

# NEXJENN REAL ESTATE LLC REZONING RECOMMENDATION

To: Thiensville Planning Commission

Prepared by Jon Censky, Village Planner

Date: April 14, 2020

Item No. **IV. E.**

## General Information

**Applicant:**

NexJenn Real Estate LLC

**Status of Applicant:**

Property Owner

**Requested Action:**

Rezoning Recommendation

**Existing Zoning:**

R-4 Multiple-Family Residential and B-2 Shopping Center District

**Proposed Zoning:**

R-5 Multiple-Family, B-3 Highway Business District & PDO Planned Development Overlay

**Location:**

266-286 North Main Street & 217-227 Green Bay Road

**Land Use Plan Designation:**

High Density Residential and Commercial

**Existing Land Use:**

Vacant

## Proposal:

Commissioners will recall that last December, you recommended changing the Land Use Plan classification for this site to mirror the high-density residential use and the reduced commercial area being proposed herein. That recommendation was discussed and approved by the Village Board in January. The applicant has now submitted more detailed plans and is requesting rezoning recommendation from the R-4 Multiple-Residential District with a maximum density of 11.5 units/acre to the R-5 Multiple-Family Residential District with densities not to exceed 14 units/acre. They are also requesting to reduce the commercially zoned area of this property and to rezone it from B-2 Shopping Center District to B-4 Highway Business District and to apply the PDO Planned Development Overlay District over the entire project area to tie this into one unified planned development. The overlay district also provides the flexibility needed to increase the density up to a maximum of 22 units/acre and to adjust the standards of the base R-5 and B-4 Districts as needed.

PDO type developments typically encompasses one or more principal uses and/or structures where strict compliance with the regulations and standards of the underlying basic zoning district would prevent such development. The PDO Overlay District is a tool that allows the Village Board, following a recommendation from the Plan Commission, to consider modifications for such things as density, shared parking, building location, height requirements, yard and setback standards and density

requirements to a maximum of 22 units/acre. As agreed, in previous discussions before this Commission and the Village Board, the density is based on the area of all five lots combined, including the Walgreens site.

With respect to density, the R-5 District permits densities up to 14 units per acre but the PDO overlay district allows the Village Board, following a recommendation, from the Plan Commission, to expand densities up to 22 units per acre. My calculations indicate that the project is within those limits whether the entire area, with all lots combined and owned by the developer, is used in the calculation or just the site specifically dedicated to the residential portion of the project is used. More specifically, when using the all lots combined, the density calculates out to 11.2 units per acre and when using just the site devoted to the residential portion of the project, the density is 22 units per acre.

Staff's review of these plans indicates that while the project is conforming to the density limits of the R-5 District, the following departures to the underlying Zoning Districts Standards are needed for this project to be approved as presented.

**Nonconforming to Standards:**

- R-5 Multiple-Family Residential District.  
**Code Requirement** – SEC 17.0307 1. Number of units per structure  
Multiple family dwellings not to exceed 12 dwelling units per structure.  
**Departure** – **Proposed building A has 45 units and building B has 44 units.**
- R-5 Multiple Family District and B-4 Highway Business Districts  
**Code Requirement** – SEC 17.0307 D. (R-5) States: Lots shall have the minimum of the larger of 15,000 square feet in area or 3,800 square feet per unit = 7.9 acres and Sec. 17.0311 D. (B-4) States: Lots shall have a minimum area of 10,000 square feet. =7.9 acre + 10,000sf = 7.99acres  
**Departure** – **The total project area = 7.94acres.**
- Parking requirements.  
**Code Requirement** – Section 17.0503 M (1) Single-family, two-family and multiple-family dwellings shall have two (2) spaces per dwelling unit with at least one (1) space per dwelling unit provided in a garage.  
**Departure** – **The plans propose 1.7 stalls per unit with 89 under cover. Staff notes however, that while this project does have sufficient parking to support the overall needs of the project, 26 of the surface stalls will be shared between the residential and retail uses.**
- Building Height.  
**Code Requirement** – **Section 17.0307 E.** states: No principle building, or part of a principle building shall exceed 40 feet in height and **Section 17.1300 J. Definitions**, states: Building Height. The vertical distance measure from the mean elevation of the finished lot grade along the street yard face of the structure to the heist point of the roof deck of a flat or mansard roof or the mean height of the hip, gambrel, arched, round or pitched roof.

**Departure** – The plans propose a building height of 51 feet to the ridge and 35 feet to the eve of the roof. Accordingly, the mean elevation of the proposed pitched roof is 43 feet, exceeding the structure height by 3 feet.

**Basis for Approval of the petition**

According to the new PDO Ordinance, the Plan Commission, in making its recommendation and the Village Board in making its determination, shall consider:

- That the petitioners for the proposed Planned Development Overlay District have indicated that they intend to begin the physical development of the PDO within (12) months following the approval of the petition and that the development will be carried out according to a reasonable development timetable, including all benchmark dates from commencement to completion of the physical development of the proposed project that is satisfactory to the Village.
- That the proposed Plan Development Overlay District is consistent in all respects to the purpose of this Section and to the spirit and intent of this Ordinance; is in conformity with the adopted Comprehensive Smart Growth Land Use Plan or any adopted components thereof; and, that the development would not be contrary to the general welfare and economic prosperity of the Village and that the benefits and improved design of the resultant development justifies the establishment of a PDO Planned Development Overlay District.
- The Village Plan Commission in making its recommendation and the Village Board in making its determination shall further find that:
  - a. The proposed site shall be provided with adequate drainage facilities for surface and storm waters.
  - b. The proposed site shall be accessible from public roads that are adequate to carry the traffic that can be expected to be generated by the proposed development.
  - c. No undue constraint or burden will be imposed on public services and facilities, such as fire and police protection, street maintenance, and maintenance of public areas by the proposed development.
  - d. The streets and driveways on the site of the proposed development shall be adequate to serve the residents of the proposed development and shall meet the minimum standards of all applicable ordinances or administrative regulations of the Village.
  - e. Public water and sewer facilities shall be provided.
  - f. The entire tract or parcel of land to be included in a Planned Development Overlay District shall be held under single ownership or if there is more than one (1) owner, the petition for such Planned Development Overlay District shall be considered as one (1) tract, lot or parcel, and the legal description must define said PDO as a single parcel, lot or tract and be so recorded with the Ozaukee County Register of Deeds office.

Moreover, such development will create an attractive residential environment of sustained desirability and economic stability, including structures in relation to terrain, consideration of safe pedestrian flow, ready access to recreation space and coordination with overall plans for the community.

The total net residential density within the Planned Development Overlay District will be consistent with the Village's Smart Growth Land Use Plan and the density determined on a case-by-case basis by the Village Board following review and recommendation by the Plan Commission.

Provision has been made for the installation of adequate public facilities and the continuing maintenance and operation of such facilities.

Adequate, continuing fire and police protection is available.

The population composition of the development will not have an adverse effect upon the community's capacity to provide needed school or other municipal service facilities.

Adequate guarantee is provided for permanent preservation of open space areas as shown on the approved site plan either by private reservation and maintenance or by dedication to the public.

### **Planner's Comments/Recommendation**

In making your recommendation, you will need to reference and support the deviations from the basic use district standards, as noted above, for this project to be approved as proposed. These deviations include the departure from the maximum number of units/structure from 12 units/structure to 44 and 45 units/structure; the small departure from the required lots size; the number of parking stalls for the residential component from 2 stalls/unit to 1.7 stalls (shared parking as proposed is encouraged) and the building height exceeds the maximum allowed by 3 feet. In addition to recommending these departures, your motion should include the stipulation that all lots within this project be combined into one.

Staff believes that this project will provide good utilization of the land that formerly supported a highly intensive shopping center with a grocery store as its anchor tenant. In my view, this project will not have an unreasonably adverse effect on neighboring properties as the structures proposed for the project will harmonizes with and enhances the look of the area. Moreover, the building materials being chosen are quality materials that will complement the general character of other buildings and structures in the vicinity of the proposed development. The proposed project will result in the construction or upgrading of specific public infrastructure improvements that will benefit the public the proposed project will enhance an existing structure that is deemed beneficial to the character of the Village of Thiensville.

# Petition

for the approval of a Planned Development Overlay District (PDO) allowing for the master plan development of 4 buildings containing a total of 89 residential units, approximately 14,000 sf of retail/commercial space, 130 new surface parking space and 89 below ground parking spaces along with public greenspace, circulation, and all appurtenances (The Project) as further described herein.

Petitioner: NexJenn Real Estate LLC, Patricia Jennings Ullrich  
3048 N. Marietta Ave, Milwaukee, WI 53211

On behalf of the fee simple owner LRJ Bonnywell I, II, and III  
230 E. McArthur Lane  
Fox Point, WI 53217

The Village of Thiensville Planning Commission and Village Board  
Village of Thiensville, Ozaukee County, WI

April 14, 2020

## **Project Overview**

The Hawthorne Square project is the result of over 2 years of collaborative work to create a thoughtful comprehensive mixed-use infill redevelopment at the corner of Freistadt Rd and Main St. The coordinated area site planning and diversified location of structures and building types are intended to provide an exceptional experience for The Project residents and visitors along with those who currently reside elsewhere within the Village. The design, construction, planning, delivery, and management have been well thought out and coordinated

by our team of subject matter specialists. A safe and efficient system for pedestrian and vehicle traffic, and attractive recreation and open spaces for visitors, residents, customers, and existing Village residents is a priority for this development.

## **Project Team**

**Developer:** NexJenn Real Estate whose principle owners are Patricia Jennings Ullrich and Margarite Jennings Beach - NexJenn is a Real Estate Management, Development, and Consulting Firm with 30 years of diverse experience currently managing 13 real estate assets and 3 redevelopment sites. Refer to their website [nexjenn.com](http://nexjenn.com) for full biographies and company overview.

**Fee Simple Owner:** LRJ Bonnywell Village I, II, and III owned solely by Dr. and Mrs. Leander R Jennings - Ownership of subject property goes back to 1966 when the property was purchased from the Messinger Family. With the help of his father, David V. Jennings, a neighborhood shopping center was developed and served the community until about 20 years ago when Walgreens moved out of the strip shopping center and onto the corner, at which time the shopping center was demolished. Dr. Jennings had a partner, brother Phillip Jennings, who he bought out in 2017.

**Design and Project Management:** Eppstein Uhen Architects (EUA), Greg Uhen and Greg Zastrow are the principle design and project leads – EUA is best known for designing environments that elevate people’s potential. More than 230 employees in Milwaukee, Madison, and Denver demonstrate unparalleled commitment to the markets, communities and clients they serve. For additional information, please visit the firm’s website at [eua.com](http://eua.com).

**Feasibility/Research:** Moegenburg Research Group - Pete Moegenburg and Kyle Bjerke provided the initial study along with continued updates to provide insight concerning the market complexities influencing the project mix, density,

competitive outlook and overall feasibility analysis. The full 116-page feasibility study is available for your review.

**Construction and Construction Management:** Horizon Construction Group – Dan Fitzgerald and Mick Hintz, whose experience building and managing a project of this size and scope is without match. Horizon also owns most of what they build and therefore deliver the advantage of understanding the necessary quality required for an owner who has the intention of long-term ownership. Further information is available on their website [horizonbm.com](http://horizonbm.com)

**Financing:** Walker & Dunlop – Jim Cope and Andy Schoene are engaged with our team to provide the lender's view on project feasibility. Walker and Dunlop is the leading commercial debt provider in the area. The reliability of our modeling depends greatly on their experience they have with other similar developments. Learn more at [walkeranddunlop.com](http://walkeranddunlop.com)

**Civil Engineering and Landscape Design:** Kapur & Associates, Inc. - Kapur will provide civil plans, specifications, storm water management, and erosion control for review and final approval by the Village. Kapur will also obtain all other required permitting by WDNR, State Plumbing, and Agencies Having Jurisdiction and provide copies of those permits to the Village. Kapur will also be providing landscape design. See more at [kapurinc.com](http://kapurinc.com)

**Statement:** The petitioner asserts that The Project “conforms to the Village’s adopted master plan, or any adopted component thereof, and the general character of the uses to be in the proposed PDO, including the following information:”

1. **Total Area.** Total land area under consideration for the PDO is 7.945 acres between 5 total lots consisting of the following tax key #s:

- 120500324001
- 120500324003
- 120500324004
- 120500324005
- 120500326002

The number of dwelling units contained within the two larger buildings toward the Northeast (A) and Southeast (B) as of The Project contain a total of 89 residential units. The Southwest (C) and Northwest (D) buildings contain commercial space only. The unit composition is as follows:

The unit’s size, density and layout are further described visually on the following pages.			
<u># of units</u>	<u>Bedrooms</u>	<u>Average size</u>	<u>Average Occupancy</u>
47	1 BR	820 sf	1.5
30	2 BR	1,210 sf	2
6	3 BR	1,400 sf	3
<u>6</u>	<u>Townhomes 1,800 sf</u>		<u>3</u>
89 total units		104,040 sf	176 est. occupants
Commercial Building C		4,500 sf	
<u>Commercial Building D</u>		<u>9,500 sf</u>	
Total rentable sf		118,590 sf plus circulation	

# Unit Mix: Hawthorne Square

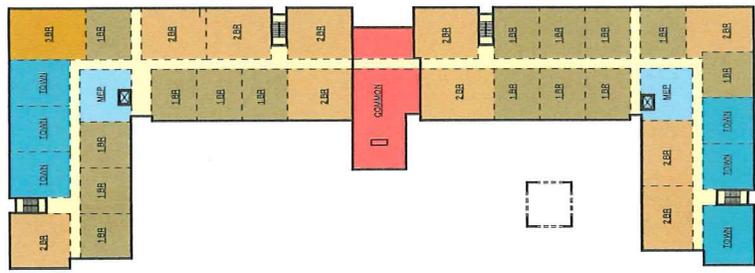
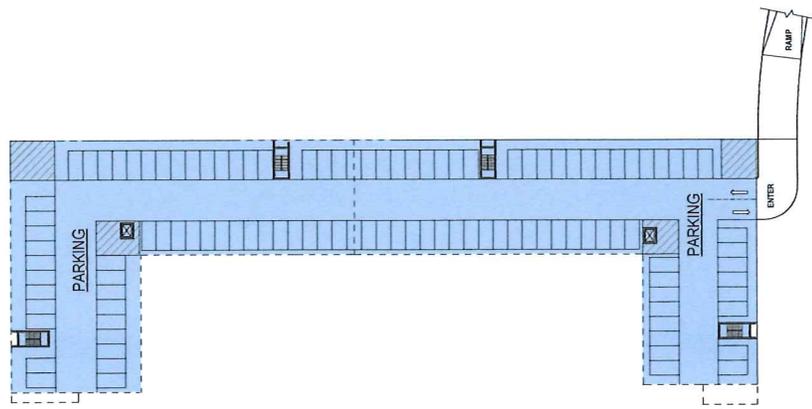
Unit Type	RESIDENT FLOORS				Apartment Data	
	ave. unit NSF	1	2	3	total	unit mix
<b>3BR subtotal</b>					<b>6</b>	<b>6.7%</b>
	1400					
Bldg A		1	1	1	3	
Bldg B		0	1	2	3	
<b>2BR subtotal</b>					<b>30</b>	<b>33.7%</b>
	1210					
Bldg A		5	6	6	17	
Bldg B		5	4	4	13	
<b>1BR subtotal</b>					<b>47</b>	<b>52.8%</b>
	820					
Bldg A		7	6	9	22	
Bldg B		8	8	9	25	
<b>Townhomes subtotal</b>					<b>6</b>	<b>6.7%</b>
	1800					
Bldg A		3	0	0	3	
Bldg B		3	0	0	3	
<b>BLDG A</b>		<b>16</b>	<b>13</b>	<b>16</b>	<b>45</b>	
<b>BLDG B</b>		<b>16</b>	<b>13</b>	<b>15</b>	<b>44</b>	
<b>TOTALS</b>		<b>32</b>	<b>26</b>	<b>31</b>	<b>89</b>	<b>100%</b>

UNIT MIX

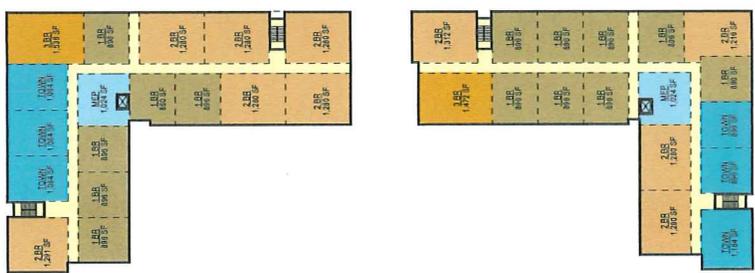


HAWTHORNE SQUARE

18187  
03/04/20



1 1ST FLOOR PLAN  
11' x 21' 2"



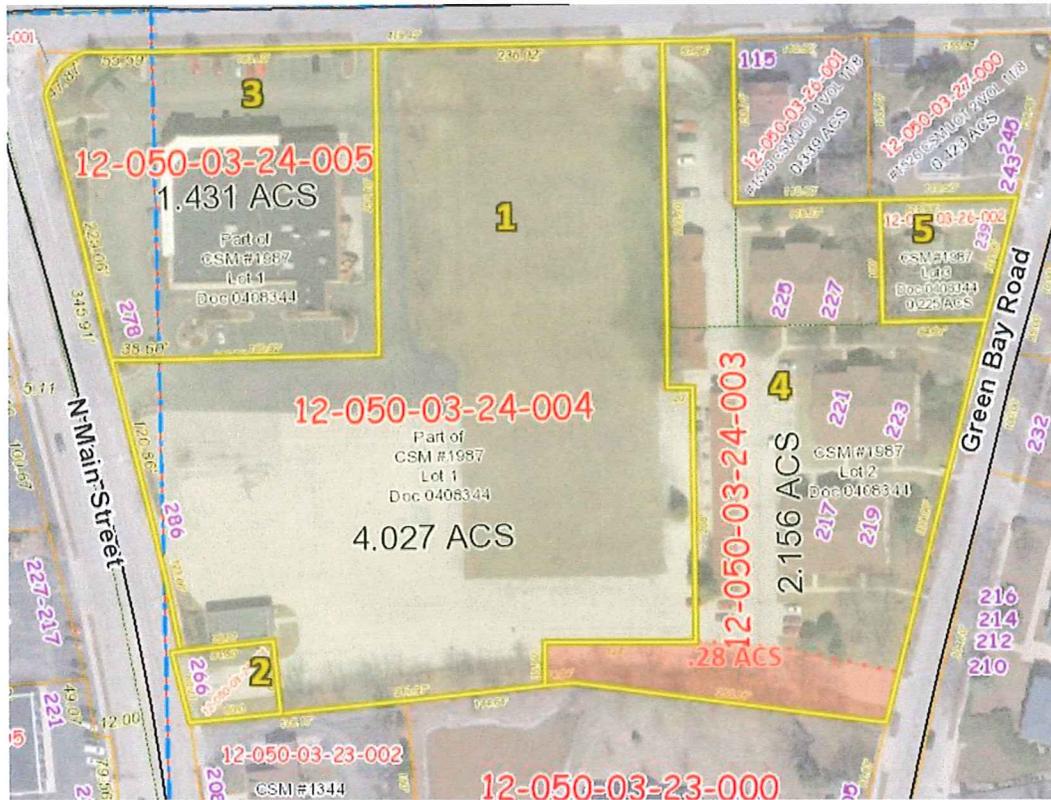
2 2ND FLOOR PLAN  
11' x 21' 2"



3 3RD FLOOR PLAN  
11' x 21' 2"

Hawthorne Square Density Calculations Scenarios  
 Village of Thiensville February 7, 2020

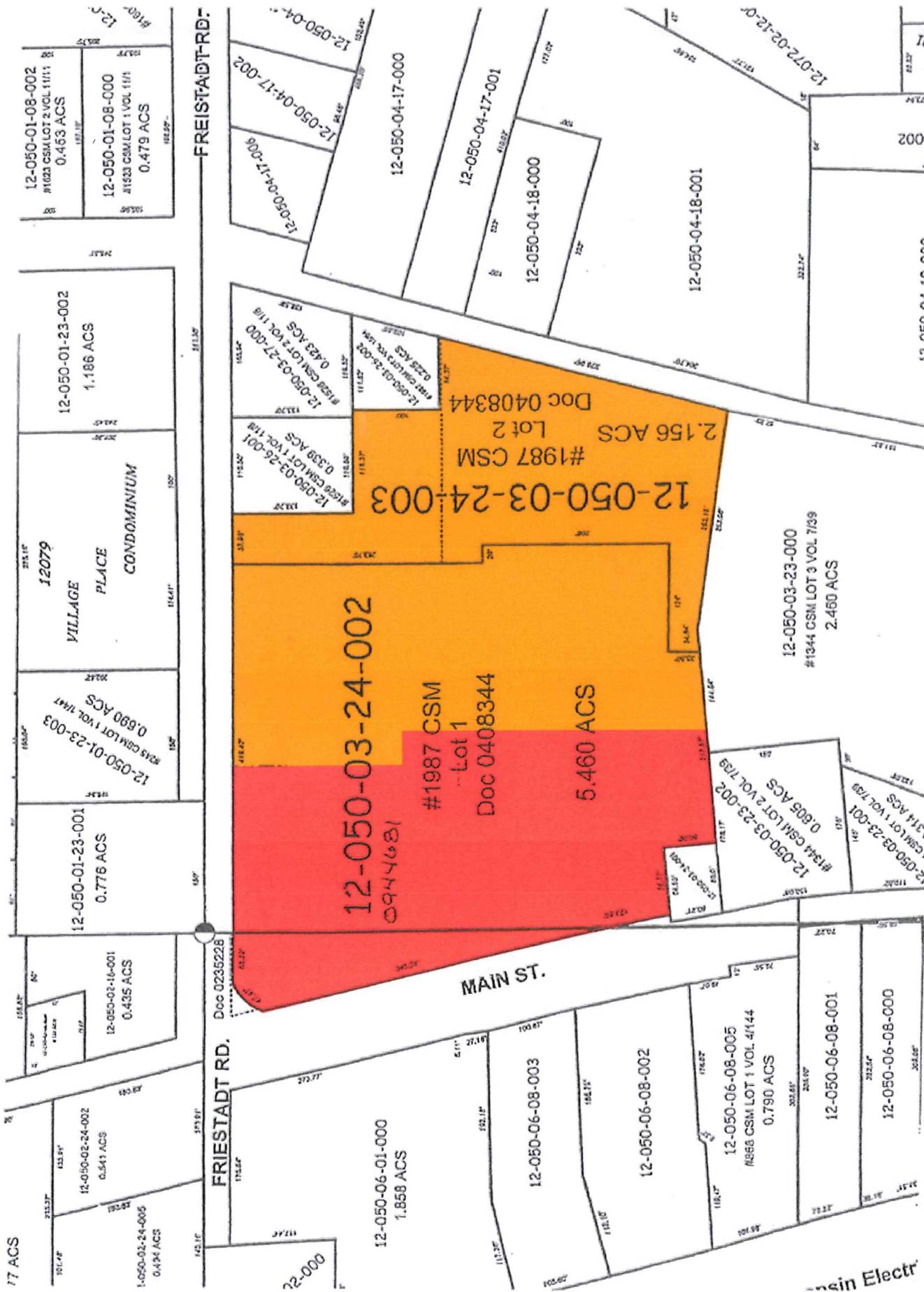
	Parcel	Acres	tax Key	Parcel	Site Address	tot_ac
SW Corner	2	0.11335967	120500324001	17094	266 N MAIN STREET	0.113
Bonniwell Apartments	4	2.14838941	120500324003	17096	217-227 GREEN BAY ROAD	2.156
Existing Vacant	1	4.02698959	120500324004	39257		4.027
Walgreens	3	1.43141786	120500324005	39258	278 N MAIN STREET	1.431
Yellow House	5	0.22465815	120500326002	17099	239 GREEN BAY ROAD	0.22
<b>Total</b>		<b>7.94481468</b>				



Parcel	Acres	R-5 14 units/acre	PDO Max 22/units acre
Parcel 1	4.027	56.37	88.59
Parce 1 + 2	4.14	57.96	91.08
Parces 1+2+3	5.71	79.94	125.62
Parcels 1+2+4	6.29	64.06 new 24 existing	114.38 new 24 existing
Prcels 1+2+4+5	6.51	67.4 New 25 existing	118.22 new 25 existing
Parcels 1+2+3+4+5	7.94	86.16 new 25 existing	149.680 new 25 existing
Parcels 1+2+.28 acres	4.42	61.88	97.24

Note: removing .28 acres from Parcel 4 would make it non-conforming for its current R-4 zoning It would conform with R-5 zoning  $1.86 * 14 \text{ U/Acre} = 26.04 \text{ units}$

Note: Acquisition of the two properties at the NE corner would make the entire site 8.7 Acres allowing up to 121 R-5 or 191 PDO-Max minus existing units.



FRIESTADT RD.

FRIESTADT RD.

MAIN ST.

Village of Thiensville Planned Land Use Map  
PROPOSED

Hawthorne Square  
11/29/2018  
18187



eppstein unen : architects

The Project will be serviced by public water, sanitary sewer, and public storm sewer. No increase in storm run-off is expected, and permeable new surfaces will be introduced where suitable to accomplish this.

2. **Value of The Project.** The total cost of The Project including Land Value, Hard Construction Cost (inclusive of structures, mechanicals, fixtures, landscaping, water retention/detention), and all Soft Cost (inclusive of design, engineering, development, financing, Environmental, and legal fees) is expected to be in the range of \$24,000,000.00. Special features include higher end design specs, significant greenspace and recreational space, 130 incremental surface parking spaces along with 89 underground parking spaces, a common club house with both indoor and outdoor fireplaces, seating, and entertaining features, an in-house health club, thoughtful urban design with walking paths for residents as well as paths for neighbors to easily move through The Project.
  
3. **Ownership.** The Project will continue to be owned locally by entities 100% controlled by Dr. and Mrs. Leander R. Jennings and their heirs. The Jennings family history in Thiensville dates to 1926. Dr. Leander Jennings has been well-known for his horsemanship and often rode from his nearby Mequon farm into the Village of Thiensville on horseback. The farm continues to be an active farm today where Dr. Jennings raises sheep, chickens, soybeans, and corn, along with recreational areas for horseback riding, shooting, hunting, beekeeping, hayrides, hiking, and cross-country skiing.

The Project will be managed and leased by NexJenn Real Estate along with support from multiple local contractors and suppliers.

4. **Departures from Standard Development.** With the addition of 89 residential units along with the exist 25 residential units within the project boundaries, the density of less than 15 units per acre remains well under that established limit of 22 units/acre maximum limit established for an R-5 PDO designated property. Property setbacks are being reviewed currently against the newly generated Certified Survey Map. Neighboring uses are compatible with the proposed development plan with the expectation that the added density, traffic, and beautification will act as a catalyst to future neighborhood enhancements. The height of buildings A & B is 51 feet to the ridge, however only 35 feet to the eve line. Therefore because of the sloped roof design, the ridge height does exceed the zoning height restriction of 40 feet. Exception is requested for this, as it is entirely due to special design details. If a flat roof were a preferred option versus one that connects with the historic character of the Village, no exception would be requested. The design details of The Project have been given special attention in order to draw from and enhance the nature of Village of Thiensville. The roofline, along with real stone accent finishes, gas lamps, and fireplaces, are integral to the authentic Thiensville character and experience. The pitched roof line also conceals rooftop equipment from street view.

5. **Development Timetable.** The Project concept, market feasibility, and initial design and layout began in mid-2017. Since then, there have been many modifications due to feasibility, compatibility, desirability, cost, innovation, and market forces. The Village of Thiensville continues to be a great partner in many respects. Accounting for the schedule of Village approvals along with the project and construction lifecycle, the general development timeline from this point forward is as such:

a. February 17, 2020	Pre-petition Conference (complete)		
b. March 13, 2020	PDO Petition submittal		
c. April 14, 2020 approval/recomm	Plan	Commission	Meeting

d. April 30, 2020 Published	Class 2 Notice for Public Hearing
e. May 7, 2020	Class 2 Notice for Public Hearing Published
f. May 18, 2020	Public Hearing (submittal May 8 <sup>th</sup> )
g. May 18, 2020 PDO	Village Board action on Rezoning and
h. June 1, 2020	Village Board closed session
i. June 2, 2020	1 <sup>st</sup> Joint Review Board Meeting
j. June 2, 2020 Project Plan and TIF	Plan Commission Public hearing on
k. July 20, 2020 Plan	Village Board adopts TIF and Project
l. August 2020	Final draft of the development agreement, architectural detail review and approval
m. September 2020	Final Approval of the Plat and final development agreement
n. September 2020 Commencement.	Marketing Program
o. Additional meetings and approvals include, but not limited to	
	<ul style="list-style-type: none"> <li>• Mequon Water Utility</li> </ul>
	<ul style="list-style-type: none"> <li>• Water services agreement</li> </ul>
	<ul style="list-style-type: none"> <li>• Approval of water and street improvements</li> </ul>
	<ul style="list-style-type: none"> <li>• Storm water plan</li> </ul>

	<ul style="list-style-type: none"> <li>• Demo Permit</li> </ul>
	<ul style="list-style-type: none"> <li>• Civil Engineering/Traffic/Driveway Entrances</li> </ul>
	<ul style="list-style-type: none"> <li>• Sanitary Sewer Connection</li> </ul>
	<ul style="list-style-type: none"> <li>• Building plan review</li> </ul>
	<ul style="list-style-type: none"> <li>• Fire Department Plan Approval</li> </ul>
	<ul style="list-style-type: none"> <li>• Fire Department</li> </ul>
p. December 2020	Finalize all drawings and plans
q. January 2021	Documents are issued for Bid
r. March 17, 2021	Ground-Breaking
s. May 1, 2022	In-service Date.

6.

**6. Traffic Study** – The existing traffic counts have been considered and documented in our Moegenburg feasibility study. Impact study on traffic due to the development will be forthcoming.

**7. Site Conditions** – The onsite and offsite vehicular and pedestrian circulation along with the ingress and egress have been reviewed in detail. Sediment control, stormwater retention, and soil conditions will be adequate to accommodate the structures. The Village may modify such proposals subject to conditions of approval if such modifications are consistent with best engineering practices and the approval of the Village Board.

**8. Permanent common open space.** Common open space shall be conveniently accessible to all residential units within the planned unit development, available to all occupants of the dwelling units for whom the use of the open space is intended and shall provide a meaningful and useful area for such intended open space. The final landscape plan will not be complete until Q3 2020. The general layout of open space is depicted on the following pages. The final plan shall meet the requirements set forth in

the PDO District guidelines and ultimately approved by the Planning Commission and the Village Board.

9. **Organizational Structure.** It is intended that the entire PDO will continue to be owned Fee-Simple 100% by Dr. and Mrs. Leander Jennings and their heirs.
10. **Staging Plan.** Timetable for project completion including but not limited to roads, utility hookups, construction and landscaping are under development will occur between March 1, 2021 and April 30, 2022. The actual construction calendar/timeline is currently under development, but ultimately subject to approvals by The Village Planning Commission, Village Board, along with Staff and Village's outside contractor's review.

**General Approval and Detailed Approval.** The petitioners are hopeful that the Planning Commission, Village Board, Village Residents, as well as other stakeholders will find The Project to be visually attractive, fitting for the site and community. The Project creates value as a catalytic project for further improvements within the Village and will provide a significant increase to the Village property tax base. We will further document that The Development will not be burdensome on the existing Village infrastructure. As an in-fill development where a large commercial building drawing far greater daily traffic has been demolished, we do not expect the proposed plan to burden existing police and fire services or necessitate further capital or operational outlay. While the added population will add a certain population to local schools, the cost is modest in comparison to the \$400,000 annual tax increment expected due to the value of the new improvements.

The final building, landscape, civil engineering, water retention, and other impact studies are yet to be finalized and approved. At this time however the petitioners request General Approval and Detail Approval subject to final staff review of all necessary plans and studies which will be provided during the normal course of the project timeline as shown previously.

