

MEMORANDUM

TO: City Planning Commission

FROM: Jeff Kahan, City Planner

DATE: For the December 11, 2018 CPC Working Session

SUBJECT: Rezoning: West Side of 600 Block of S. Ashley Street

Background:

On September 4, 2018, City Council directed Planning Commission and Planning Staff to evaluate two areas for possible rezoning (R-18-361). One of those areas was a portion of the west side of S. Ashley Street. Most of the buildings on the west side of this block were built in the late 19th century or early 20th century with the exception of the Armen Cleaner building which was built in the middle of the 20th century. Commercial uses exist on the northernmost property (Washtenaw Dairy) and the southernmost property (Armen Cleaners). The Central Area Plan recommended that the 7 residential parcels in the middle of the block (not the commercial parcels) be rezoned to residential from C2B to retain residential use. The block is within the Old West Side historic district.

Environmental Information:

This area is subject to some environmental concerns, based on the historic operation of a dry cleaner at the south end of the block:

- PERC is in the soil from Armen Cleaners and is flowing north.
- PERC was getting into the basement of the house immediately north of Armen Cleaners.
- Using emergency response funds, the EPA conducted work in the early 2000's and retested the air at 628 S. Ashley.
- The MDEQ has not identified anyone as a responsible party.
- Groundwater is high in this location.
- Testing took place in early 2000's and within last few months.
- Estimated cost of cleanup might be \$2,000,000.
- Staff is of the opinion that downzoning the property might reduce the likelihood that the block will be acquired for new development and cleaned up.

Zoning Analysis: The total size of the 7 residential parcels (without the Dairy and Armen properties) is approximately 23,910 sq/ft . The lot width is approximately 99 feet (from the S. Ashley ROW to the back of each lot). C2B allows 200% FAR and buildings to be up to 4 stories; it requires a 30' rear setback when abutting residential while R4C allows 20 du/acre and 30' in height with 30' rear setback which would allow approximately 11 dwelling units (max of 66 beds) on the 7 parcels between Armen and the Dairy if a developer acquired all lots and proposed a development project. If the Dairy property was included, an R4C development could have 13 or 14 units. If all 9 parcels were included, a developer could get approximately 16 units in an R4C zoning district (possibly a smaller version of "City Place"). Parking would be required of any project. Since a high water table exists, parking would likely be part of the first floor in garages or on a surface lot. A parking lot would need lighting. A 16 unit development project in

the R4C zoning district would require a minimum of 24 parking spaces. A minimum of 1 parking space would need to be provided per dwelling unit in the C2B district. An owner-occupied condo project in the C2B might have around 30-40 units with 30-40 parking spaces. These spaces would likely be on the ground level or in garages on the west side of the site.

R4C

Density: 20 dwelling units per acre

Height: 30 feet

Front Setback: 25 feet minimum

C2B

Density: 200% FAR

Height: 55 feet; 4 stories

Front Setback: 10 feet minimum

Summary: C2B incentivizes redevelopment (and therefore Brownfield cleanup) more than the R4C. R4C incentivizes student housing which is likely the only way a developer can make such a project financially feasible. 1-2 bedroom units would result in fewer bedrooms and require a larger amount of parking on the site. A student housing project in the R4C could propose 96 bedrooms with 24 parking spaces on all 9 parcels which would increase demand for neighborhood on-street parking. Owner occupied development in the C2B would likely have less of an impact on neighborhood parking. Small rental units in the C2B would require a large amount of parking and would be more financially challenging. A more likely scenario would be for larger, owner-occupied units in the C2B. Owner-occupied homes that have garages along the rear (west side) of the units, could be accessed from W. Mosely. But few owner occupied developers could make R4C work financially (11-16 condo units just won't pay for the acquisition, demo, remediation, lending costs, design, and construction, and realtor costs, etc.). Student rentals would be a likely only use that could work financially with an R4C, based on community experience.

Bottom Line: Downzoning to R4C (the zoning district abutting the site to the west) would decrease the likelihood of Brownfield cleanup and increase the likelihood of student housing, which would likely increase on-street parking in the neighborhood. The historic district currently discourages any type of redevelopment. Staff recommends keeping the C2B zoning in place for the entire block to encourage the cleanup of the soil contamination.