

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of February 19, 2009

SUBJECT: Downtown Rezoning and Amendments to City Code to Implement the Ann Arbor Discovering Downtown (A2D2) Recommendations

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve amendments to Chapter 55 (Zoning) and Chapter 59 (Off-Street Parking) to implement the Ann Arbor Discovering Downtown recommendations.

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the proposed D1, D2 and PL District Rezoning, the Character Overlay Zoning District Rezoning, and the Building Frontage Rezoning as shown on the attached maps.

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby directs Planning staff to collect data about the impacts of the Downtown Rezoning and Amendments to City Code and further, that staff report back to the City Planning Commission about these impacts one year from adoption of the amendments.

STAFF RECOMMENDATION

Staff recommends that the downtown rezoning and A2D2 text and map amendments to City Code be **approved**. The proposed rezoning and code amendments are consistent with the Downtown Zoning Advisory Committee recommendations, approved by City Council in October 2007, and the zoning plan of the draft Downtown Plan (see related staff report) and incorporate several revisions in response to public comments.

STAFF REPORT

On September 16, 2008, Planning Commission held a third public hearing and recommended approval of a package of code amendments and rezonings to implement the Ann Arbor Discovering Downtown (A2D2) zoning, parking and urban design recommendations that had been approved by Council in October 2007.

Subsequent to the Commission's action, the A2D2 Steering Committee requested that additional effort be made to engage the public on the proposal. Between October and

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December 2008, staff held over two dozen briefings to inform property owners, neighborhood groups, organizations and the media about the draft amendments and to solicit additional comments. A memorandum summarizing the themes from the comments received is attached.

The A2D2 Steering Committee reviewed the comments on December 3, 2008 and recommended that the Planning Commission revisit the draft amendments in light of the new comments. In addition to the themes raised by members of the public, the Steering Committee asked that Planning Commission consider the following concerns:

1. The amendments should be reevaluated to ensure that non-conformities are not created as a result of the rezoning and new code requirements. The "active use" requirement is of particular concern.
2. The character area overlays seem unduly complex and could potentially be consolidated into the base zoning.
3. One of the goals of the A2D2 process was to simplify the code as much as possible while encouraging desired changes in the downtown. To that end, the proposed zoning amendments should be reviewed with the intent of maintaining this balance.

Based on discussion by the Planning Commission at its February 10, 2009 working session and review by the City Attorney's Office, the following substantive changes to the September 16, 2008 draft have been incorporated into a revised draft (attached).

Chapter 55 (Zoning) Map Changes

- The properties on the west side of the 600 block of South Ashley have been removed from the rezoning proposal. The Planning Commission determined that, due to its location outside of the Downtown Development Authority District and within the Old West Side Historic District, this block would be better addressed through an update to the Central Area land use recommendations.
- The attached map illustrates the proposed rezoning for the downtown in the context of the surrounding zoning districts, i.e., the proposed D1, D2, PL base zoning and the proposed character district overlay zoning. More detailed maps will be provided to the Planning Commission and posted on the website in advance of the February 19th meeting.

Chapter 55 (Zoning) Text Changes

- Section 5:1 Definitions:
 - A definition of "Building coverage" has been added, since this term has been added as part of the D2 requirements.
 - The "Floor area ratio" definition has been deleted, since this will be included in a more comprehensive "Usable floor area" amendment (see below).
 - Text has been added to the "Usable floor area, nonresidential" definition to clarify that above-ground parking structures are counted as floor area. The Planning Commission currently is reviewing zoning amendments that would standardize the definition of floor area throughout the ordinance; this change will clarify the issue in the short-term.

Downtown Rezoning and Amendments to City Code
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- Section 5:10:20 (3) Building massing standards: The requirements have been changed to apply to new buildings and additions to address concerns about non-conformities.
- Section 5:10.20 (4) Building frontage standards: The requirements have been changed to apply to new buildings and additions to address concerns about non-conformities. The chart has been revised to clarify minimum and maximum setback requirements and to clarify that street level entrance alcoves are permitted.
- Section 5:65 (2) (c) 4. Green building premium: The formula revised to increase the penalty for failure to demonstrate full compliance with LEED certification.
- Section 5:65 (2) (f) Public parking premium: The requirements have been changed to reference the need for proposed parking to meet standards established by the Downtown Development Authority.
- Section 5:50 (2) (b): Regulations concerning adult entertainment businesses: The D1 district has been removed from the list of districts where adult entertainment businesses are allowed. This change acknowledges the incompatibility of such uses with the increasingly residential nature of the downtown.

Chapter 59 (Off-Street Parking) Text Changes

- Section 5:169 Special parking districts: The bicycle parking provisions have been revised to require 1 Class A space for each 2,500 square feet of residential floor area and 1 Class C space for each 10,000 square feet of non-residential floor area, based on a review of peer city requirements.

If the Commission takes action on the Downtown Plan and A2D2 amendments on February 19th, the proposed schedule for moving both proposals forward is:

- March 6, 2009 - A2D2 Steering Committee meeting to review Commission action
- March 9, 2009 – City Council work session presentation of the draft zoning code and Downtown Plan amendments
- March 16, 2009 (tentative) – First reading of the draft zoning and parking amendments

Prepared by Wendy Rampson, Systems Planner
Review by Mark Lloyd, Planning and Development Services Manager
2/13/09

c: A2D2 Steering Committee
City Attorney
Downtown Development Authority

Attachments: A2D2 Zoning and Parking Amendments Briefing Comments (February 5, 2009)
Zoning Plan Map (February 12, 2009)
September 16, 2008 Staff Report (without attachments)
September 6, 2008 Staff Report (without attachments)
May 20, 2008 Staff Report (without attachments)
February 13, 2009 Draft Amendments to Chapter 55 and Chapter 59

MEMORANDUM

TO: A2D2 Steering Committee
City Planning Commission

FROM: Wendy Rampson, Systems Planner

SUBJECT: A2D2 Zoning and Parking Amendments – Briefing Comments

DATE: December 3, 2008 (Revised December 17, 2008 and February 5, 2009)

Since the September 16th Planning Commission action on the A2D2 amendments, staff has provided 25 briefings to individuals and groups about the proposed changes (see attached list). Several additional briefings were scheduled for groups unable to meet before the Steering Committee meeting.

Combined attendance at the briefings exceeded 350 people. In addition, a number of people have viewed a recording of the briefing presentation on CTN, including the new web-based Video on Demand service.

Many attendees provided verbal comments at the briefings. Additionally, staff has received written comments from 50 individuals and groups with interest in the downtown. Staff also received a letter (attached) from the owners of several downtown parcels requesting a change in the proposed zoning designation for their property.

Below is a summary of common themes raised in the briefings and/or written correspondence, along with a sample of comments. The order roughly reflects the frequency with which these comments were made, from most frequent to individual comments, although a detailed analysis has not been completed. The comments are organized into zoning, parking, process, and Downtown Plan categories.

Zoning Amendments

South University should not be D1/should be D2

- Prior classification as C2A must not be basis for continuing to view as core
- D2 encourages increased density and fosters SU pedestrian character
- Height limit of 6-7 stories will provide area with people to ensure a lively human and business environment
- If D2 is deemed too restrictive, then another zoning classification should be created
- Reserve right for Council to grant special approval for buildings taller than 60 feet

Height limits are needed

- Tall buildings have a wind tunnel effect
- FAR gives developers height in exchange for things that do not ameliorate the impact of that height
- Should be quite low, perhaps 8 stories, with exceptions considered by review board
- Limit building heights to 6 stories
- D1 should have a maximum height of 10 stories
- D2 should have a maximum of 3 stories next to residential, rising to 6 stories next to D1
- Should use the present scale and context of downtown as a guide

A2D2 Comments

December 3, 2008 (Revised December 17, 2008 and February 5, 2009)

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Design guidelines are needed

- Pedestrian amenities should be required – greenery, shade, bench, overhang
- Establishing design guidelines is as important as setting FARs
- The relationship with historic district guidelines is unclear
- Risk friction as differing laws/goals collide like tectonic plates for projects at edges
- Fewer “ugly” buildings
- Appoint a professional Design Review Committee before going ahead with new zoning
- Recall the consultants to work with staff and Commissioners to refine the guidelines

Development in the floodplain should be prohibited/restricted

- Highest and best use of the floodplain is not a typical building site
- Create special overlay zoning for the floodplain
- Place moratorium on construction in floodway and floodplain
- Hold zoning changes until they can be coordinated with a floodplain overlay ordinance

Downtown density should not be increased

- Downtown should serve existing residents
- Storm water, drinking water, traffic currently overtaxed
- Keep small local businesses, pedestrian friendly downtown, green spaces
- Bigger is not better
- Strive to capitalize on and increase what still makes downtown appealing
- Do you want to replace fringe residential sprawl with downtown urban sprawl?
- Whatever zoning will dissuade large business from coming is a good thing

Buffers and greater setbacks should be required

- Buffer areas adjacent to residential neighborhoods, historic districts, or buildings listed on the National Register need to be included in all downtown zoning districts
- Increase sidewalk width at all new construction
- Setbacks in D1 zoning for all character areas should be maintained at 30 feet from all lot lines.
- Downtown residential neighborhoods are not protected from high density zoning by step down zones or protective setbacks
- Create a “historic buffer area” which extends 150 feet from the boundaries of historic districts and properties listed on the National Register to include consideration of building height and mass, respectful setbacks, access to sunlight and fresh air and other design criteria.

Premiums should be eliminated/revised

- Give bonus for affordable (local) retail – groceries, hardware
- Give bonus for smaller units (to avoid dormitories)
- Need to be convinced of clear potential demand for urban residential units
- Why do builders get premiums for doing what they should be doing?
- Reward quality design with recognition rather than monetary rewards
- Grant premium for buildings to allow space to walk or sit on benches in front of building
- Affordable housing premium should be set at no greater than 50% of the AMI
- Zoning so heavily weighted toward residential that it may disincentive first class office
- Premiums have the potential to distort the balance of uses we want to encourage in downtown
- The residential premium should not be reduced to 0.75
- Provide premiums for putting parking underground

- There is concern with using LEED because LEED standards change and are tied to components outside a developer's control (e.g., public transportation)
- More detailed information needs to be provided for the parking premium requirements
- LEED may or may not be the eventual green building rating system used for code compliance and may not be the most appropriate to be incorporated into a zoning code.

Green space is needed

- Allen Creek greenway should be part of zoning
- Be proactive in setting aside greenspace in downtown
- Need to add green space to offset the additional density
- Add zoning requirements that include green infrastructure as part of any construction
- Density must be balanced with trees and soft landscape
- Front lawns have to be permitted

Contain rezoning within DDA

- A2D2 zoning should not extend beyond the DDA boundaries
- D1 and D2 zoning should not be used outside the DDA district to protect residential and historic properties

Eliminate the "active use" restrictions

- Financial institutions are evolving into quasi-retail uses to serve customers
- The market will decide appropriate uses for retail streets
- This concern could be potentially addressed through required hours of operation or window requirements

D1 area is too limited

- Allow expansion into surrounding multi-family areas
- D2 limits D1's potential, thus precluding redefinition of downtown

Diagonals need to be revised

- Reconsider using diagonals since they have no bearing on underlying parcel size and discourage development of additional towers due to prohibitive costs
- Set the diagonal to allow an economic floor plate
- Only apply to buildings over a certain size

Change requirements for East Huron character area (Division to State)

- D2 zoning appropriate for the north side of East Huron (Division to State)
- If height limits are capped at 120 feet for the D1 South University character area, then that same cap is valid for the D1 East Huron character area.

Do not include the west side of Ashley (Madison to Monroe) in the rezoning proposal

- Because the historic district protection limits the redevelopment potential of this block, it would be misleading to rezone it as D2

Individual Comments

- An excellent plan. It must be passed.
- Massive buildings should be given special review (perhaps as PUDs)
- Include illustrations of implementation in approved documents
- Prohibit transfer of development rights to properties that border historic or residential neighborhoods or properties in the floodplain
- UM property should be abutted by D2 and in some circumstances D1

A2D2 Comments

December 3, 2008 (Revised December 17, 2008 and February 5, 2009)

- The city should reconsider implementation of design guidelines; they may destroy the uniqueness of the community
- Design guidelines must have an objective measurement system and timely rulings and appeals
- Is the depth requirement of 25 feet on retail in front of parking realistic?
- More historic restrictions have to be put in place for older buildings for all of downtown
- It would be much more effective to require LEED certification for all new downtown buildings
- Eliminate the maximum front setback in the primary and secondary frontages. Given downtown's small parcels and their high cost, the intent of builders is to usually maximize lot coverage.
- Eliminate the street-wall height requirement in the D1 and D2 Districts.
- It is not possible to codify pleasing building massing and articulation with a few simple diagrams and the brief text in the zoning. The only realistic approach is more detailed design guidelines with examples.
- Major concepts in the amended Downtown Plan and revised zoning ordinances should be graphically illustrated, wherever possible.
- Prohibit transfer of development rights.
- Clarify usable floor area definitions in Chapter 55 so that it does not include stairwells, ramps, elevators or mechanical shafts.

Parking Amendments

Bicycle parking requirements should be revised

- Tie to auto parking space equivalents
- Increased covered bike parking
- Bicycle parking inadequate
- 1 space for every 2,500 sf is overkill and too expensive to comply
- The code doesn't state the type of bicycle parking required (i.e., Class A, B or C)

Above-ground parking structures should be discouraged

- Remove floor area exemption for above-ground required parking
- Require parking to be placed underground on sites above a certain size

Individual Comments

- Adequate parking must be included for any new residential development
- A set price for parking payment in lieu of spaces needs to be established before approval

Process

Amend the Downtown Plan before zoning changes are considered

- Place zoning amendments on hold until master plan is updated

Individual Comments

- Use visualization technology to demonstrate the effect of zoning and parking changes
- The message that neighborhoods are protected should be a part of A2D2

A2D2 Comments

December 3, 2008 (Revised December 17, 2008 and February 5, 2009)

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Downtown Plan

Add language to Downtown Historic District recommendations to support the development of requirements to protect historic properties from effects of nearby development, including setbacks, transitions in scale and height, height limits and design and massing standards within an “historic consideration buffer area.”

Attachments: A2D2 Zoning Briefings – December 3, 2008 (Updated December 17, 2008)
Letter from Pattie and Sam Perry – November 29, 2008
Comments on September 2008 Draft Downtown Amendments (through February 5, 2009)

c: Mark Lloyd
Kevin McDonald
Jayne Miller

Briefings since Planning Commission Action (September 16)

Downtown Marketing Task Force – September 23 – 10 attendees
Zingerman's – September 29 – 2 attendees
Luckenbach/Ziegelman – October 7 – 3 attendees
Dan Meisler – Business Review – October 9
Kiwanis – October 13 – 120 attendees
Housing & Human Services Advisory Board – October 14 – 8 attendees
Zaragon – October 15 – 2 attendees
City Leadership Brown Bag – October 16 – 20 attendees
DDA Partnerships Committee – October 22 – 10 attendees
Ray Detter – October 28
Ann Arbor Area Chamber of Commerce – October 29 – 6 attendees
Judy McGovern – Ann Arbor News – October 30
DDA Citizens Council – November 3 – 8 attendees
Library Lecture Series - November 5 (Downtown Library) – 25 attendees
Main Street Area Association – November 6 – 25 attendees
Leadership Ann Arbor – November 12 – 40 attendees
Dahlman Properties – November 12 – 2 attendees
Ann Arbor District Library Board – November 17 – 18 attendees
Public Briefing – November 17 – noon (Council Chamber) - 13 attendees
Public Briefing – November 19 – 9 am (Council Chamber) – 7 attendees
Public Briefing – November 19 –6:30 pm (200 N. Main) – no attendees
Public Briefing – November 20 – 3:30 pm (200 N. Main) – 9 attendees
Ann Arbor Preservation Network – December 4
Old West Side Association – December 8
Washtenaw Area Transportation Study – Policy Committee – December 17

Scheduled Briefings

Washtenaw Area Transportation Study – Technical Committee – January 7

Other

South University Area Association – briefed in September
Downtown Rotary – no response
Jaycees - declined
Kerrytown District Association – no response
Michigan Student Assembly – no response
State Street Area Association – declined

November 29, 2008

To: Wendy Rampson

Our properties fall within the A2D2 development area and are being considered for rezoning. We were not made aware of these zoning changes until just recently. We have many concerns regarding the proposed zoning issues.

We are the owners of the properties located at: 217 North Fifth Avenue, 212 North Fifth Avenue, 214 North Fifth Avenue, 216 North Fifth, 303 East Ann Street, 305 East Ann Street, 311 East Ann Street, and 308 Catherine Street. It is imperative that we receive any and all pertinent information in reference to the above mentioned properties. We would also expect to be part of the determination processes for the D1 and D2 zoning issues. Our properties are currently zoned Office, C2BR, and R4C. We believe the changes proposed would be a tremendous detriment to the value of the property owners in the area.

The location of the city hall, other D1 commercial zoning, improvements/expansions scheduled and the building of the new court house are just a few reasons that a D1 designation is appropriate for our properties. Property on Fifth Street has limited use, as traffic flow is abundant, noise and safety issues are a concern. There is clearly limited residential value in these properties.

A connection to the Kerrytown district and the center of the city is needed and would be well received by the proprietors in that area. A tree line is already established on our properties and would provide a natural division to the rest of the block. There are only six homes that face Fifth Avenue between Catherine and William Street, and we currently own four of these dwellings. Other community members agree that the D1 designation would be the best fit for the future development of the downtown.

There are numerous other considerations that we feel need to be addressed prior to any rezoning. We expect that there will not be any changes made until we can be involved in further discussions. We have spoken with other property owners in the area and they have expressed similar and additional concerns.

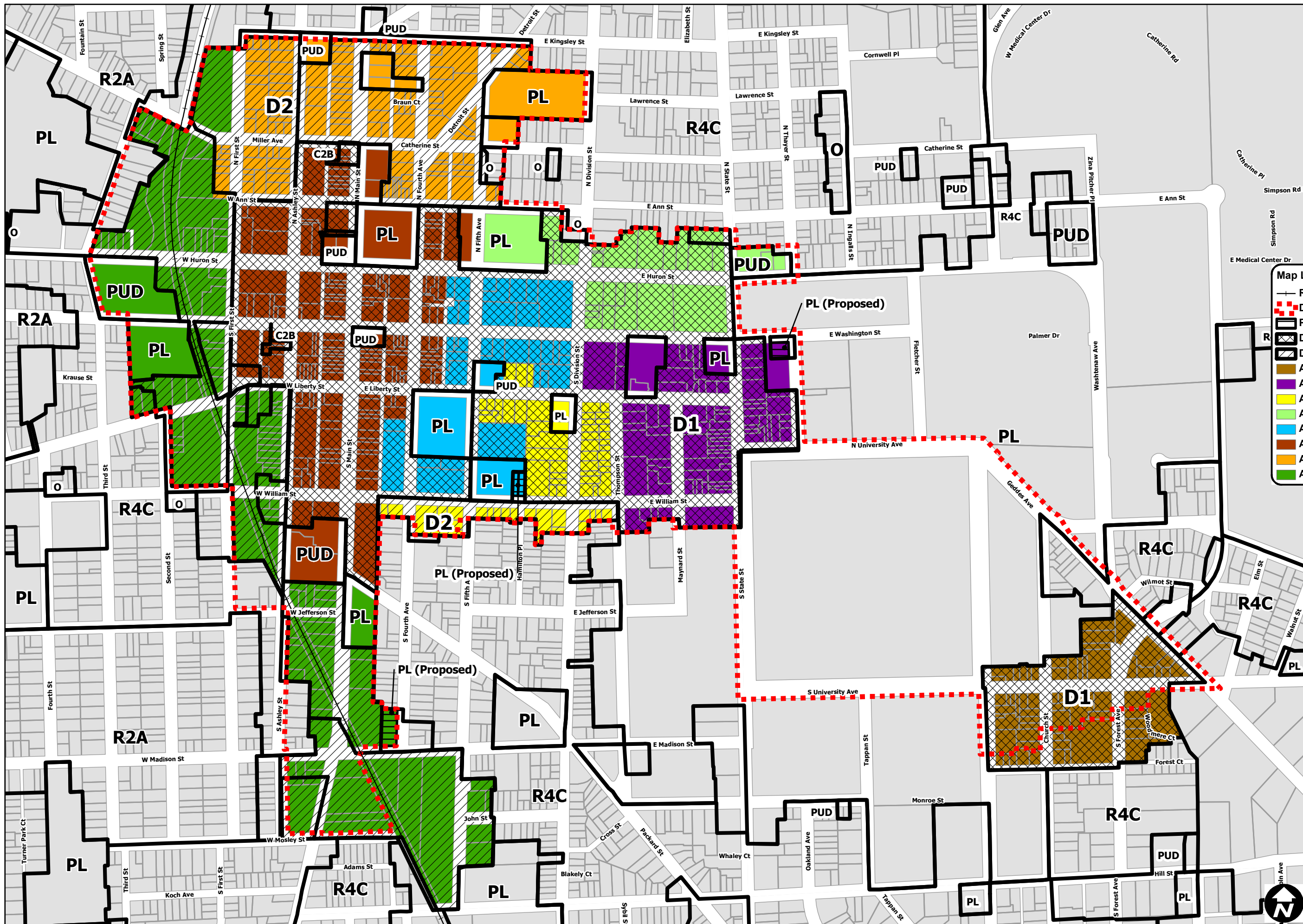
Please keep us informed and allow us to participate in these zoning matters as they move forward. Thank you in advance and we look forward to working with you.

Sincerely yours,

Samuel L. Perry

Pattie R. Perry

Figure 14
Future
Base & Overlay
Zoning Plan



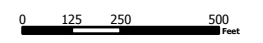
Map Legend

- Railroads
- DDA
- ▭ Proposed Zoning to Public Land
- ▨ D1 - Downtown Core
- ▩ D2 - Downtown Interface
- Area 1 - South Univ
- Area 2 - State St
- Area 3 - Liberty/Division
- Area 4 - E Huron
- Area 5 - Midtown
- Area 6 - Main St
- Area 7 - Kerrytown
- Area 8 - First St

Zoning District Key

- R2A - Two Family Dwelling
- R4C - Multiple Family Dwelling
- O - Office
- PL - Public Land
- PUD - Planned Unit Development

The Downtown Plan
Ann Arbor, Michigan
February 2009



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PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of September 16, 2008

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PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby directs Planning staff to collect data about the impacts of the Downtown Rezoning and Amendments to City Code and further, that staff report back to the City Planning Commission about these impacts one year from adoption of the amendments.

STAFF RECOMMENDATION

Staff recommends that the downtown rezoning and A2D2 text and map amendments to City Code be **approved**. The proposed rezoning and code amendments are consistent with the Downtown Zoning Advisory Committee recommendations, approved by City Council in October 2007, and the zoning plan of the draft Downtown Plan (see agenda item 8c). The draft amendments incorporate a number of revisions raised through the public comment process that began in April 2008.

STAFF REPORT

On September 4, 2008, Planning Commission held a second public hearing and tabled action on a package of code amendments and rezonings to implement the Ann Arbor Discovering Downtown (A2D2) recommendations. Based on discussion by Planning Commission members at this meeting and subsequent review by the City Attorney's Office, the following changes are proposed have been incorporated into the September 12, 2008 draft (attached)

Chapter 55 (Zoning) Amendment Changes

- Section 5:1 Definitions:
 - A definition of “floor area ratio” has been added, since this term is commonly used, but not currently defined.
 - A definition of “hotel” has been added to clarify the distinction between lodging uses and the multiple-family residential uses intended by the residential premiums. This is consistent with past interpretation of the code.
- Section 5:6 Establishment of Use Regulations: The section regarding wireless communications facilities has been revised to indicate that such facilities may be permitted as special exception uses in D1 or D2 districts. Currently, wireless communications facilities are prohibited in the Downtown Development Authority district.
- Section 5:10.19A Schedule of Uses: References to the special exception use standards (Section 5:104) have been added to the Additional Regulations column, where appropriate.
- Section 5:10.19 (4) Parking Structures: Provisions have been added to require setbacks/buffering of parking structures at street grade in the D2 district and to prohibit parking structure openings facing an abutting residential zoning district.
- Section 5:10.20 (3) Building massing standards: Diagrams have been added to illustrate the massing definitions.
- Section 5:10.20A Downtown Character Overlay Massing Standards: The East Huron setback requirement for a lot line abutting residential zoning districts has been revised. The requirement provides a minimum setback for the base, according to its height, and limits the tower portion to be located no further than 150 feet from the East Huron right-of-way line. The required offset at the top of streetwall has been eliminated to allow the tower to be located at the right-of-way line.
- Section 5:10.20C Downtown Character Overlay Massing Standards: A new chart has been added for the South University character overlay zoning district. A building height limit of 120 feet has been added and the tower diagonal requirements have been eliminated. A building articulation requirement has been added. The setback requirement from residential has been revised, and includes a requirement to provide a setback between a tower and any residential zoning boundary on the same block.
- Section 5:10.20 (4) Building frontage standards: This section has been revised to read as an intent statement, with descriptions of each street type.
- Section 5:65 (2)(a) Residential premiums: Language adapted from the Housing Code (Chapter 105) has been added to require windows or skylights to the exterior for every sleeping room. The reference to the city’s housing code has been deleted, since the state building code provisions are used to review new residential construction.
- Section 5:65 (2)(c): Green building premiums: The requirements have been clarified to indicate what versions of LEED are to be provided in the application of the premiums.

- Section 5:65 (2)(f) Public parking: Language has been added to clarify the provisions for public parking to apply in this premium.

Chapter 59 (Off-Street Parking) Amendment Changes

- Section 5:169 Special parking districts: The provisions for requesting Council approval of a payment in-lieu of required parking have been eliminated. As drafted, use of this approach would be at the option of the developer.

Other Issues

Staff received an email comment that adult entertainment uses should not be allowed in the D1 district. Adult entertainment uses currently are allowed, with spacing and other limitations, in the C2A, M1 and M2 districts. Since the C2A district will be eliminated as part of these amendments, the D1 designation is proposed to replace it. The D1 district will, in fact, contain more parcels than the C2A district: 407 parcels compared to 269 parcels. This increase is somewhat mitigated by the requirement that adult entertainment uses be located more than 700 feet from residential zones or residential PUDs. If Commission wishes to explore the option of removing downtown zoning districts for adult uses, additional review time will be necessary to review the legal implications of this change.

Staff received another comment about the relative impact of the D2 zoning change on the amount of development allowed in the floodplain. Staff will provide an evaluation of this at the September 16, 2008 meeting.

Prepared by Wendy Rampson, Systems Planner
9/12/08

c: City Attorney
Downtown Development Authority

Attachments: September 4, 2008 Staff Report (without attachments)
May 20, 2008 Staff Report (without attachments)
Draft Amendments to Chapter 55 and Chapter 59 (September 12, 2008)

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of September 4, 2008

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STAFF RECOMMENDATION

Staff recommends that the downtown text amendments to City Code and zoning map changes be **tabled** to allow for additional time for public comment.

STAFF REPORT

On May 20, 2008, Planning Commission held a public hearing and tabled action on a package of code amendments to implement the Ann Arbor Discovering Downtown (A2D2) recommendations. In June 2008, City Council provided discussion topics when it extended the deadline for the project (see attached resolution).

In the past three months, the A2D2 Steering Committee, Planning Commission and city staff have reviewed comments and made refinements to the draft amendments. The attached maps and draft amendments reflect the following substantive changes from the earlier proposal:

Zoning Map Changes

- North side of East Huron between Division and State – The zoning is proposed to be changed from D2 (Interface) to D1 (Core). This change is associated with a text change to incorporate a graduated setback for D1 properties abutting residential (see below).
- Properties on North Division/East Ann and North Fifth Avenue – Properties on these two blocks that are currently zoned O (Office) and located in the Old Fourth Ward Historic District are now proposed to be excluded from the rezoning. For the remainder of the block containing City Hall, the properties are proposed to be zoned D1.
- Street frontage designations – Several blocks have been reclassified to better reflect the current setback pattern along the block frontage. Most of the changes are from front yard (15 feet minimum) to secondary (0-10 maximum).

Chapter 55 (Zoning) Amendment Changes

- Section 5:10.19 (2) Uses of land: The “active use” requirements at street level have been revised to include bank customer lobbies as active uses and to apply the requirements to traditionally retail streets, rather than streets designated as Primary on the building frontage map.
- Section 5:10.20 (3) Building massing standards: The building massing definitions have been revised to add a definition of “base” and clarify the application of other concepts. Simple diagrams are currently being drafted to supplement the narrative descriptions. In addition, the tower massing standards have been revised to allow a larger tower diagonal up to a defined height threshold, above which a narrower tower diagonal requirement would be applied.
- Section 5:10.20 (3) Building massing standards: Side and rear setback requirements for all character areas have been revised. A graduated side/rear setback requirement has been provided for character areas that include D1 properties abutting residential zoning districts. Instead of a ground-to-sky requirement, the revision will require a graduated setback based on the height of each story. At the August 26, 2008 Ordinance Revision Committee meeting, another approach was proposed, which is being drafted for review by staff. This approach would use a combination of a minimum setback for the base and a maximum setback from the right-of-way line for the rear of the tower.
- Section 5:10.20 (4) Building frontage standards: Additional requirements and exceptions have been included, such as the ability to exceed the maximum setback on Primary streets to allow for better pedestrian circulation.
- Section 5:65 Floor area premium options: The enforcement provisions of the Green Building premium have been revised to address situations where a LEED certification commitment is not met by the developer at completion of the building. In such cases, a formula determines a one-time fine that must be paid. These provisions are modeled after Seattle’s downtown bonus program, which requires a LEED silver rating.

The Platinum LEED premium has been increased from 200% to 250%.

- Section 5:65 Floor area premium options: The proposal to increase this premium from 4 to 50 square feet was determined to be greater than the potential benefit. The current draft reduces the proposed premium to 10 square feet and limits the maximum to 8,000 square feet total.

Chapter 59 (Off-Street Parking) Amendment Changes

- Section 5:169 Special parking districts: A provision has been added to exempt parking structures that are used solely by residents or employees of a building from parking stall and aisle standards. This was a recommendation of the Downtown Zoning Advisory Committee that was inadvertently left out of the May 2008 draft.

Chapter 57 (Subdivision and Land Use Control) Amendment Changes

- The design review and design guidelines amendments are not included in the current draft amendments. The A2D2 Steering Committee has asked that changes be considered to clarify the design guidelines and design review process. Changes being considered include identifying a subset of the design guidelines required for site plan approval and having the Planning Commission make the final determination of design compliance, based on recommendations provided from a panel of design professionals.

PUBLIC ENGAGEMENT

At the August 12, 2008 working session, Commission members asked how the public has been kept apprised of the proposed downtown rezoning and code amendments. The following provides an overview of the efforts that have been used to make the A2D2 implementation efforts accessible. Staff welcomes suggestions from the Commission for encouraging greater access to process.

Direct Mail

In April 2008, a notice postcard was sent to 10,000 addresses. This list included owners and occupants of the approximately 800 downtown parcels proposed to be rezoned and owners and occupants of properties within 1000 feet of the rezoning area. The postcard included information about the website, informational open houses, interview opportunities and the May 20, 2008 public hearing.

Newspaper Notices

The required Planning Commission public hearing notice was placed in the classified section of the Ann Arbor News two weeks in advance of the May 20 and the September 4 public hearings. In addition, a display ad was placed in the Ann Arbor News on May 2, 2008.

A2D2 Newsletter

A regular newsletter has been sent to an email list of neighborhood organizations and others interested in planning that is maintained by the Planning unit. An A2D2 newsletter outlining the rezoning and code amendments was emailed to this group in April 2008 and August 2008.

Downtown Rezoning and Amendments to City Code

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Website

A website on the A2D2 efforts (www.a2gov.org/a2d2) has been in place since the project started in November 2006. The rezoning and code amendment maps and documents, in addition to the Downtown Plan amendments, have been posted on this website and updated regularly.

An additional look-up tool was added to the "My Property" function on the city's website at www2.a2gov.org/Mypropertyinformation/address.asp to allow a property owner to enter an address and find out the existing zoning, proposed zoning, current floor area ratio, and whether or not the property is in an historic district. This tool was recently updated to reflect the August 2008 proposed zoning district designation changes.

Public Open Houses

Two open houses were held in April 2008 to introduce the rezoning and ordinance amendments and get comments. A total of 75 people attended one or the other of these sessions.

Individual Interviews

After the public open houses in April, staff met individually with 19 property owners in advance of the May 20 public hearing. Interviews continued throughout the summer and are still being offered to individuals and groups to review proposed changes to the draft.

Presentations

Staff made public presentations on the proposed rezoning and code amendments to the Downtown Development Authority and the Ann Arbor Chamber of Commerce in May 2008 and to the South University Area Association in August 2008.

Media

The A2D2 efforts have been consistently covered in the print media. Feature articles on the May downtown rezoning and code amendments drafts were included in the Ann Arbor News, Business Review, Michigan Daily and Concentrate. Meeting notices have been regularly posted on ArborUpdate.com.

Mailing List

In addition to the 100+ email contacts receiving the A2D2 newsletter, staff maintains a list of 65 individuals who receive periodic email updates of upcoming meetings.

Prepared by Wendy Rampson, Systems Planner
jsj/8/29/08

c: City Attorney
Downtown Development Authority

Attachments: May 20, 2008 Staff Report - go to
www.a2gov.org/a2d2/zoning/Documents/CPCStaffReport_5-20-08REV.pdf
Draft Amendments to Chapter 55 and Chapter 59 (August 22, 2008)
Proposed D1 & D2 Zoning Districts Map (August 25, 2008)
Proposed Character Overlay Zoning Districts Map (August 25, 2008)
Proposed Building Frontage Zoning Map (August 25, 2008)

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of May 20, 2008

SUBJECT: Downtown Rezoning and Amendments to City Code to Implement the Ann Arbor Discovering Downtown (A2D2) Recommendations

PROPOSED CITY PLANNING COMMISSION MOTION

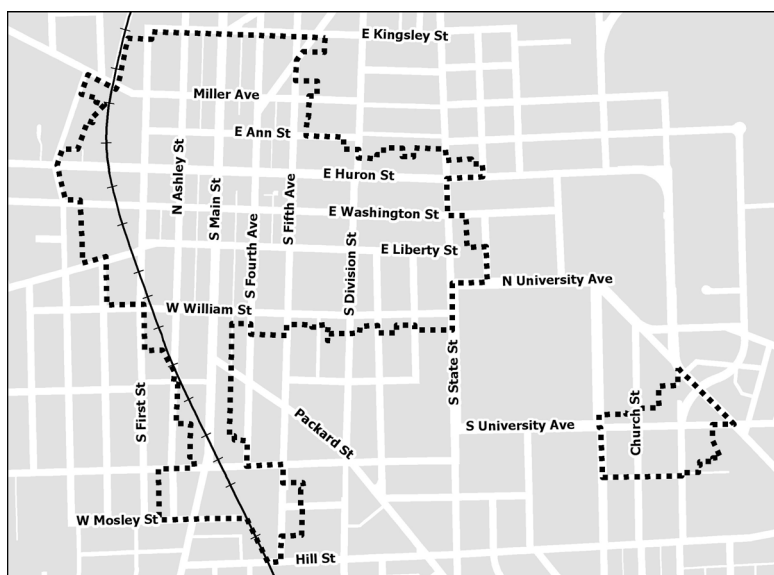
The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the A2D2 Downtown Rezoning and Amendments to City Code.

STAFF RECOMMENDATION

Staff recommends that action on the Downtown Rezoning and Amendments to City Code be **tabled** to provide additional time for the Planning Commission and the A2D2 Steering Committee to consider comments received and develop refinements to the proposal.

LOCATION

The Downtown Rezoning area includes properties within the Downtown Development Authority District (DDA) boundaries, excepting those zoned R2A and R4C; properties zoned C2B on the west side of South Ashley between West Madison and West Mosley; properties zoned C2B on the south side of East Madison between the railroad and South Fifth Avenue; properties zoned C2B on the east side of South Fifth Avenue between East Madison and Hill; properties zoned C2A on the north side of Willard between East University and South Forest; properties zoned C2A on the east side of South Forest between Forest Court and the DDA boundary; and property zoned C2A on the south side of South University east of the DDA boundary.



PROJECT BACKGROUND

In the early 2000's, the City Planning Commission and City Council began to explore ways in which to encourage new development, particularly housing, in the downtown. In October 2003, City Council appointed a taskforce to investigate barriers to downtown residential development. The task force concluded that the existing zoning restricted residential development in downtown districts and recommended that the City modify the zoning ordinance to reduce these barriers.

As a first step, the City hired Calthorpe Associates in May 2005 to work with the community in developing a vision for the downtown, as well as recommendations to realize this vision. On March 20, 2006, City Council passed a resolution approving the Downtown Development Strategies Final Report Implementation Plan. The implementation plan contains actions for urban design, office/industrial/retail development, housing, public space and mobility.

In March 2006, City Council directed staff to begin work on key Implementation Plan priorities. One of the priorities identified was the creation of overlay zoning that creates a dense, mixed use core area and respects the residential neighborhoods by decreasing new development intensity away from the core. Another high priority was the creation of set of essential design guidelines that encourage high quality building design and prioritize the pedestrian experience.

Council also established a steering committee to work with staff to ensure ongoing communication between City Council, Planning Commission and the Downtown Development Authority throughout the implementation process. With guidance from the Steering Committee, staff developed work plans for the zoning and design guideline efforts, and City Council appointed advisory committees to develop recommendations. The implementation initiative, named "Ann Arbor Discovering Downtown" or A2D2, began in November 2006 and was assisted by the urban design consultant team of Winter & Company and RACESTUDIO.

In October 2007, City Council reviewed the advisory committee findings regarding downtown zoning and urban design changes and passed Resolutions R-07-494 and R-07-495 approving the committees' recommendations (see attachments). The resolutions further requested that the City Planning Commission initiate amendments to the Zoning, Off-Street Parking and Subdivision and Land Use ordinances to codify these recommendations.

In the three years since the start of the downtown visioning process, a wide variety of public involvement opportunities have help shape the proposed zoning and design changes. These included public lecture series, community workshops and open houses, focus groups, interviews, briefings, advisory committee meetings and property owner meetings. Throughout the process, all materials under review have been posted on the A2D2 website (www.a2gov.org/a2d2), with a dedicated email address for comments.

PLANNING BACKGROUND

The Downtown Plan, originally adopted in 1988 and amended in 1992, provides recommendations for changes to downtown zoning and development standards, many of which have been implemented. As noted above, a renewed interest in downtown development has resulted in a re-examination of the vision for downtown and revised recommendations for

downtown zoning, design and transportation. These recommendations have been incorporated into the draft amendments to the Downtown Plan, currently under review.

PROPOSED AMENDMENTS

Since November 2007, staff has met regularly with the Ordinance Revisions Committee to develop amendment language to implement the recommendations of the A2D2 Downtown Zoning and Design Guidelines Advisory Committees. The proposed changes are highlighted below. The draft amendments are provided as attachments to this report.

Rezoning Area

The area proposed to be rezoned includes all parcels within the Downtown Development Authority District, with the exception of properties currently zoned R4C, PL and PUD. In addition, several areas of non-residential zoning located outside of the DDA are proposed to be rezoned. Districts currently represented in the rezoning area include C2A, C2A/R, C2B, C2B/R, C3, O, P and M1.

Downtown Base Zoning Districts (Chapter 55, Section 5:10.19)

Two new “base” zoning districts are proposed to replace the existing downtown zoning designations: D1, which represents the Core area identified in the Downtown Plan, and D2, which represents the Interface area. These districts regulate uses, floor area ratios, height and lot coverage. The current C2A, C2A/R and C2B/R districts and requirements will be deleted.

The allowable uses for the D1 and D2 districts are shown in a chart format. A new use requirement calls for a minimum of 60% of the street level frontage of a building located on Primary Streets to contain “active” uses. Active uses can be retail sales, restaurants, personal or business services or entertainment functions. In addition, parking structures in the D1 district are not permitted at the level of the adjoining street unless separated by occupied space.

Downtown Character Overlay Districts (Chapter 55, Section 5:10.20)

Eight downtown “overlay” districts based on areas of similar design character are proposed. These districts provide massing requirements to shape the allowable floor area of the base districts. Regulations are provided for streetwall height, offset at the top of a streetwall, tower height and diagonal and building module length.

A street frontage overlay has been created to provide front setback requirements based on the character of streets within the Downtown Rezoning area.

This section also contains the requirement for new development in the downtown to provide an urban design plan consistent with the Downtown Design Guidelines as part of site plan approval. A site plan may only be approved if the urban design plan is in compliance with applicable guidelines and consistent with guidelines’ intent.

Floor Area Premiums (Chapter 55, Sections 5:64 and 5:65)

New premium options and requirements have been added for:

- Affordable housing
- “Green” building/LEED certification
- Public parking
- Historic preservation outside of historic district

Existing premium options for residential and pedestrian amenities have been revised to reduce the residential premium and increase the arcade and plaza premium. In addition, premium options are no longer available on properties in a flood plain or historic district, and minimum energy efficiency requirements have been added as a prerequisite for all premium options.

Design Review Process/Design Guidelines (Chapter 57, Sections 5:120, 5:122 and 5:129A and Land Development Regulations Section 1:4)

Changes to Chapter 57 incorporate the review and approval of an urban design plan into the site plan approval process and adopt the Downtown Design Guidelines as part of the Land Development Regulations. The urban design plan review is required for downtown site plan projects, except those in historic districts, and runs concurrently with the site plan review.

As currently drafted, City staff is responsible for determining whether the urban design plan is in compliance with downtown design guidelines. The staff or petitioner may request input from an Advisory Review Panel established by Planning Commission to assist in applying the guidelines. The urban design plan becomes a part of the approved site plan.

The petitioner is required to hold a preliminary public review meeting of the building massing before submitting a site plan. An appeals process is identified for situations where the petitioner believes the guidelines have been applied incorrectly.

Off-Street Parking (Chapter 59, Sections 5:167 and 5:169)

The downtown zoning area remains a special parking district and retain vehicle parking exemption for “by right” floor area. This exemption will no longer apply to bicycle parking, which is proposed at a rate for one space for every 2,500 square feet of floor area.

The premium floor area vehicle parking requirement has been revised to one space for each 1,000 square feet of premium floor area. This parking requirement may be reduced if the project incorporates parking spaces for carshare or electric vehicles. The ability to reduce or eliminate the parking requirement through Council action has been removed and replaced with the ability to make a payment to the parking system in lieu of providing the required parking spaces.

Downtown Amendments
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c: A2D2 Steering Committee
City Attorney
Downtown Development Authority

Attachments: Downtown Zoning Advisory Committee Recommendations (October 15, 2007)
Design Guidelines Advisory Committee Recommendations (October 15, 2007)
- Downtown Design Guidelines (under separate cover)
- Design Review Process
D1 and D2 Downtown Base Zoning District Map
Downtown Character District Map
Draft Amendments to Chapters 55, 57 and 59