 20 year term. Amount of the loan is determined by using a 1.25 debt cover ratio. Debt service is paid monthly. In this case, the size of the mortgage is \$107,120 and the equity requirement is \$60,584 or a conservative loan to value of approximately 64 percent. The estimated investment value is \$167,704 or \$168,000, rounded.
2. The resale price at the end of the five year holding period is based on a 0.085 capitalization rate applied to the net operation income (NOI) in the fifth year. This cap rate results in a very generous resale price of \$198,500 or \$46.16/SF.
3. Land value is \$5.00/square foot as suggested by the City of Madison Assessor's office.
4. The investor's tax bracket is assumed to be 33% for ordinary income and for capital gains.
5. The 1986 tax law allows a 27.5 year depreciable life for residential use and 31.5 year life for commercial use. A depreciable life of 30.1 years is used based upon proportional weighting of the size of each type of space.
6. At the end of the five year holding period it is assumed that the owner will want to minimize selling costs and will handle his/her own brokerage work. Therefore selling costs are estimated at 2% of the final transaction price.
7. The assumptions used to project revenue and expenses are found in Exhibit 10.
8. The required equity yield is assumed to be 11 percent; a market range, depending upon property type, is 10 - 13 percent. An investor in an older, more risky property would require the higher yield. The 11 percent yield is borderline conservative/speculative. The resulting cash on cash return of 5.3 percent is within a reasonable range.

APPENDIX A

STATEMENTS OF GENERAL ASSUMPTIONS AND
LIMITING CONDITIONS

1. Contributions of Other Professionals

- . Information furnished by others in the report, while believed to be reliable, is in no sense guaranteed by the analysts.
- . The analyst assumes no responsibility for legal matters.
- . All information furnished regarding property for sale or rent, financing, or projections of income and expenses is from sources deemed reliable. No warranty or representation is made regarding the accuracy thereof, and it is submitted subject to errors, omissions, change of price, rental or other conditions, prior sale, lease, financing, or withdrawal without notice.

2. Facts and Forecasts Under Conditions of Uncertainty

- . Forecasts of the effective demand for space are based upon the best available data concerning the market, but are projected under conditions of uncertainty.
- . Engineering analyses of the subject property were neither provided for use nor made as a part of this report contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a rudimentary investigation by the analyst and the value conclusions are subject to said limitations.
- . Since the projected mathematical models are based on estimates and assumptions, which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.
- . Sketches in the report are included to assist the reader in visualizing the property. These drawings are for illustrative purposes only and do not represent an actual survey of the property.

3. Controls on Use of Study

- . Values for various components of the subject parcel as contained within the study are valid only when making a summation and are not to be used independently for any purpose and must be considered invalid if so used.

ADDENDUM B (Continued)

- . Possession of the report or any copy thereof does not carry with it the right of publication nor may the same be used for any other purpose by anyone without the previous written consent of the analyst or the applicant and, in any event, only in its entirety.
- . Neither all nor any part of the contents of the report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author, particularly regarding the valuation conclusions and the identity of the analyst, of the firm with which he is connected, or any of his associates.
- . The report shall not be used in the client's reports or financial statements or in any documents filed with any governmental agency, unless: (1) prior to making any such reference in any report or statement or any document filed with the Securities and Exchange Commission or other governmental agency, the analyst is allowed to review the text of such reference to determine the accuracy and adequacy of such reference to the study report prepared by the analyst; (2) in the analyst's opinion the proposed reference is not untrue or misleading in light of the circumstances under which it is made; and (3) written permission has been obtained by the client from the analyst for these uses.
- . The analyst shall not be required to give testimony or to attend any governmental hearing regarding the subject matter of the report without agreement as to additional compensation and without sufficient notice to allow adequate preparation.

APPENDIX B

28.09 COMMERCIAL DISTRICTS.

(1) General Requirements.

- (a) Permitted Uses. Permitted uses of land or buildings, as herein listed, shall be restricted to the districts indicated and under the conditions specified. No building or tract of land shall be devoted to any use other than a use permitted herein in the zoning district in which such building or tract of land shall be located, with the following exceptions:
1. Uses lawfully established on the effective date of this ordinance; and
 2. Conditional uses allowed in accordance with the provisions of 28.09(1)(b) hereunder.
- Uses lawfully established on the effective date of this ordinance and rendered nonconforming by the provisions thereof, shall be subject to those regulations of Section 28.05 governing nonconforming uses.
- (Am. by Ord. 7085, 9-6-80)
- (b) Conditional Uses. Conditional uses, as herein listed, may be allowed in the districts indicated, subject to the issuance of conditional use permits in accordance with the provisions of Section 28.12(10).
- (c) Lot Area Requirements. Lot areas shall be provided in accordance with the regulations herein indicated. In addition, the following regulations shall be complied with:
1. No residential use shall be established or hereafter maintained on a lot recorded after the effective date of this ordinance, which is of less area than prescribed herein for such use in the zoning district in which it is to be located.
 2. For any lot of record which is less than fifty (50) feet in width or less than six thousand (6,000) square feet in area on the effective date of this ordinance and located in any commercial district, the lot area requirements as established in the R4 district shall apply.
 3. No existing residential building shall be converted so as to conflict with or further conflict with the lot area per dwelling unit requirements of the district in which such building is located.
- (d) Height Regulations. Maximum height regulations as set forth in the C1 district shall apply to all buildings or structures in such district.
- (e) Floor Area Ratio. Maximum floor area ratio as set forth in the C2, C3 and C4 districts shall apply to all buildings or structures in such districts. However, in the C2 and C3 districts located within the central area, the maximum floor area ratio shall be not more than 4.0, or not more than 5.0 when such districts adjoin the C4 district and are within two hundred (200) feet of such C4 district and are continuous as a commercial district.

- (f) Yard Requirements. Yards shall be provided in accordance with the regulations herein indicated and shall be unobstructed from the ground level to the sky, except as allowed in Section 28.04(6)(e). All additions to a principal building, such as attached garages, shall comply with the yard requirements of the principal building.
- (g) Usable Open Space Requirements. Usable open space shall be provided on each lot, devoted in whole or in part to any residential use, as set forth in each zoning district. Such usable open space provided on the ground level shall be in a compact area of no less than two hundred (200) square feet and having no dimension less than ten (10) feet and having no slope grade greater than ten percent (10%). In calculating the usable open space requirements in the C1, C2 and C3 districts, there may be credited, up to a maximum of fifty percent (50%) of the required open space area, the area of any balconies having a minimum dimension of four feet six inches (4'6"), and on the roof, any open space area having a minimum dimension of fifteen (15) feet and being free of any obstructions and improved and available for safe and convenient use to all occupants of the building, and in the C4 district, there may be credited to the required open space area, the area of up to one hundred percent (100%) of the required open space area in any of the abovementioned balconies and open space on the roof. Also in the C4 district, interior activity spaces such as swimming pools, fitness rooms, etc., which may be used by all residents of the building, may be credited to the required open space. (Am. by Ord. 6052, 11-29-77)
- (h) (R. by Ord. 5831, 5-6-77)
- (i) Off-Street Parking And Loading. In the C1, C2 and C3 districts, off-street parking and loading facilities shall be provided in accordance with applicable regulations herein set forth in Section 28.11, provided however, in the central area, there shall be no specific requirements for off-street parking. In the C4 district, there shall be no specific requirements for off-street parking and loading facilities.
- (2) C1 Limited Commercial District.
- (a) Statement Of Purpose. The C1 limited commercial district is established to accommodate the shopping needs of residents residing in adjacent residential areas. Within this district, which is located in close proximity to residential areas, are permitted those uses which are necessary to satisfy the daily or frequent shopping needs of the neighborhood consumer. Such uses include the retailing of convenience goods and the furnishing of certain personal services. Also permitted within this district are certain types of offices. Within this district, a limitation is imposed on the size of establishments to prevent the generation of large volumes of vehicular and pedestrian traffic.

- (b) General Regulations. Uses permitted in the C1 district are subject to the following conditions:
1. Business uses are not permitted on any floor above the ground floor except in those buildings where dwelling units and lodging rooms are not established.
 2. All business establishments shall be retail or service establishments which deal directly with the customers. All goods produced on the premises shall be sold at retail on the premises where produced unless approved as a conditional use. (Am. by Ord. 6113, 1-26-78)
 3. All business, servicing or processing, except for off-street parking, off-street loading, display of merchandise such as garden, lawn or recreational supplies and equipment for sale to the public, vending machines, automobile service station operation and outdoor eating areas of restaurants approved as a conditional use by the Plan Commission, shall be conducted within completely enclosed buildings. (Am. by Ord. 9535, 7-28-88)
 4. Establishments of the "drive-in" type are not permitted, except in the case of automobile service stations.
 5. Business establishments are restricted to a maximum gross floor area of ten thousand (10,000) square feet each, exclusive of any floor area devoted to off-street parking or loading facilities, except that food stores, containing two (2) or more uses, and offices as herein permitted below, may have a maximum floor area of not more than twenty-three thousand (23,000) square feet. (Am. by Ord. 5125, 9-3-75)
 6. Parking of trucks as an accessory use, when used in the conduct of a permitted business listed hereinafter, shall be limited to vehicles of not over one and one-half (1 1/2) tons capacity when located within one hundred fifty (150) feet of a residence district boundary line.
- (c) Permitted Uses. The following uses are permitted in the C1 district:
1. Accessory uses, including but not limited to the following:
 - a. Signs as regulated in this section.
 - b. Temporary buildings for construction purposes, for a period not to exceed the duration of such construction.
 2. Art and school supply stores.
 3. Barbershops.
 4. Beauty parlors.
 5. Bedding sales but not including furniture stores, provided that the zoning lot shall either be located on a heavy traffic route system or on a collector street with a right-of-way width not less than eighty (80) feet, and further provided that in no case shall the total floor area exceed three thousand (3,000) square feet.

6. Bicycle sales, rental and repair establishments.
7. Book, magazine and stationery stores.
8. Candy and ice cream stores.
9. Churches.
10. Clubs and lodges, private.
11. Drugstores.
12. Dry cleaning and laundry establishments employing not more than eight (8) persons, including drive-up service windows if the zoning lot has direct vehicular access to either the heavy traffic system or a collector street via a driveway approach where the Traffic Engineer has determined that this site will properly accommodate such an operation and that traffic problems will not be created in the street. (Am. by Ord. 7407, 5-7-81)
13. Dwelling units and lodging units located above the ground floor not not to exceed four (4) dwelling units and not exceeding fifty percent (50%) of the total building floor area. (Am. by Ord. 7142, 11-7-80)
14. Fire stations.
15. Florist shops and conservatories employing not more than five (5) persons.
16. Food stores--grocery stores, meat stores, fish markets, bakeries employing not more than eight (8) persons, and delicatessens.
17. Gift shops.
18. Hardware stores.
19. Hobby shops.
20. Libraries, municipally owned and operated.
21. Liquor stores, packaged goods only.
22. Medical, dental and optical clinics, including accessory laboratories.
23. Nursery schools.
24. Offices for professional persons, for insurance or real estate organizations, and for nonprofit civic, fraternal, governmental research, labor, political, religious and service organizations or associations.
25. Outpatient housing facilities.
26. Paint and wallpaper store, provided it is located in a shopping center containing eight (8) or more retail businesses.
27. Parks and playgrounds.
28. Pet shops, including boarding of dogs, cats and other household pets when conducted as an incidental use and in an enclosed building.
29. Photography studios, including the development of films and pictures when conducted as part of the retail business on the premises.
30. Post offices.
31. Recreational buildings and community centers, not operated for profit.
32. Restaurants, except adult entertainment taverns. (Am. by Ord. 6101, 1-6-78)
33. Schools--elementary, junior high or high.
34. Shoe and hat repair stores.

ZONING CODE

Sec. 28.09(2)(c)35.

35. Toy shops.
36. Variety stores.
37. Wearing apparel shops.
38. Banks and financial institutions including drive-up service windows provided that the zoning lot shall be part of a contiguous Commercial Zoned District with an area larger than five (5) acres; provided that the zoning lot shall have direct vehicular access to either the heavy traffic route system or a collector street via a driveway approach where the Traffic Engineer has determined traffic problems will not be created in the street and further provided that in no case shall the total floor area exceed five thousand (5,000) square feet. (Cr. by Ord. 4456, 2-1-74)
39. Community living arrangements provided:
 - a. That the loss of any state license or permit by a community living arrangement be an automatic revocation of that facility's use permit.
 - b. That the applicant disclose in writing the capacity of the community living arrangement.
 - c. That the community living arrangement be located above ground floor.(Sec. 28.09(2)(c)39. Cr. by Ord. 5636, 11-3-76)

- 40. Camera and photographic supply stores. (Cr. by Ord. 5638, 11-3-76)
 - 41. Reserved For Future Use.
 - 42. Travel bureaus and transportation ticket offices, provided that the zoning lot is located on a heavy traffic route system or on a collector street with a right-of-way width not less than eighty (80) feet, and further provided that in no case shall the total floor area exceed one thousand five hundred (1,500) square feet. (Cr. by Ord. 6076, 1-6-78)
 - 43. Art galleries. (Cr. by Ord. 6111, 1-26-78)
 - 44. Reserved For Future Use.
 - 45. Sporting goods stores, including the sale of live bait, provided that in no case shall the total floor area exceed three thousand (3,000) square feet, and further provided that hours of operation be limited to the hours between 7:00 a.m. and 9:00 p.m. unless approved as a conditional use. (Cr. by Ord. 6261, 5-24-78)
 - 46. Small home appliances, sales and service, not including stoves, refrigerators, freezers, washers or dryers, provided that the zoning lot shall either be located on a heavy traffic route system or on a collector street with a right-of-way width not less than eighty (80) feet, and further provided that in no case shall the total floor area exceed three thousand (3,000) square feet. (Cr. by Ord. 6866, 12-28-79)
 - 47. Mission house. (Cr. by Ord. 7372, 3-27-81)
- (d) Conditional Uses. The following conditional uses may be allowed in the C1 district subject to the provisions of Section 28.12(10):
- 1. Automobile laundries, provided:
 - a. That the zoning lot shall be located within a C1 district which, as one district or in combination with other commercial or manufacturing districts, extends continuously for at least five hundred (500) feet on one side of a street.
 - b. That the hours of operation shall be limited to the hours between 7:00 a.m. and 9:00 p.m.
 - 2. Automobile service stations for the retail sale and dispensing of fuel, lubricants, tires, batteries, accessories and supplies, including installation and minor services customarily incidental thereto, and facilities for chassis and gear lubrication and for washing of motor vehicles only if enclosed in a building, provided that the provisions set forth in 1.a. above shall apply.
 - 3. Buildings in which there are five (5) or more dwelling units and where dwelling units occupy more than fifty percent (50%) of the total building floor area. (Am. by Ord. 7142, 11-7-80)
 - 4. Greenhouses and nurseries, provided that such establishments shall be located on a major highway and further provided that adequate screening shall be provided on the premises.
 - 5. Hotels and motels, provided that the zoning lot shall be not less than one (1) acre.
 - 6. Outdoor eating areas of restaurants. (Am. by Ord. 5198, 10-31-75)
 - 7. Parking facilities, open and accessory, for the storage of private passenger automobiles only, when located elsewhere than on the same zoning lot as the principal use served, subject to the applicable provisions of Section 28.11.
 - 8. Parking facilities, accessory and located outside of the central area, subject to the applicable provisions of Section 28.11.
 - a. Accessory off-street parking facilities for a residential

- building where the proposed total number of spaces will exceed that required by this ordinance for such use or for an equivalent new use by more than fifty percent (50%) or four (4) spaces, whichever number is greater.
- b. Accessory off-street parking facilities for any building, other than a residential building, where the proposed total number of spaces will exceed that required by this ordinance for such use or for an equivalent new use by more than one hundred percent (100%) or fifteen (15) spaces, whichever number is greater.
 9. Parking facilities, accessory and located within the central area, where the number of parking spaces in such facilities exceeds the requirement set forth in Section 28.11(3)(b) for similar uses.
 10. Parking lots, garages and structures, nonaccessory and publicly owned and operated, for the storage of private passenger automobiles only, subject to the applicable provisions of Section 28.11.
 11. Printing and publishing establishments, including newspaper, letter press, business cards, mimeographing and other similar job printing service, provided that there shall be not more than five (5) employees, and further provided that the hours of operation shall be limited to the hours between 7:00 a.m. and 9:00 p.m.
 12. Public service signs.
 13. Public utility and public service uses as follows:
 - a. Electric substations.
 - b. Gas regulator stations, mixing stations and gate stations.
 - c. Radio and television towers.
 - d. Railroad rights-of-way, including rights-of-way for switch, spur or team tracks, but not including railroad yards and shops, or freight and service buildings. (Am. by Ord. 8276, 3-5-84)
 - e. Sewerage system lift stations.
 - f. Telephone exchanges, microwave relay towers and telephone transmission equipment buildings.
 - g. Water pumping stations and water reservoirs.
 14. Radio and television studios and stations, provided that the zoning lot shall be not less than one and one-half (1 1/2) acres.
 15. Temporary parking lots for a total period not to exceed three (3) years, provided such lot complies with the provisions of Section 10.08(6)(c), driveway and parking facility ordinance. (Am. by Ord. 7810, 8-27-82)
 16. Undertaking establishments and funeral parlors, provided that the zoning lot shall be not less than one (1) acre and further provided that where such zoning lot abuts a church site, the combined areas of both zoning lots shall be not less than one and one-half (1 1/2) acres regardless of the zoning district of the church site.
 17. Banks and financial institutions including drive-up service windows provided that the zoning lot shall have direct vehicular access to either the heavy traffic routes system or a collector street via a driveway approach where the Traffic Engineer has determined traffic problems will not be created in the street and further provided that in no case shall the total floor area exceed five thousand (5,000) square feet. (Cr. by Ord. 4457, 2-1-74)
 18. Furniture stores provided that the zoning lot shall either be located on an arterial street or on a collector street with a right-of-way not less than eighty (80) feet and further provided that in no case shall the total floor area exceed five thousand (5,000) square feet. (Cr. by Ord. 4647, 8-2-74)

- 19. Business offices, machine sales and services establishments provided that the zoning lot shall be located on an arterial street with a right-of-way not less than eighty (80) feet and further provided that in no case shall the total floor area exceed five thousand (5,000) square feet. (Am. by Ord. 5252, 12-24-75)
 - 20. Parking facilities, nonaccessory and publicly or privately owned and operated for parking of private passenger automobiles only, subject to the provisions of Section 28.11 and limited to those areas paved as of January 1, 1977, or those owned by the City Parking Utility as of January 1, 1977. (Cr. by Ord. 5946, 8-15-77)
 - 21. Upholstery and interior decorating shops, provided that the zoning lot shall be located on an arterial highway or collector street and further provided that in no case shall the total floor area exceed five thousand (5,000) square feet. (Am. by Ord. 8223, 1-30-84)
 - 22. Artisan workshops, including production for sale off the premises, provided that the Plan Commission shall find:
 - a. That the specific activities proposed, at that location, are consistent with the recommendations of the adopted Land Use Plan for the City; and
 - b. That the specific activities proposed will comply with the provisions of Section 28.04(17), with particular consideration given to the potential effects of heat producing equipment, power driven tools, and operations involving pounding or hammering; and
 - c. That the specific activities and hours of operation proposed will create no traffic or other impact detrimental to the purposes of the zoning district or the use and enjoyment of surrounding properties.
- (Sec. 28.09(2)(d)22. Cr. by Ord. 6113, 1-26-78)
- 23. Live bait stores, where hours of operation exceed those permitted under Section 28.09(2)(c). (Cr. by Ord. 6261, 5-24-78)
 - 24. Reserved for Future Use.
 - 25. Walk-up Service Openings within ten (10) feet of a public right-of-way. (Cr. by Ord. 9464, 4-29-88)
- (e) Lot Area Requirements. In the C1 district, lot areas shall be provided in accordance with the following requirements:
- 1. Dwelling units.

Minimum Lot Area Per Dwelling Unit	Type of Dwelling Unit
700 square feet	Efficiency
1,000 square feet	One bedroom
1,300 square feet	Two bedroom

plus an additional three hundred (300) square feet of lot area for each additional bedroom in excess of two (2) in a dwelling unit.
 - 2. Lodging rooms--minimum lot area of four hundred (400) square feet per lodging room.

- (f) Height Regulations. In the C1 district, no building or structure shall exceed three (3) stories nor forty (40) feet in height.
- (g) Yard Requirements. In the C1 district, minimum yards shall be provided as follows:
1. A yard shall be provided where the extension of a front or side lot line abutting a street coincides with a front lot line of an adjacent lot located in a residence district. Such yard shall be equal in depth to the minimum front yard required by this ordinance on such adjacent residential lot. Such yard shall be provided along such front or side lot line abutting a street for a distance of at least fifty (50) feet, including the width of any intervening alley, from such residential lot.
 2. A yard shall be provided where a side lot line coincides with an alley right-of-way line or a side or rear lot line in an adjacent residence district. Such yard along such side lot line shall be equal in dimension to the minimum side yard which would be required under this ordinance for a residential use opposite such alley right-of-way line or on the adjacent residential lot.
 3. A yard shall be provided where a rear lot line coincides with an alley right-of-way line or a side lot line or rear lot line of an adjacent parcel. Such yard along such rear lot line shall be twenty (20) feet in depth for buildings not exceeding one story in height, and thirty (30) feet for buildings exceeding one (1) story in height. (Am. by Ord. 9136, 3-12-87)
 4. For residential uses, there shall be provided side and rear yards as established in the R5 district regulations. For residential uses located above the ground floor, such yards shall begin at a level no higher than the level of the finished floor of the lowest residential unit.
- (h) Usable Open Space Requirements. In the C1 district, there shall be provided a usable open space of not less than one hundred sixty (160) square feet for each lodging room, efficiency unit or one bedroom unit, plus an additional one hundred sixty (160) square feet for each additional bedroom in excess of one in a dwelling unit.
- (i) (R. by Ord. 5831, 5-6-77)

(3) C2 General Commercial District.

(a) Statement Of Purpose. The C2 general commercial district is established to accommodate the shopping needs of a much larger consumer population and area of residency than that served by the C1 limited commercial district. Within this district, which is located in relative proximity to residential areas and to major thoroughfares, is permitted a wider range of uses than in the C1 limited commercial district. Uses permitted in this district include not only the retailing of convenience goods and the furnishing of certain personal services, but also the retailing of durable and fashion goods and the furnishing of other types of services. Also permitted are all types of office uses. Within this district, there is no limitation on the size of establishments as provided in the C1 limited commercial district, except any retail use or any hotel or motel exceeding 50,000 square feet in size must be approved as conditional uses. (Am. by Ord. 8287, 3-16-84)

(b) General Regulations. Uses permitted in the C2 district are subject to the following conditions:

1. All goods produced on the premises shall be sold at retail on the premises where produced unless approved as a conditional use. (Am. by Ord. 5982, 9-30-77)
2. All business, servicing or processing shall be conducted within completely enclosed buildings, except for off-street parking, off-street loading, display and sale of farm produce and nursery stock, display of merchandise such as garden, lawn and recreation supplies and equipment for sale to the public, vending machines, establishments of the drive-in type and outdoor eating areas of restaurants approved as a conditional use by the Plan Commission, or display and sale of merchandise in City-owned public parking lots under the control of the Parking Utility wherein such sale is controlled by a lease between the City of Madison and the party or parties displaying and selling the merchandise. (Am. by Ord. 9535, 7-28-88)
3. Parking of trucks as an accessory use, when used in the conduct of a permitted business listed hereinafter, shall be limited to vehicles of not over one and one-half (1 1/2) tons capacity when located within one hundred fifty (150) feet of a residence district boundary line.
4. Any major alteration to the exterior face of retail, hotel and motel buildings over 50,000 square feet, including but not limited to painting of an unpainted exterior face, shall be permitted only after Urban Design Commission review and approval. Any action by the Urban Design Commission may be appealed to the City Plan Commission by the applicant or by the Alderman of the District in which the use is located. (Cr. by Ord. 9239, 8-14-87)

(c) Permitted Uses. The following uses are permitted in the C2 district:

1. Accessory uses.
2. Any use permitted in the C1 district.
3. Amusement establishments, including archery ranges, bowling alleys, golf driving ranges, gymnasiums, pool halls, swimming pools, skating rinks and other similar indoor amusement facilities. (Am. by Ord. 8500, 12-31-84)
4. Antique shops.
5. Art galleries and museums.
6. Auction rooms.
7. Automobile accessory stores.
8. Banks and financial institutions.
9. Blueprinting and photostating establishments.
10. Business machine sales and service establishments.
11. (R. by Ord. 5638, 11-3-76)
12. Carpet and rug stores.
13. Catering establishments.
14. China and glassware stores.
15. Clothing and costume rental stores.
16. Coin and philatelic stores.
17. Convalescent homes and nursing homes, provided that the zoning lot shall be not less than one-half (1/2) acre and further provided that the side and rear yards as established in the R5 district are provided. Provided also that the intended use abuts on one side either:
 - a. A residential zoning district; or
 - b. A substantially permanent residential building in the commercial district.
18. Department stores.
19. Dry goods stores.
20. Employment agencies.
21. Exterminating shops.
22. Floor covering stores (linoleum and tile).
23. Florist shops and conservatories with no limitation on number of employees.
24. Fraternal, philanthropic and eleemosynary uses.
25. Furniture stores.
26. Furrier shops, including the incidental storage and conditioning of furs.
27. Hospitals and sanitariums.
28. Hotels and motels.
29. Household appliance stores, including radio and television sales and service.
30. Interior decorating shops, including upholstering and making of draperies, slipcovers and other similar articles when conducted as part of the retail operation and secondary to the principal use.
31. Jewelry stores, including watch repair.
32. Laboratories--research, development and testing.
33. Leather goods and luggage stores.
34. Loan offices.
35. Locksmith shops.
36. Meat markets, including sale of meat and meat products to restaurants, hotels, clubs and other similar establishments when such sale is conducted as part of the retail business on the premises.

37. Musical instrument sales and repair.
 38. Offices, business and professional.
 39. Office supply stores.
 40. Optical sales.
 41. Orthopedic and medical appliance and supply stores.
 42. Paint and wallpaper stores.
 43. Phonograph, record and sheet music stores.
 44. (R. by Ord. 7006, 6-6-80)
 45. Picture framing.
 46. Printing, publishing and bookbinding establishments.
 47. Radio and television studios and stations.
 48. Recording studios.
 49. Schools--music, dance, business or trade.
 50. Secondhand stores and rummage shops.
 51. Sewing machine sales and service, household appliances only.
 52. Sporting goods stores.
 53. Tailor shops.
 54. Taverns, except adult entertainment taverns. (Am. by Ord. 6101, 1-6-78)
 55. Taxidermists.
 56. Telegraph offices.
 57. Theaters, indoor.
 58. Ticket agencies, amusement.
 59. Tobacco shops.
 60. Travel bureaus and transportation ticket offices.
 61. Typewriter and adding machine sales and service establishments.
 62. Undertaking establishments and funeral parlors.
 63. Upholstery shops.
 64. Water softener sales and service.
 65. Film developing and processing. (Cr. by Ord. 6226, 5-3-78)
 66. Wholesale magazine distribution agencies, provided the hours of operation are limited to 7:00 a.m. to 7:00 p.m., and further provided that none of the magazines handled by such agencies fall within the definition of materials handled by an adult book store as defined in Sec. 28.03(2). (Cr. by Ord. 6876, 1-17-80)
 67. Outdoor display and sale of farm produce and nursery stock. (Cr. by Ord. 7020, 6-27-80)
 68. Newspaper distribution agencies for home delivery and retail sale provided the property is not adjacent to a residential lot. (Cr. by Ord. 8254, 2-20-84)
 69. Sewer cleaning service. (Cr. by Ord. 8447, 10-12-84)
 70. Display and sale of merchandise in City-owned public parking lots under the control of the Parking Utility wherein such sale is controlled by a lease between the City of Madison and the party or parties displaying and selling the merchandise. (Am. by Ord. 8904, 6-26-86)
 71. Neon tube bending. (Cr. by Ord. 9553, 8-11-88)
 72. Adult day care facilities. (Cr. by Ord. 9718, 3-2-89)
- (d) Conditional Uses. The following conditional uses may be allowed in the C2 district subject to the provisions of Section 28.12(10).
1. Any use allowed as a conditional use in the C1 district unless permitted in (c) above.

2. Outdoor eating areas of restaurants and/or outdoor areas of cabarets. (Cr. by Ord. 7472, 7-30-81)
3. Automobile laundries, provided that the Plan Commission shall first obtain a report and recommendations from the Traffic Engineer on traffic matters.
4. Boat showrooms, including accessory sales, and repairs of boats, motors, parts and equipment, provided that the Plan Commission shall find:
 - a. That adequate off-street parking exists on the site.
 - b. That all repair of boats, motors, parts and equipment, and all sales and storage of boats, motors, parts and equipment, shall be conducted and displayed within completely enclosed buildings.
 - c. That any such use shall be located not less than one hundred twenty (120) feet from any residence district boundary line.
5. Contractors or construction offices and shops and display rooms, such as building, cement, electrical, heating, ventilating and air conditioning, masonry, painting, plumbing, refrigeration and roofing, provided that all parking (other than automobiles), loading, display of merchandise and parking or storage of equipment and supplies shall be conducted within completely enclosed buildings.
6. Garages for repair and servicing of motor vehicles of not over one and one-half (1 1/2) tons capacity, including accessory towing and wrecker service, but not including body repairs, painting or motor rebuilding, providing that the Plan Commission shall find:
 - a. That adequate off-street parking exists on the site for vehicles awaiting repairs, servicing or pickup.
 - b. That all other business and servicing shall be conducted within completely enclosed buildings.
 - c. That no permanent or temporary storage of wrecked vehicles or rental vehicles shall occur on the premises unless completely screened from view or within an enclosed building.(Am. by Ord. 8430, 9-18-84)
7. Storage and warehousing establishments, provided such gross floor area shall not exceed ten thousand (10,000) square feet, and further provided that the Plan Commission shall first obtain a report and recommendations from the Traffic Engineer on traffic matters.
8. Planned development-hospital facility, provided that the total site area shall be not less than one and one-half (1 1/2) acres and further provided that the site may consist of two (2) or more zoning lots separated only by a public right-of-way where authorized by the Plan Commission.
9. Drive-in establishments.
10. Bus terminals and bus turnaround areas, provided direct vehicular access is to a major traffic route and further provided the location is not in conflict with adopted plans.
11. Small machine shop, provided that no individual machine used in the shop exceeds one thousand two hundred (1,200) pounds, that no welding, forging or casting is conducted on site, that there shall be not more than five (5) shop employees, that the hours of operation shall be limited to the hours between 7:00 a.m. and 9:00 p.m., and that finished products shall not exceed twenty-five (25) pounds in weight.

12. Business community parking lot for operable passenger automobiles of persons employed full time within the immediate neighborhood, provided:
- a. That such parking lot shall be located outside the central area.
 - b. That no building shall be located on such lot.
 - c. That at least eighty percent (80%) of the parking spaces located on such lot shall be leased on a monthly basis to persons employed full time in buildings within one thousand (1,000) feet walking distance from such parking lot.
 - d. That the site shall not abut residentially zoned property.
 - e. That the Traffic Engineer shall, prior to the approval of such lot, submit a report and recommendations regarding traffic and parking needs and conditions within the area.
 - f. That such lot contains a setback area which will be planted and landscaped and which conforms to screening regulations.
13. Trailer rental, for use with private passenger motor vehicles. (Cr. by Ord. 4755, 10-24-74)
14. Automobile rental agencies provided direct vehicular access is to the heavy traffic route system. (Cr. by Ord. 5092, 7-29-75)
15. Sales of motorcycles, provided that the Plan Commission shall find:
- a. That adequate off-street parking exists for motorcycles and automobiles.
 - b. That all sales and service be conducted within completely enclosed buildings.
 - c. That screening, landscaping, lighting and signs are appropriate to the location.

(Sec. 28.09(3)(d)15. Cr. by Ord. 5515, 6-25-76)

16. Automobile sales establishments in abandoned automobile service station sites provided that the Plan Commission shall find:
- a. That there is adequate screening and landscaping, including between the site and residential uses.
 - b. That no permanent or temporary storage of vehicles in disrepair shall occur on the premises unless within a completely enclosed building.
 - c. That the site fronts on either a street designated as an arterial street or on a frontage road adjacent to a designated arterial street.
 - d. That illumination of the site does not adversely affect adjacent properties.
 - e. That signs shall conform to the size limitation of the R5 residential district if the site is opposite or adjoining residential property.
 - f. That the hours of operation shall be limited to 8:00 a.m. to 8:00 p.m.

(Sec. 28.09(3)(d)16. Cr. by Ord. 5533, 7-13-76)

17. Adult entertainment establishments, subject to the following conditions:
- a. All exterior windows in any premises occupied by such establishment shall be blackened to the extent necessary to make them opaque.
 - b. No such establishment shall be located within five hundred (500) lineal feet of a church, or a private or public elementary, secondary or vocational school, or a public park, or within five hundred (500) lineal feet of any residence district.

- c. Such establishment may have only one (1) nonflashing business sign, which sign may only indicate the name of the business and identify it as an adult entertainment establishment.
(Sec. 28.09(3)(d)17. Cr. by Ord. 5711, 12-28-76)
18. Attendant or metered automobile parking facilities solely for the short term (3 hours or less) use of patrons and other visitors of retail, service, office, cultural and recreational uses in the vicinity of the State Street Mall and Capitol Concourse provided:
- a. That such lot is within three hundred (300) feet of the limits of the C4 Central Commercial District, and
 - b. That such lot contains a setback area which will be planted and landscaped and which conforms to screening regulations, and
 - c. That the Traffic Engineer shall, prior to the approval of such facility, submit a report and recommendation regarding traffic and parking conditions within the area, and
 - d. That such lot, at its location, does not defeat the adopted objectives and policies of the City nor the purposes of the zoning district, and
 - e. That no residential building shall be located on such lot.
(Sec. 28.09(3)(d)18. Cr. by Ord. 5905, 7-7-77)
19. Bakeries with more than eight (8) employees or selling at other than retail provided:
- a. That adequate off-street parking and loading exists on the site.
 - b. That the hours of operation shall be established after consideration of the occupants of adjacent properties.
(Cr. by Ord. 5982, 9-30-77)
20. Model homes or garage displays. (Cr. by Ord. 6971, 4-30-80)
21. Physical culture and health services, reducing salons, masseurs and public baths, subject to the following conditions:
- a. The identity, including officers and agent of any corporation and all partners in a partnership, of the owner of the building and any lessee of the portion of the building so used shall be filed with the Zoning Administrator. A copy of any lease involved shall be filed with the Zoning Administrator. Changes in any of the above information shall be reported within ten (10) days of the change to the Zoning Administrator.
 - b. The person seeking the conditional use permit shall provide, in writing, a full and detailed description of the proposed business as part of the application and shall update such description as changes occur.
 - c. The intimate parts, as that term is defined in Sec. 939.22(19), Wis. Stats., of employees shall be covered with opaque material at all times.
 - d. For public baths only, no employee shall be present with any patron in any hot tub, sauna, steam room or whirlpool except in an emergency. The occupant shall permit inspection of facilities by the City Health Division during regular business hours.
 - e. The occupant shall not permit the violation of any law relating to commercial sexual activity.
 - f. Failure of compliance with any of these conditions or operation of the business in a manner other than as most recently described may be grounds for revocation of the conditional use permit.
(Cr. by Ord. 7006, 6-6-80)

22. Jail facilities. (Cr. by Ord. 7470, 7-30-81)
 23. (R. by Ord. 7873, 11-29-82)
 24. Any new construction of a building or an addition to an existing building in which any portion of such building or addition exceeds fifty thousand (50,000) square feet in gross floor area and is designed or intended for retail use or for a hotel or motel. This conditional use and the one hereafter are established to allow consideration of the potential impacts of the proposed conditional use on the transportation system and on the policy objectives for transportation and land use, including noise, air quality and appearance. In addition to the requirements of Section 28.12(10), "Conditional Uses," the applicant shall provide an analysis in accordance with the guidelines established by the City Department of Transportation of the proposed development's impacts on the transportation system and associated recommended solutions to the Plan Commission. The Urban Design Commission shall review the design and appearance of the proposed conditional use and provide recommendations to the Plan Commission. (Cr. by Ord. 8287, 3-16-84)
 25. Any change of use to a retail use or a hotel or motel in a building in which more than fifty thousand (50,000) square feet of gross floor area of such building is devoted to a retail use or to a hotel or motel. For the purpose of this paragraph, a change in use shall mean a change from any other use to a retail use or to a hotel or motel. (Cr. by Ord. 8287, 3-16-84)
 26. (R. by Ord. 9718, 3-2-89)
 27. Dance halls. (Cr. by Ord. 8500, 12-31-84)
 28. Reserved for Future Use.
 29. Lease for a year or longer or sale of parking stalls by the owner of an accessory parking structure to an owner or lessee of a building or portion thereof which has no or insufficient parking for said building, for use of his/her employees, patrons or visitors, provided:
 - a. That the stalls being leased or sold are in excess of the number required by the zoning ordinance for the use which the accessory parking structure serves and may not be used to meet minimum off-street parking requirements for the use for which the lessee or buyer is obtaining them.
 - b. That the stalls being leased or sold are used for accessory nonresidential parking by the lessee or buyer.
 - c. That the owner of the parking structure in which the stalls are being leased file with the City of Madison Zoning Administrator by January 15 of each year a statement setting forth the number of stalls being leased and the name and address of the firm to which the stalls are being leased.
 - d. That such lease or sale, at its location, does not defeat the adopted objectives and policies of the City nor the purposes of the zoning district.
 - e. That the stalls being leased or sold are not leased or sold to individual parkers.
- (Cr. by Ord. 9028, 12-11-86)

- (e) Lot Area Requirements. In the C2 district, the lot area requirements of the C1 district shall apply.
- (f) Floor Area Ratio. In the C2 district, the floor area ratio shall not exceed 3.0.
- (g) Yard Requirements. In the C2 district, minimum yards shall be provided as follows:
 1. A yard shall be provided where the extension of a front or side lot line abutting a street coincides with a front lot line of an adjacent lot located in a residence district. Such yard shall be equal in depth to the minimum front yard required by this ordinance on such adjacent residential lot. Such yard shall be provided along such front or side lot abutting a street for a distance of at least twenty-five (25) feet, including the width of any intervening alley, from such residential lot.
 2. A yard shall be provided where a side lot line coincides with an alley right-of-way line or a side or rear lot line in an adjacent residence district. Such yard along such side lot line shall be equal in dimension to the minimum side yard which would be required under this ordinance for a residential use opposite such alley right-of-way line or on the adjacent residential lot.
 3. A yard shall be provided where a rear lot line coincides with an alley right-of-way line or a side lot line or rear lot line of an adjacent parcel. Such yard along such rear lot line shall be ten (10) feet in depth for buildings not exceeding one story in height, and thirty (30) feet for buildings exceeding one story in height. (Am. by Ord. 9136, 3-12-87)
 4. For residential uses, there shall be provided side and rear yards as established in the R5 district regulations. For residential uses located above the ground floor, such yards shall begin at a level no higher than the level of the finished floor of the lowest residential unit.
- (h) Usable Open Space Requirements. In the C2 district, the usable open space requirements of the C1 district shall apply.
- (i) (R. by Ord. 5831, 5-6-77)
- (4) C3 Highway Commercial District.
 - (a) Statement of Purpose. The C3 Highway Commercial district is established to furnish the consumer population served by the C2 General Commercial district with a wide variety of goods and services, some of which are not compatible with the uses permitted in the C2 General Commercial district and thus not permitted therein. Within this district are permitted those uses which because of certain locational requirements and operational characteristics are appropriate to locations either in close proximity to major thoroughfares or in areas away from residences.
 - (b) General Regulations. Uses permitted in the C3 district are subject to the following conditions:

1. All business, servicing or processing, except for off-street parking, off-street loading, display of merchandise for sale to the public, establishments of the drive-in type and outdoor eating areas of restaurants approved as a conditional use by the Plan Commission shall be conducted within completely enclosed buildings unless otherwise indicated hereinafter. Areas adjoining or fronting on Arterial or Collector streets and used for outdoor display of merchandise for sale to the public shall comply with the landscaping requirements of Section 28.04(12)(b)1., 2. and 3. (Am. by Ord. 8542, 3-18-85)
2. Parking of trucks as an accessory use, when used in the conduct of a permitted business listed hereinafter, shall be limited to vehicles of not over one and one-half (1 1/2) tons capacity when located within one hundred fifty (150) feet of a residence district boundary line.
3. All storage within three hundred (300) feet of a residence district, arterial or collector street, except for motor vehicles in operable condition, shall be within completely enclosed buildings or effectively screened with screening not less than six (6) feet nor more than eight (8) feet in height, provided no storage located within fifty (50) feet of such screening shall exceed the maximum height of such screening; further provided, however, the Zoning Administrator may approve alternate landscaping/screening plans meeting the general intent, purpose and guidelines of the revised "New Approach to Parking Lot Landscaping" adopted by Substitute Resolution No. 37,915. (Am. by Ord. 9392, 1-29-88)
4. Any major alteration to the exterior face of retail, hotel and motel buildings over 50,000 square feet, including but not limited to painting of an unpainted exterior face, shall be permitted only after Urban Design Commission review and approval. Any action by the Urban Design Commission may be appealed to the City Plan Commission by the applicant or by the Alderman of the District in which the use is located. (Cr. by Ord. 9239, 8-14-87)

(c) Permitted Uses. The following uses are permitted in the C3 district:

1. Accessory uses.
2. Any use permitted in the C2 district.
3. Animal hospitals and kennels, including outdoor dog runs or exercise pens when located not less than two hundred (200) feet from a residence district.
4. Any production, processing, cleaning, servicing, testing or repair of materials, goods or products, limited to the following uses or products:
 - a. Advertising products, such as signs and billboards.
 - b. Awnings, venetian blinds and window shades.
 - c. Bottling or distribution plants, milk or soft drinks.
 - d. Ceramic products, such as pottery, figurines and small glazed tiles.
 - e. Cooperage works.
 - f. Film developing and processing.
 - g. Furniture refinishing.
 - h. Jewelry.
 - i. Medical, dental and optical supplies.
 - j. Milk and ice cream processing.

