

# ULI DEVELOPMENT CASE STUDIES



## Middleton Hills

Middleton, Wisconsin

Project Type: **Planned Community—Large Scale**

Volume **39** Number **17**

October–December 2009

Case Number: **C039017**



### PROJECT TYPE

Middleton Hills is a master-planned community in a suburb of Madison, Wisconsin, that utilizes new urbanist and traditional neighborhood design principles. It consists of 428 residential units on a 154-acre (62-ha) site. With development starting in 1996, it is nearly built out and consists of homes and commercial buildings designed in the prairie, craftsman, and bungalow styles. It also features a commercial center that includes a full-service grocery store, but is designed in a pedestrian-friendly manner that honors the plan.



### LOCATION

Outer Suburb

### SITE SIZE

154 acres/62 hectares



### LAND USES

Residential-Retail Development, Seniors' Housing, Condominiums, Townhouses, Single-Family Detached Residential, Office, Regional Retail Center, Open Space, Wetland

### KEYWORDS/SPECIAL FEATURES

- Main Street Design
- Traditional Neighborhood Development

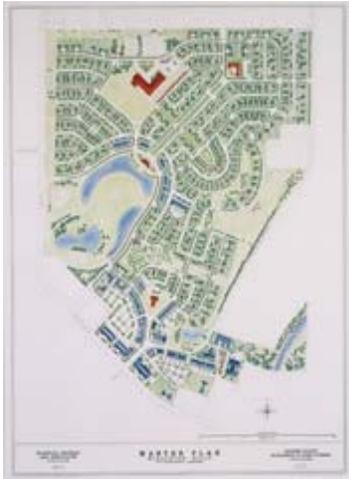
### WEB SITE



[www.middletonhills.com](http://www.middletonhills.com)

### PROJECT ADDRESS

6727 Frank Lloyd Wright Avenue  
Middleton, Wisconsin



### DEVELOPER

Erdman Holdings, Inc.  
Middleton, Wisconsin  
(608) 238-0211  
[www.erdmanholdings.com](http://www.erdmanholdings.com)

### MASTER PLANNER

Duany Plater-Zyberk & Company (DPZ)  
Miami, Florida  
(305) 644-1023  
[www.dpz.com](http://www.dpz.com)



### GENERAL DESCRIPTION

Middleton Hills, a master-planned community that utilizes the principles of the new urbanism, contains 428 residential units and 102,800 square feet (9,550 sq m) of commercial space. Homes and commercial buildings at the development are governed by design guidelines and feature craftsman-, bungalow-, and prairie-style architecture.

Middleton is a suburb located 15 miles (24 km) west of Madison, Wisconsin, a city with a population of just over 200,000 (over 500,000 in the metropolitan area) located in south-central Wisconsin. Madison is the state capital and home to the University of Wisconsin at Madison, and much of the metro area's economy is related to those two institutions. As of autumn 2009, Middleton has an estimated population of approximately 17,000.

The developer, Erdman Holdings, Inc., was formed by Marshall Erdman to develop Middleton Hills on his family-owned property.

## **DEVELOPMENT BACKGROUND AND SITE HISTORY**

The concept for Middleton Hills came from the original developer, Marshall Erdman, whose family owned 150 acres (60.7 ha) of rolling rural property in Middleton. As development encroached on the area in the early 1990s, he sought to create a project with a lasting legacy that was an alternative to typical suburban sprawl.

Erdman was a successful businessman and real estate developer from the Madison area. He created the Techline brand of furniture and was a prominent designer and builder of medical office buildings nationwide. A trained architect, he apprenticed under Frank Lloyd Wright during the 1950s, which informed many of his ideas about the built environment. He incorporated these ideas into his plans for what was to become Middleton Hills.

Erdman approached prominent new urbanist planner Andres Duany of Duany Plater-Zyberk & Company (DPZ), based in Miami. He instructed Duany to "build a town for me," as he wanted Middleton Hills to be his contribution to the community. Planning for Middleton Hills officially began in 1993, when DPZ led a weeklong charrette in November of that year.

After a contentious process, the city of Middleton approved the plan for Middleton Hills in late 1994. Erdman passed away in 1995, but not before the project broke ground in August of that year. The first homes and commercial buildings were constructed in 1996, and as of winter 2010 the project was nearly complete.

## **SITE DESIGN AND DESIGN GUIDELINES**

The plan and design of Middleton Hills are textbook examples of the new urbanism, built according to the following principles:

- Narrower than their suburban counterparts, the streets in Middleton Hills have sidewalks on both sides when possible to encourage walking.
- Homes are built on small lots close to streets and sidewalks, and include front porches.
- Garages are behind homes when possible, served by alleys.
- Natural features on the site are respected.
- Commercial and civic places can be reached on foot.

The planning process for Middleton Hills began with a series of presentations by the developer and master planner in the fall of 1993, which culminated with the previously mentioned weeklong charrette in November of that year. The charrette generated the basic land plan and design principles for the final built development.

The charrette consisted of a weeklong series of intensive meetings among the developer, the planner, city staff, and other community stakeholders. The site was toured extensively to identify the best location for the mix of proposed uses. This extensive planning process resulted in a detailed neighborhood code and covenants that guide the design of residences and commercial structures at Middleton Hills. All homes and buildings must follow these guidelines, and the result is a uniform, cohesive aesthetic in the neighborhood.

The general layout of the site assumes the shape of a wide question mark, stretching from north to south. In the crook of the question mark lies a wetland. The site is rolling and has several high points, including one that reveals a vista eastward across Lake Mendota, located one mile (1.6 km) east, and of the state capitol building, which is a major landmark that can be seen from various locations around the Madison area. The commercial area is at the

base, or the dot in the question mark, and has frontage along Century Avenue, which runs along the site's southern edge.

In the tradition of the new urbanism, the streets of Middleton Hills are laid out on an interconnected grid. Streets are narrower than those typically seen in conventional suburban development, and are lined with sidewalks to encourage pedestrian activity. Streets vary in size, but most residential streets are 28 feet (9 m) wide, whereas the standard in the city of Middleton is 36 feet (11 m).

Houses in the master-planned community are on smaller lots. Whereas typical suburban lots generally measure 10,000 square feet (929 sq m) or larger, and the city of Middleton usually requires at least 7,000 (650 sq m), many lots in Middleton Hills are as small as 4,000 square feet (372 sq m); some are even smaller. Also, setback distances are much less than normal and many residences are located just a few feet from the sidewalk. Most homes have front porches and garages in the rear, served by an alley.

Neighborhood design is sensitive to its natural setting. Streets curve around natural wetlands and generally follow the site's topographic contours. The main wetland was expanded and reshaped to open up more water, and to collect and filter stormwater from the site. A trail system was also provided around and through the wetland and is a public amenity. A public space for the entire community, the wetland has no backyards facing it—contrary to how most suburban wetlands are treated.

The natural setting also inspired the designers to create other public places. An oak savannah was preserved near the commercial area as municipal conservancy land with a trail. Another path owned by the homeowners association (HOA) cuts across the neighborhood and between homes and is lined up with a hilltop that was intended for a prominent civic edifice that still awaits development as of December 2009. Glacier Ridge Road, which curves along a high point on the east side of the property and reveals views of Lake Mendota and the capitol building, was intentionally left undeveloped on one side to preserve the view for the public.

Numerous civic and commercial uses were planned throughout the Middleton Hills site. A major commercial development has been constructed at the southern end of the project, along Century Avenue. One playground is located at the southern edge of the wetland, and another is on a hill at the project's northern edge. A school was intended for an adjacent site, but has not been built as of December 2009, as well as two civic buildings that were meant to anchor either end of Erdman Boulevard.

The design guidelines dictate three distinct types of architecture and are the most distinctive aspect of Middleton Hills. Three types of buildings are allowed: prairie style, arts and crafts/craftsman, and bungalow.

All residences and commercial structures reflect these three styles. Buildings often include wall and roof bands that highlight the strong horizontal, often low-lying nature of the architectural styles. Banding on facades above and below windows and near rooflines adds strong horizontal lines across homes at Middleton Hills, creating a sense of grounding and unity.

Middleton Hills includes some design details that might not be initially apparent, but that contribute to the overall aesthetic nonetheless. One design detail is the precise setback of homes along a street; in some cases, residences at corners of blocks are placed closer to the sidewalk than those located mid-block. The result is subtle, but arranging buildings in such a concave manner makes the street feel slightly enclosed and more intimate.

Another example is when a street ends in a T-shaped intersection, the planners deliberately placed a home in line with the street, ensuring that the "terminating vista" is of a house rather than the space between two dwellings.

## **APPROVALS AND DEVELOPMENT**

The approvals process for Middleton Hills was controversial: it was not always certain to be approved by the city and required several exceptions from the municipality's existing zoning and building codes. DPZ created an entire

set of neighborhood codes and covenants that dictated street widths, alley design, lot sizes, setbacks, architectural regulations, plantings, and the entire design review process, which was and still is controlled by the developer.

The city's primary concern was street width. The typical residential street in Middleton was 36 feet (11 m) wide, according to the code. The developer and master planner originally proposed streets as narrow as 20 feet (6 m), with typical streets measuring 24 feet (7 m) wide. The municipal public works and fire department, as well as some on the city council, insisted they be wider to allow for snow plowing and fire truck access. The compromise eventually reached was for 28-foot-wide (9-m-wide) streets, although a couple short street sections are narrower but are one-way or have no parking.

Lot sizes and alleys were also an issue. At the time, the city did not allow lots smaller than 7,000 square feet (650 sq m), and the public expressed concern that it would result in density that was too high. In the approved plan, some lots in Middleton Hills are just 32 feet (10 m) wide and smaller than 4,000 square feet (372 sq m). Also, alleys were unusual in the city, and still are. Neighbors feared they would perpetuate crime. The plan allowed them, although they are technically private rights-of-way, maintained by the HOA, and required to be cleared for access by city sanitation vehicles.

From the announcement of the project in 1993 and the charrette in November of that year, it took nearly a full year for Middleton Hills to be approved by the city. The site was originally zoned R-1 for residential development, but was rezoned to a planned development district in its entirety. This allowed for reduced lot sizes, smaller street widths, alleys, and a mix of homes and commercial uses.

## COMMERCIAL AND CIVIC DEVELOPMENT

Commercial development has long been a troublesome issue within new urbanist developments. Designers, striving for customers to be able to walk to stores, often plan for too much commercial space with too little parking in a location not accessible except by those within the development. This strategy often fails. With Middleton Hills, however, a compromise was achieved—not without issues, but one that can serve as a model for other development.

Original plans by DPZ called for office buildings to front Century Avenue, with "Main Street" retail lining a perpendicular street off Century. That street, called Frank Lloyd Wright Avenue, leads north from Century and meets two Y-shaped intersections, turning slightly left at each, before wrapping entirely around the wetland and out the west side of Middleton Hills.

The initial development included the construction of a two-story commercial structure at the focal point of the first Y intersection on Frank Lloyd Wright Avenue. That building now houses the Prairie Café and Bakery and community mailboxes, but originally opened in 1996 with a small, 2,000-square-foot (186-sq-m) grocery store on the ground floor, and a medical office above. The focal point of the second Y intersection was intended for a civic building, but is still for sale by the developer as of fall 2009.

The developer and DPZ agreed it was necessary to subsidize the grocery store until residential development was sufficient to support it. They did subsidize it, but the grocer operated for only a few years. It was quickly replaced by the aforementioned Prairie Café and Bakery, which has remained ever since and is a neighborhood favorite. Still, after seven years of development at Middleton Hills, no retail developer had expressed interest in the development as planned.

In 2003, the developer contracted a market study by Bob Gibbs, a prominent retail expert in new urbanism circles. He said that Middleton Hills could support a grocery store, but that it had to front on Century Avenue to capture drive-by traffic and customers from elsewhere in the city. Roundy's Supermarket expressed interest in the site, and offered to build a 45,000-square-foot (4,181-sq-m) prototype Copps grocery store facing Century Avenue.

The initial site plan from Roundy's was a typical floor plate that turned its back on Frank Lloyd Wright Avenue. The developer worked with Roundy's to develop a site plan that would work with the "Main Street" concept, and provided a pedestrian entrance on Frank Lloyd Wright Avenue. It also featured a "wrap" around the back of the

store that faces the neighborhood, which included commercial storefronts and rowhouses with condominiums above.

Although the design of the grocery store fit the original concept, the size was larger than what was originally approved in the Middleton Hills plan. The response among some existing homeowners was less than warm, as they didn't want a "big box" store in their neighborhood. One group even brought forth a lawsuit against the developer to stop it.

The change required a modification by the city of Middleton to allow the larger grocery use. The final result, approved in April 2004 and opened in 2005, is a 44,068-square-foot (4,094-sq-m) Copps grocery store, with seven condos abutting it to the north and a 7,200-square-foot (669-sq-m) mixed-use building along its northeast edge. The grocery store has a typical entrance off of a 203-stall parking lot facing Century Avenue, but it also has a pedestrian entrance off Frank Lloyd Wright Avenue. The area of the store near the pedestrian entrance has one cash register and includes the produce section and the bakery, and contains a florist and a bank.

Since Copps opened in June 2005—providing an anchor tenant to the neighborhood—additional retail development has followed. Other tenants include Starbucks coffee, a sports bar, a barbershop, a dry cleaner, and a cellphone store. Starbucks contacted the developer looking for space, and it currently operates a store that grosses more than what the average Starbucks grosses.

## **MARKETING AND ABSORPTION**

Middleton Hills always had the luxury of not requiring a significant sales pace for lots. Because the property had no debt service—as it had been in the Erdman family for decades—the developer did not go out of the way to engage local Realtors, and did not even advertise heavily for several years. Essentially, the sales from one lot paid for the infrastructure in the next, and the project grew as fast as the market allowed.

Sales were strong in the first year, as 24 lots were sold in 1996, many of them to people who participated in the 1993 charrette or who were otherwise interested in or excited about the plan. Sales tapered off the next year, and Middleton Hills never sold more than 30 lots in a given year through 2000.

From 2001 through 2004, lot sales ranged between 42 and 60 per year, due to a strong housing market, but also to increased advertising. The developer engaged real estate agents and also started to participate in the local Parade of Homes. Sales have tapered off in recent years, however, due to a slowing housing market, but also to the fact that the project is nearly built out. Only 25 lots remain, and are priced between \$136,900 and \$184,500.

Original home prices started at \$140,000, and range from \$319,000 to \$725,000 as of fall 2009. The average sale price in 2008 was \$506,133.

Home prices have remained stronger than the market average, even with the weak performance of the recent housing market. The developer and a local Realtor did a sales performance comparison of Middleton Hills against three other recent subdivisions in the immediate area. They found, between 2007 and 2008, that Middleton Hills was the only one of the four to have an increase in per-square-foot prices of homes, with a 3 percent gain while the others lost between 2 and 13 percent. Changes in average sales price were also favorable for Middleton Hills, which saw a decline of just 1.9 percent compared to a 5.1 to 10.1 percent decline among the competition.

The opening of Copps has led to a significant lease-up of commercial space in the Middleton Hills town center. Along with the development of the grocery store, the wrap includes seven rowhouses and five commercial spaces totaling 7,200 square feet (669 sq m) with condominiums above. As well, Copps shares a parking lot with a six-tenant, 7,700-square-foot (715-sq-m) commercial building fronting the west side of Frank Lloyd Wright Avenue, with six apartments located on the second floor. A mixed-use building was completed in 2008 on the east side of Frank Lloyd Wright Avenue that features 8,700 square feet (808 sq m) of ground-floor retail with 2,000 square feet (186 sq m) of second-floor office space.

## EXPERIENCE GAINED

Middleton Hills has generated attention for its new urbanist principles, design guidelines, and town center. It was featured in *Better Homes and Gardens*, *Wisconsin Architect*, and *American Bungalow*, the latter being a feature of one home that was built following the plans from a 1926 Sears Roebuck catalog.

Planners and developers from around the world have visited to see, experience, and learn from Middleton Hills. City planners bring their staff and commissioners to see it, and developers inquire frequently. A group of students from China once visited, and the project has been featured on Korean television. A literature teacher from the Milwaukee area brought his students to teach them about community and see what it's like to be able to walk to places within the neighborhood.

The developers have presented Middleton Hills—particularly the plan for the commercial space and grocery store—at conferences for the Congress for the New Urbanism and the American Planning Association, as well as the Harvard School of Design.

Overall, the developer considers Middleton Hills to be successful. The developer was able to be patient and sell when the market allowed, and was also resilient and stuck to the vision. Several things did not turn out completely as expected, but the developer is satisfied overall.

The original plan included several sites reserved for civic uses. The intention was that a charter school would be built on a hilltop site in the core of the project. The Middleton school district, however, has enough school facilities—some located close to Middleton Hills—and thus has not expressed interest in the site. As a result, the developer recently donated the site, minus some additional lots for housing, to the HOA, which is exploring development options for a neighborhood center type of use.

Located at either end of Erdman Boulevard, two other civic sites were not developed as planned, and one was converted to house lots and a small park, and the other, located by the wetland, remains vacant as of December 2009. A third, a one-acre (0.4-ha) site located on a hill in the town center, was originally intended for a Veterans of Foreign Wars (VFW) hall, but that plan never materialized. One reason the developer cites for why many of the civic uses were not developed is they did not have adequate space for parking, which is a need even in a well-planned community. Another reason is that the site location is already surrounded by an adequate amount of civic uses that are within walking distance and that serve the residents of the development. If the developers were to do the project again, they would have planned and programmed the civic sites for specific uses that were ready to be built.

The developer is satisfied with the commercial development in the Middleton Hills Town Center, but notes that it is a challenge to lay out the retail spaces with a main entrance on the “Main Street” when the parking lot is at the back. For example, the layout of Starbucks could have better addressed Frank Lloyd Wright Avenue. The primary door faces the parking lot, whereas the door facing Frank Lloyd Wright Avenue is at the back of the store, where the restrooms are located, and thus isn't as pedestrian-friendly as it could be. However, the outdoor seating is located at this entrance, which adds to the street life of the Main Street.

As noted, the developer is happy with the way the town center and design of the Copps store turned out, as are residents and the city, generally. The lawsuit that resulted in response to the size of the grocery store was dismissed in court. In the end, the form and design were more important than the size, and due to its scale, the store offers more of the products that residents want. Also, the ability to walk to a full-service grocery store has added value for potential homebuyers at Middleton Hills.

**PROJECT DATA****LAND USE INFORMATION**

Site area (acres/hectares): 154/62  
 Percentage complete (as of October 2009): 90  
 Gross density (units per acre/hectare): 7/17.3

**LAND USE PLAN**

Use	Area (Acres/Hectares)	Percentage of Site
Buildings	100/40.5	65
Streets/surface parking	20/8	13
Landscaping/open space	34/13.5	22
Total	154/62	100

**RESIDENTIAL INFORMATION**

Unit Type	Floor Area (Square Feet/Square Meters)	Number Sold/Leased	Range of Initial Sales/Rental Prices
Single-family home	900–3,900	339	\$319,000–\$725,000
Townhouse/condominium	1,643–1,818	108	\$199,000+
Live/work unit	2,000	8	\$214,500
Senior living	N/A	98	N/A
Duplex	N/A	2	N/A

Number of residential units: 428

**OFFICE INFORMATION**

Average tenant size (square feet/square meters):	1,000–45,000/93–4,181
Annual rents (per square foot/square meter):	\$15–\$20/\$161–\$215
Average length of lease:	5 years

**RETAIL INFORMATION**

Annual rents (per square foot/square meter):	\$15–\$20/\$161–\$215
Average length of lease:	5–20 years

**DEVELOPMENT SCHEDULE**

Site purchased: 1965  
 Planning started: 1994  
 Sales/leasing started: 1995  
 Construction started: 1996  
 Phase I completed: 1998  
 Project completed: 2011 (projected)

**DRIVING DIRECTIONS**

*From Dane County Regional Airport:* Take WI-113 North from the airport for 3.1 miles (5 km). Turn left on County Highway M; follow for 1.8 miles (2.9 km). Turn left at County Highway K; follow for 3.1 miles (5 km). Turn left at

Pheasant Branch Road; take for 1.9 miles (3 km). Turn right at Gaylord Nelson Road, then make a slight left at Erdman Boulevard.

*Driving time:* 25 minutes in nonpeak traffic.

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Middleton Hills, a master-planned community in Middleton, Wisconsin, contains 428 residential units and 102,800 square feet (9,550 sq m) of commercial space.



Homes at Middleton Hills are governed by design guidelines and feature craftsman-, bungalow-, and prairie-style architecture.



Photo by Sam Newberg

The plan and design of Middleton Hills are based on new urbanist principles, such as narrow streets, small lots and setbacks, and wide sidewalks.



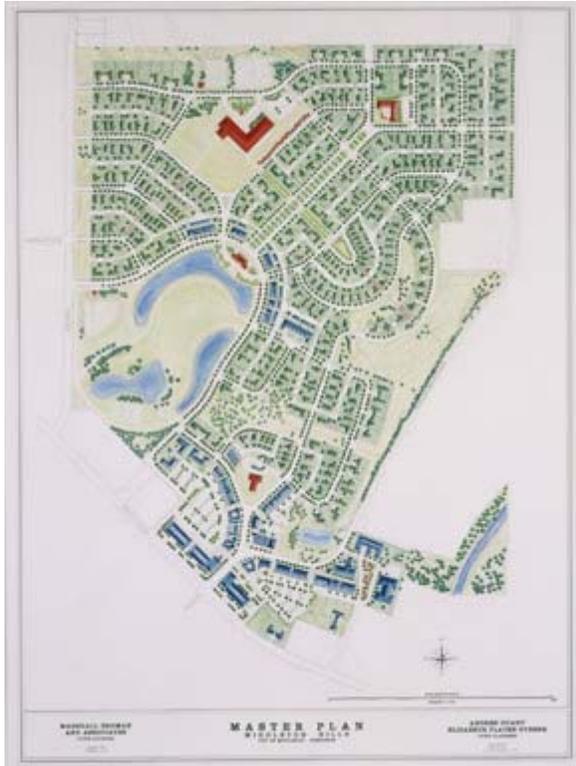
Photo by Sam Newberg

The centerpiece of the commercial component at Middleton Hills is the 44,068-square-foot (4,094-sq-m) grocery store, which serves both Middleton Hills and the surrounding community.



Photo by Sam Newberg

Other commercial uses include a coffee shop, sports bar, barbershop, dry cleaner, and cellphone store in 14,900 square feet (1,384 sq m) of space in two mixed-use buildings



Master plan.



Site plan.