## Downtown Zoning Advisory Committee Recommendations October 15, 2007 Update

The Downtown Zoning Advisory Committee reviewed the existing zoning regulations and an analysis of all downtown development projects approved since 2000 and determined that implementation of the recommendation to "create special overlay zoning for the downtown" needed to start first with a fresh slate for the underlying zoning, based on recommendations from the Downtown Plan and the Vision and Policy Framework. Changes are recommended to:

- Underlying zoning districts
- Permitted uses
- Maximum floor area in percentage of lot area (FAR)
- Floor area premiums
- Height
- Setback and lot coverage
- Off-street parking
- Parking lot design

The Committee and staff acknowledge that the concepts identified below need additional detail to be fully implemented, but the concepts are sound and worth pursuing. These changes are summarized in the attached chart and described below.

*Underlying Zoning Districts* – To simplify the zoning and bring it closer into conformance with the master plan, the Committee recommends that the existing commercial and parking zoning districts be consolidated into two new districts (see attached map). These new districts have been initially labeled as the "Core" district and the "Interface" district, which are the terms used in the Downtown Plan.

In comparison with the "overlay zones" identified in the Vision and Policy Framework, the Core district encompasses the Huron Corridor and Downtown Core/Liberty zones, in addition to the South University zone. The Interface Area encompasses the North Main/Kerrytown, West Downtown/Ann Arbor Railroad, and South Main/William overlay zones.

The two-district approach to the underlying zoning is consistent with the Vision and Policy Framework recommendation to "concentrate high-density mixed-use residential and commercial development in central Downtown and encourage medium-density residential and mixed-use development between the central Downtown and the surrounding, historic single-family neighborhoods."

Historic districts remain as overlay districts in these areas.

*Permitted Uses* – The Committee determined that the existing mix of uses in the downtown was working well, and these uses should continue to be allowed by right. The noted exception is auto-oriented uses such as drive-up windows and repair and fueling stations. These types of uses are recommended to become subject to special exception use approval by the Planning Commission.

The Committee recommended that properties located on shopping streets identified through the A2D2 urban design project should be required to provide a majority of the street level floor area for retail use.

*Maximum floor area in percentage of lot area (FAR)* – Consistent with recommendations from both the Downtown Plan and the Vision and Policy Framework, the Committee recommended that the Core area contain the greatest amount of allowable floor area, and the Interface area contain an intermediate amount of allowable floor area.

In the Core, the proposal is for 400-500% maximum by right and 700-800% maximum with premiums, or up to 900% if affordable housing units are provided on-site. In the Interface area, the proposal would provide 200% maximum by right and 400-500% maximum with premiums.

An area of concern with existing zoning regulations identified by the Committee was the counting of above grade structured parking toward a building's floor area limitation. As part of a larger parking strategy (described below), the Committee agreed (with one opposed) that required parking should not be counted toward a building's floor area total.

*Premiums* – Premiums are floor area bonuses that allow additional floor area over the "by right" floor area limit if a development includes specific public benefits identified in the code. Currently, floor area premiums are permitted in downtown commercial districts for projects that provide certain open space amenities or residential use. Since 2000, premiums have been used to exceed the by right floor area limits in 15 projects, which represents 28% of the total downtown projects approved in that time period.

The Committee agreed that premiums were a good tool to incentivize public benefits in new development, and recommended expanding them to include other desired amenities. The recommended premium options are:

- Residential use
- On-site affordable housing (targeted to 80% area median income and below)
- Leadership in Energy and Environmental Design (LEED) certification
- Public or shared parking (Core only)
- Transferred development rights
- Historic preservation on parcels outside of historic districts

The Committee also agreed that a developer should be required to provide a certain level of energy-efficiency in a building to qualify for premiums. This might take the form of a set of City-identified standards, or a national or international code standard.

*Height* – The Committee recommended that height limits be applied to the Interface area to implement the Downtown Plan recommendation for a transition in scale between the core and adjacent neighborhoods. The recommended limit is 60 feet.

A majority of the Committee recommended a 240 foot height limit in the Core, to allow maximum flexibility in the design of larger buildings. The Committee recognized that the recommendations of the A2D2 Design Guidelines Committee would address visual impacts of tall buildings.

Setbacks and Lot Coverage – The Committee recognized that the A2D2 Design Guidelines Advisory Committee would be providing recommendations for building form that would correspond to areas of differing character in the downtown, and provided initial general recommendations for setbacks and lot coverage.

In the Core, no ground level setbacks are recommended to allow development to be built to the street and to allow for full use of the parcel at ground level. In the interface area, no front setback requirement is recommended, but a minimum open space requirement of 10% and a maximum lot coverage requirement of 80% is recommended. The Committee recommended that side and rear setback requirements for those properties adjacent to residential zoning districts be that required in the adjacent residential zoning district for a building of the same height (per existing Section 5:62)

*Off-street Parking* – Currently, the "by right" floor area of downtown development is exempt from off-street parking requirements. Off-street parking is required, however, for premium floor area. This arrangement was established in the late 1960's as a way to prevent demolition of structures for surface parking lots. Since that time, the City and DDA have pledged to provide shared parking structures to address parking needs in the downtown.

Concurrent with the A2D2 zoning project, an analysis of downtown parking was completed and discussions about parking and transportation policy followed. The Committee expressed an interest in revisiting the parking exemption, as a way to address perceived parking needs.

After reviewing the recommendations of the parking consultant, the Committee recommended that the existing parking requirements remain in place. However, to encourage the development of shared parking, the Committee recommends (with one objection) exempting shared or public parking in excess of the minimum requirement from counting as floor area.

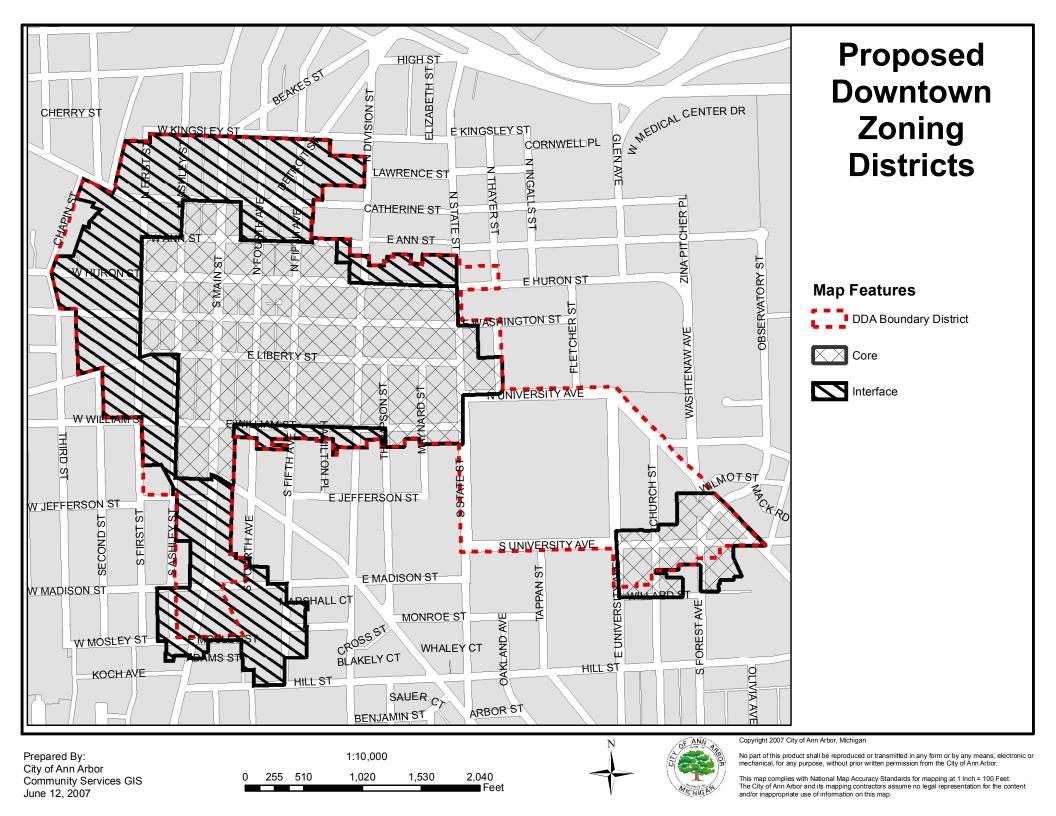
*Parking Design* – The Committee recommended additional requirements to mitigate the visual impact of structured parking. Structured parking, if constructed at grade, should be "wrapped" with occupiable space to avoid blank spaces along the street.

The Committee also recommended eliminating minimum parking stall and width requirements for private structured parking.

*Other Recommendations: Floodplain Regulation* – The recently adopted Flood Mitigation Plan outlines a variety of strategies for reducing the risk of property damage in floodplains. Subsequent to the plan's adoption, City Planning Commission has recommended that a floodplain ordinance be drafted to formalize these recommended strategies. While a floodplain ordinance will affect property in all of the City's floodplains, the portion of the Allen Creek watershed that is contained in the downtown is of particular interest to the A2D2 zoning effort, encompassing a large amount of property in the Interface area.

The Committee agrees that development of a floodplain ordinance, including an overlay zone, could support the recommendations of the <u>Downtown Plan</u> and the <u>Vision & Policy</u> <u>Framework</u> if it includes the following:

- Preservation of historic buildings in the floodplain. For those buildings at greater flood risk, the ability to floodproof while still maintaining the integrity of the historic structure should be an option for property owners.
- Flexibility in height and placement regulations to allow new development to be shifted to portions of a site that are located outside of the floodplain.
- Incentives to link open spaces in the currently developed floodplain area.
- Guidelines for site design to avoid creating 'dead zones' on private property if buildings are removed from the floodplain.
- The framework for a transfer of development rights program to shift development from the floodplain to appropriate receiving areas, such as the core area of downtown.



## **Proposed Downtown Zoning Districts – Summary**

| Zoning Changes       | CORE   | INTERFACE  |
|----------------------|--|--|
| Uses                 | Mixed uses allowed by right; Retail                                    | Mixed uses allowed by right, including                                 |
|                      | required on street level on designated                                 | residential; Auto-oriented uses require                                |
|                      | shopping streets; Auto-oriented uses                                   | special exception use approval   |
|                      | require special exception use approval                                 |  |
| Maximum floor area   | 400-500% by right  | 200% by right  |
| in % of lot area     | 700-800% w/premiums  | 400-500% w/premiums  |
| (FAR)                | 900% w/affordable housing premiums                                     |  |
|                      | Below-grade floor area not counted in                                  | Below-grade floor area not counted in                                  |
|                      | FAR calculation<br>Above-grade parking structures used                 | FAR calculation<br>Above-grade parking structure used                  |
|                      | for required parking not counted in                                    | for required parking not counted in                                    |
|                      | FAR calculation  | FAR calculation  |
|                      | Public or shared parking not counted                                   |  |
|                      | in FAR calculation (see Premiums)                                      |  |
| Premiums *           | Green building/LEED certification                                      | Green building/LEED certification                                      |
|                      | Public or shared parking   | Affordable housing (below 80% AMI)                                     |
|                      | Affordable housing (below 80% AMI)                                     | Residential  |
|                      | Residential  | Transferred development rights   |
|                      | Transferred development rights   |  |
| Height               | 240 feet – maximum Deleted by City                                     | 60 feet – maximum  |
|                      | <u>Council – 10/15/08</u><br>2 stories, 24 feet minimum                | 2 stories, 24 feet minimum   |
| Maximum lot          | 100% **  | 80%; with a minimum of 10% green                                       |
| coverage             |  | space **   |
| Setback (front) min. | None **  | None **  |
| Setback (side or     | None, except new construction  | None, except new construction  |
| rear) min            | abutting residential zones = setback                                   | abutting residential zones = setback                                   |
|                      | required in the adjacent residential                                   | required in the adjacent residential                                   |
|                      | zoning district for a building of the                                  | zoning district for a building of the                                  |
|                      | same height (per existing Section                                      | same height (per existing Section                                      |
| 0.5                  | 5:62)**  | 5:62)***   |
| Off-street parking   | No off-street parking required for by-                                 | No off-street parking required for by-                                 |
| (minimum)            | right floor area. One space for each 1000 sq. ft of premium floor area | right floor area. One space for each 1000 sq. ft of premium floor area |
|                      | (residential) and 500 sq. ft   | (residential) and 500 sq. ft   |
|                      | (commercial), to be provided on-site or                                | (commercial), to be provided on-site                                   |
|                      | by a fee-in-lieu payment.  | or by a fee-in-lieu payment.   |
| Parking design       | At-grade structured parking must be                                    | At-grade structured parking must be                                    |
|                      | wrapped with occupiable space at                                       | wrapped with occupiable space at                                       |
|                      | street level;  | street level.  |
|                      | Maximum 20 spaces in surface   | Structured private parking is not                                      |
|                      | parking lot(s), but in no case may the                                 | subject to parking stall and width                                     |
|                      | parking lot(s) exceed 25% of the lot                                   | requirements   |
|                      | area<br>Structured private parking is not                              |  |
|                      | subject to parking stall and width                                     |  |
|                      | requirements   |  |
|                      | 104010110110   | l  |

\* Premiums are bonuses that allow additional floor area over the "by right" FAR limit if the development includes certain amenities. As proposed, a development must meet City-defined energy efficiency standards as a prerequisite for receiving any of the premiums noted.

\*\* Initial proposal, to be reviewed and revised as necessary through the Urban Design Guidelines process.