



City of Ann Arbor

100 N. Fifth Avenue
Ann Arbor, MI 48104
<http://a2gov.legistar.com/Calendar.aspx>

Action Minutes City Planning Commission

Thursday, February 18, 2010

7:00 PM

G. C. Larcom, Jr. Municipal Bldg. 2nd Flr.

Commission public meetings are held the first and third Tuesday of each month. Both of these meetings provide opportunities for the public to address the Commission. Persons with disabilities are encouraged to participate. Accommodations, including sign language interpreters, may be arranged by contacting the City Clerk's Office at 794-794-6140 (V/TDD) at least 24 hours in advance. Planning Commission meeting agendas and packets are available on the Planning page of the City's website (www.a2gov.org) or on the 6th floor of City Hall on the Friday before the meeting. Agendas and packets are also sent to subscribers of the City's email notification service, GovDelivery. You can subscribe to this free service by accessing the City's website and clicking on the red envelope at the top of the home page.

These meetings are typically broadcast on Ann Arbor Community Television Network Channel 16 live at 7:00 p.m. on the first and third Tuesdays of the month and replayed the following Wednesdays at 10:00 AM and Sundays at 2:00 PM. Recent meetings can also be streamed online from the CTN Video On Demand page of the City's website (www.a2gov.org).

CALL TO ORDER

Secretary Westphal called the meeting to order at 7:10 in the Guy C. Larcom Jr., Municipal Building, 2nd Floor Council Chambers, 100 N. Fifth Avenue.

1 ROLL CALL

Present 5 - Pratt, Carlberg, Briggs, Westphal, and Giannola

Absent 4 - Bona, Mahler, Woods, and Derezinski

Members Arriving: Derezinski
Staff Present: Bahl, Kahan, Kowalski, Rampson

2 INTRODUCTIONS

Westphal introduced Sumedh Bahl, the Interim Community Service Area Administrator.

3 MINUTES OF PREVIOUS MEETING

3-1 10-0152 Revised Minutes of June 2, 2009.

Rampson explained that the June 2, 2009 minutes had been revised, due to the fact that there were words missing and typographical errors found when preparing the Council submittal for the Retail Plaza Rezoning. She said staff believed the words that were missing were substantive and therefore the minutes needed to be reapproved.

A motion was made by Carlberg, seconded by Pratt, that the Minutes be Approved by the Commission with changes and forwarded to the City Council.

A vote on the motion showed:

Yeas: 5 - Evan Pratt, Jean Carlberg, Erica Briggs, Kirk Westphal, and Diane Giannola

Nays: 0

Absent: 4 - Bonnie Bona, Eric A. Mahler, Wendy Woods, and Tony Derezinski

Motion carried.

4 APPROVAL OF AGENDA

A motion was made by Giannola, seconded by Briggs, that the Agenda be Approved.

Yeas: 5 - Evan Pratt, Jean Carlberg, Erica Briggs, Kirk Westphal, and Diane Giannola

Nays: 0

Absent: 4 - Bonnie Bona, Eric A. Mahler, Wendy Woods, and Tony Derezinski

Motion carried.

5 REPORTS FROM CITY ADMINISTRATION, CITY COUNCIL, PLANNING AND DEVELOPMENT SERVICES MANAGER, PLANNING COMMISSION OFFICERS AND COMMITTEES, WRITTEN COMMUNICATIONS AND PETITIONS

a City Administration

b City Council

Derezinski reported on the February 1 and February 16, 2009 City Council meetings. He said the main topic was the City's Budget.

c Planning and Development Services Manager

Rampson stated that the restructuring of the Planning Department was now in place. She noted that the Planning and Development Service Manager position is vacant

and would not be filled, but in its place there would be three managers coordinating together to run the three major functions of The Planning and Development Department. She announced that she would be in the Planning Manager position. She stated that Connie Pulcifer had moved to the System Planning Unit and would be working on a variety of projects including most immediately the Fuller Road Station project. In the rental housing area, a relatively new employee, Lisha Turner-Tolbert who was originally hired temporarily, would now supervise the rental housing function, she said. She also announced that Ralph Walton, a new employee, started on Tuesday. She stated that Ralph would be the Building Official and would be overseeing the construction functions as well. She said she was very pleased to be working with the Planning Commission on a permanent basis.

She spoke about the City's budget and the issues that City Council and City Administrator had been working on. She noted that their discussions included a reduction in tax revenue and State revenue sharing. She stated that staff would be following two separate tracks for the upcoming fiscal year 2011 budget. For the first track, the departments had been asked to identify cuts of 7.5 percent in expenditures, which would be on top of the 3 percent cut that was already in place for the fiscal year 2011 budget, she said. Concurrent with that, she said, the City Administrator is speaking with City Council with regards to the big picture issues. She said the City would be looking very closely at the services we provide as a city and the City's expenditures. She said the City would use the information to determine if it would be more beneficial to make a cut across the board at a certain level, or if there are areas where spending needed to stop or how the City could acquire revenue in different areas. She said there was a memo created by Jayne Miller outlining potential changes in the Planning and Development Department. She stated that she had drafted a budget that showed no layoffs of planning staff, but did show a layoff of a Management Assistant that supports the Planning Commission's preparation of minutes and other administrative functions. She added that the budget draft could change in any direction. She announced that the budget discussions would be posted on the City's website a2gov.org in the "Our Town" section.

She noted that another item on the website is the Open Data Project, which went live this week. She said the project was modeled after a number of places throughout the country that had put municipal data on the Web as an open government approach, which could be very helpful to the public. She finished by stating that she would like to discuss the retreat since it had been postponed to determine the date it could be held and a topic.

Rampson said there was a Design Guidelines Taskforce Committee appointed by the Mayor and City Council and Commissioner Westphal is on the committee. She said there would be a meeting scheduled for the taskforce sometime within the next three weeks.

d Planning Commission Officers and Committees

Briggs reported as the Planning Commission representative for the Parks, Recreation and Open Space Committee that the Committee would have monthly meeting, and a meeting had been scheduled for next week.

Carlberg stated that she attended the Downtown Development Authority Partnership Committee meeting in Commissioner Bona's stead, and the committee requested that the Planning Commission conduct a study of the open sites between Fourth and Fifth Avenue and William and Liberty. She said the purpose of the study was to determine how the section could be developed into a comprehensively planned area in the future. She finished by stated the committee suggested that it might be possible for the Planning Commission and Planning Staff to take on the study without

any outside cost.

e Written Communications and Petitions

- e-1 10-0153 (1) Email from Germantown Neighborhood Association regarding Heritage Row Proposal.

6 AUDIENCE PARTICIPATION (Persons may speak for three minutes about an item that is NOT listed as a public hearing on this agenda. Please state your name and address for the record.)

Brad Mikus, resident who lives on Stone School Road, believed the neighbors did not receive any benefits from Planned Unit Developments. He believed that the impact the projects would have on the neighbors should receive more consideration during the evaluation process.

7 PUBLIC HEARINGS SCHEDULED FOR NEXT BUSINESS MEETING

- 7-1 10-0154 Public Hearings Scheduled for Next Meeting

Westphal announced the public hearing scheduled for the meeting of Tuesday, March 2, 2010.

8 REGULAR BUSINESS - Staff Report, Public Hearing and Commission Discussion of Each Item (If an agenda item is tabled, it will most likely be rescheduled to a future date. If you would like to be notified when a tabled agenda item will appear on a future agenda, please provide your email address on the form provided on the front table at the meeting. You may also call Planning and Development Services at 734-794-6265 during office hours to obtain additional information about the review schedule or visit the Planning page on the City's website (www.a2gov.org)).

(Public Hearings: Individuals may speak for three minutes. The first person who is the official representative of an organized group or who is representing the petitioner may speak for five minutes; additional representatives may speak for three minutes. Please state your name and address for the record.)

(Comments about a proposed project are most constructive when they relate to: (1) City Code requirements and land use regulations, (2) consistency with the City Master Plan, or (3) additional information about the area around the petitioner's property and the extent to which a proposed project may positively or negatively affect the area.)

- 8-1 10-0155 a. Public Hearing and Action on Plymouth Green Crossings Amended PUD Site Plan, 8.9 acres, northwest corner of Plymouth and Green Roads. A proposal to revise the approved site plan to add a phase line and temporary parking, adding 26 parking spaces, in the location of the proposed restaurant building (postponed at 10/20/09 meeting) - Staff Recommendation: Approval

Kahan explained the proposal and showed slides of the site.

David Kwan, representing Plymouth Green Crossing, stated that he was available for any questions in regard to the proposal.

Ethel Potts asked if the proposal would be setting a new precedent regarding how the City handled these types of situations or would this be used only for particular cases.

Brad Mikus asked if the petitioner would have to use the Planned Unit Development guidelines for the proposed project. He believed the payment in lieu component was unfair and compared it to an interest free loan. He finished by stating problems with the affordable housing element.

Noting no further speakers, Westphal declared the public hearing closed.

Moved by Carlberg, seconded by Pratt, that the Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve Plymouth Green Crossings Amended PUD (Planned Unit Development) Site Plan, an amendment to the PUD Site Plan dated January 23, 2006, subject to execution of the revised development agreement dated February 1, 2010.

Westphal asked staff to address the concerns made during the public hearing.

Kahan said the site was designed to accommodate the storm water from the Phase 2 restaurant portion and it would handle the storm water, in the same manner, regardless of whether it was a restaurant or temporary parking lot.

Westphal asked staff to address the concern about this affordable housing payment arrangement setting a precedent for a possible change of policy for future Planned Unit Developments.

Kahan said there was not a change of policy, but the PUD section of Chapter 55 zoning included the ability to either provide the affordable units or provide a payment in lieu. He said the decision would ultimately be made by City Council. He added that when the petition originally came in, the petitioner requested that the payment in lieu of providing affordable units be added as part of the proposal and Council accepted. He noted that since that time the petitioner had contributed \$60,000 towards the City's Affordable Housing Trust Fund and had indicated that, due to the extraordinary current economic conditions in southeast Michigan, they are not in a position to provide the additional payments required and would like an adjustment to the payment schedule. He added that the petitioner originally intended for the residential units to be condominiums, which would have allowed them to have cash up front. He said the petitioner planned to use a portion of the money received for the purchased condominiums to make payments to the Affordable Housing Trust Fund. He stated that the change in the market, including demand for units at this location, prompted the petitioner to begin leasing those units, but leasing takes a much longer period of time to recapture the expenses. He said the City's attorneys worked directly with the petitioner to provide language that would require additional payments over the next three years. He finished by confirming that this would not be a change of policy.

Carlberg asked the petitioner if the proposed parking were replaced with a restaurant, would the site become short of parking.

Kwan said his priority since Pfizer had closed, along with the economic issues that staff had spoken about, was to stabilize the building from a mechanical standpoint. Currently most of the site's activity was to the south, he said. The restaurant would bring the central

activity center of the site to the north and help with some of the parking problems, he said. He stated that right now the parking is always full adjacent to the bank drive-through. They have a shared agreement with Cooley Law School to use the parking at the northern part of the site, he said. He added that the agreement allowed Plymouth Green Crossings to use the parking at night and Cooley Law School used the parking during the day. He believed the restaurant would also bring a pedestrian activity center to the site.

Carlberg understood the reasoning behind using a phase system, since the petitioner was not able to build the rest of the buildings. She said the arrangements for the affordable housing component was usually worked out with the Community Development office, adding that she was comfortable enough with that considering the difficult economic times.

Briggs stated that while she respected staff's recommendation, she did not feel comfortable with the proposal. She was unsure if Phase 2 would ever be built and questioned whether the current proposal would have been approved if presented in the form before the Commission now. She believed the City was sending mixed messages to the community. She stated that in some retail and restaurant proposals the City was requiring less parking, which would require the community to walk further. She noted that the petitioner said parking was available on site, but presenting the perception of more parking would bring more customers and business to the site. She did not believe that the City wanted to send the message that downtown people would have to park in a structure and walk further, but outside in the periphery there is a wealth of parking.

Giannola asked if Phase 2A and 2B were part of the original plan and if the Commission discussed parking at that time.

Kahan said originally there was only one phase and all buildings were shown in the first phase.

Giannola asked if people were expected to park in the parking lot to the north if the entire project was built at one time.

Kahan said originally the plan was to build the restaurant and the mixed use building at the same time. He said something to recognize upon planning the site that there would be a large demand for surface parking because of the retail component. He said there is a bank located at southernmost part of the site that brings with it daytime demand for parking spaces. He said parking was evaluated with the original plan and staff believed the petitioner was providing adequate parking. He stated that the peak demand for parking varied depending on the use. He noted that the bank had a peak demand of parking on Fridays between 3 p.m. and 5 p.m. the bank closes by 5:30 p.m. and had no evening demand. He said the retailers would have their peaks on the weekend during the daytime hours, with limited demand throughout the week. He added that the restaurants would have their peak demand after 6 p.m. with more demand on Friday and Saturday nights. He said one of the advantages the various uses create for the site was different peak demand periods. He noted that each residential unit had their own assigned space, either a one or two car garage. He finished by saying the belief was that shared demand would allow a certain flexibility of the entire site, including the shared use to the north, and that parking could be reasonably accommodated.

Giannola believed that, whether the restaurant was built or not, it seemed more efficient to use the space in some way until the economy recovers.

Pratt said the petitioner had said the original plan did not work out as expected and was asking the Commission to help them out. He agreed with Commissioner Briggs in regards of how this would all play out in the end. He believed this would be applying a band-aid and saying we have reason to believe that the configuration would not be a problem in the future. He asked how much of the square footage had been built out.

Kahan believed that two-thirds of the mixed use buildings have been constructed as well as the bank and all the parking, excluding the purposed temporary lot. He believed that approximately 70-75 percent of the buildable areas had been constructed.

Pratt stated it was hard to determine if some of the shared parking lot was taken by Cooley students, but assumed that in the evenings it would probably be the students more than people using the center since there was a space between Olga's and the rest of the site. He asked if there was reason to revisit the entire site. He did not believe the people currently parking would change their behaviors and park in a different location due to the availability of the temporary parking. He asked staff if there had been discussion with the petitioner of their long term plans.

Kahan replied yes. He said it was very difficult to envision what would be taking place at the site a year, five years or ten years from now. He added that the market conditions would have an effect on when or what would be constructed on the site.

Pratt said he realized that there was a security issue, but there are other locations where people could be parking. He asked if the petitioner had considered using the empty residential garages as employee parking. He finished by stated that in regards to efficiency the current proposal did not add up.

Rampson stated that the site had been part of the old NSF International large open area, and the Commission had included extensive objectives in the Master Plan for how the site should be developed. The Millers Creek headwaters occupied the larger more prominent piece of the site, she said, which occupied the corner, where retail could do the best. Originally, when the project came in as part of the Master Plan the City persuaded the petitioner to do mixed uses, to be compact and reduce parking by using shared parking, and to pull the project away from the corner. She added that the requirements were potentially risky in the old market and the petitioner had found out that it continues to be risky to have mixed uses in this market. She stated at the beginning it was the best guess on how the project would work, but now that project had begun the petitioner would like some tweaking to the plan to make it successful. She said the petitioner was hoping to continue with the adjoining mixed use building, which would allow more residential and retail on the site. She added that if the parking was displaced, then people would go to the most closely available parking, which would be to the north. She said there was parking to the north and at different times of the day. She stated that the plan could be revisited, but the PUD represented all the components the Commission was trying to accomplish in the Master Plan. She believed that the changes would allow the project to move forward, which could potentially permit the petitioner to construct more residential. She noted that there was a demand for the rental units, but the Certificates of Occupancy were being held until the affordable housing issue had been resolved. She added that the occupancy of the retail was more of a challenge than the residential, but believed that the site was functioning given the perimeters that were put in place, to the extent that it can in this economy. She believed the proposed changes would assist the site in becoming successful and moving forward to the next step.

Pratt stated that he did not want the City to be locked into this exact layout, but would

like the petitioner to consider alternatives to the proposed plan.

Carlberg did not believe that it was the Commission's place to say to the petitioner to redesign their site once it had been approved. She noted that she was not a better economic prognosticator than any other Commissioner and could not predict what was likely to happen any more than the petitioner was able to in this situation. She believed it was inappropriate for the Commission to demand that the petitioner provide a redesign of the site or for the Commission to redesign it for the petitioner. She said if the petitioner provided a different proposal after finding that the project was not working, then the Commission would have the opportunity to deal with changes then, adding that the petitioner was far more aware of the difficulties his development was facing than the Commission. She asked the petitioner if no one was using the garages.

Kwan said of the 23 units, 21 have been occupied. He stated that all of the garages had been built, including the garages for Phase 2B. He said several of the garages are currently being used for temporary storage and could not be used for parking.

Carlberg stated that when she was at the site she could not see the parking in the rear. Visually this is a problem for people looking for parking relatively close the first two buildings, she said. She said if the proposed parking would bring a tenant, it would be beneficial to the petitioner as well as the community to have the site fully built out. The site was graded to be a building and the storm water system was built to handle the impervious surface, and she did not believe there would be any jeopardy to the site or the eventual construction, she said. She said the site was on the outskirts of the city and there were no alternative places to park. The expectation was people from businesses would be walking to the restaurant and if it was open at lunchtime that would be true, she said. She did not believe the changes to the plan would be detrimental to the City's overall goal.

Pratt asked if there was any discussion regarding any minor additional vegetative screening. He stated that he noticed while visiting the site that the vegetation that had been planted was doing very well, but it did not cover the sheet pile wall from the top.

Kahan said screening had been discussed and Commissioner Woods suggestion was conveyed to the petitioner.

Kwan stated that the screening would be revisited with the landscape consultants regarding what can be used to fill in the space from the top down.

Pratt said the screen did not have to be totally comprehensive, but would like the appearance of the sheet pile softened. He realized that it would take some time for the vegetation to grow, but believed if planted now in three years the wall would be improved.

Rampson asked if the vegetation was a suggestion.

Pratt said if it was acceptable to the petitioner he would like the vegetation added.

Kwan said he would discuss adding vegetation with his partners and they would make it a priority this spring.

Pratt asked if what the petitioner stated was enough for staff to follow up.

Rampson replied yes.

Briggs asked what materials the petitioner planned to use for the parking lot and if it would be porous.

Kwan said it would be standard imperious surface. He said they received economic value once the space in the mixed use buildings is rented and hoped they would get some value once the restaurant was constructed. He believed that the parking would be an intermediate short term solution to help them stabilize the rental of the vacant space which is currently half of the retail space.

Briggs asked if the employee parking was at the far end of the site.

Kwan said most of the employees follow the rules and park as far away from the building as they are comfortable. He said the shared parking is vacant now because Cooley is in start up phase and is only adding 80 students every few months. He said there were 10 or 12 employees that would use the shared parking lot on the weekend, which include Fifth Third bank employees. He said other employees park near the north entrance on the shared driveway. He stated that he has lost approximately four good business prospects because of the parking situation. The businesses are not as enlightened as the businesses in Ann Arbor, and their perspective was that their clientele would not walk the building, he said. He believed that once the businesses are on location, with numbers that prove their success, parking would not be as much of an issue.

Briggs asked if the materials used for parking lot pavement were with the City, or were they determined by the developer.

Kahan said it was becoming an increasingly common topic of conversation. He noted that it was important to look at the durability of the surface particularly in Michigan's climate. He stated that a retail parking lot would likely get a great amount of activity opposed to an office site where a vehicle might be parked for nine hours. Retail parking lots tend to get a lot of abuse, he said. He added that pervious surfaces are still in a testing stage, but staff had found some degree of success with some pervious surfaces. He said staff had asked some petitioners to explore using pervious materials for sites when their parking space was unlikely to receive a lot of turnover.

Kwan stated that virtually all the storm water from Green Road and the old NSF building heads through the Millers Creek Watershed. He said one of the community benefits of the project was adding about a million gallons of retention to the wetland area.

Briggs said she would be supporting the project based on staff's recommendation, but she would like to have a discussion at a working session regarding parking in the outskirts versus at the City's core. She added that the amount of parking provided in different spaces was sending a message to the community at large as to where it is easy for them to shop and what they should expect at the periphery. She believed that over time the City could change the perception of what was necessary in our community in regards of parking and walking a little further.

Carlberg said on the subject of porous pavement, one must either have extremely porous subsurface or prepare the surface four feet down, which would be an expensive undertaking for a temporary parking lot. She said the petitioner would not want the subsurface under the building in the next phase. We speak about it a lot, but we frequently run into clay soil or the tremendous expense of the preparation underneath, she said.

Westphal said he was not on the Planning Commission when the project was originally approved, but the Commission could spend a lot of time guessing whether this PUD would have been approved with the current proposed layout. He added that the current parking configuration may not have been constructed that way had we known what the market condition would be like today. He stated that he was fairly confident that a built project would be more profitable than unused parking. He believed the petitioner understood the needs of the tenants. He did not believe that the temporary parking would change a whole lot in the future if the project turned out to be more profitable to complete the PUD as originally envisioned. He also believed the current mixed used project was successful and he would like to support anything that needed to be done to support those businesses.

A vote on the motion showed:

Yeas: 5 - Evan Pratt, Jean Carlberg, Erica Briggs, Kirk Westphal, and Diane Giannola

Nays: 0

Absent: 4 - Bonnie Bona, Eric A. Mahler, Wendy Woods, and Tony Derezinski

Motion failed due to a lack of six affirmative votes.

- 8-2 10-0159 b. Public Hearing and Action on Heritage Row PUD Zoning District and PUD Site Plan, 1.23 acres, 407-437 South Fifth Avenue. A request to rezone this site from R4C (Multiple-Family Dwelling District) to PUD (Planned Unit Development District) and a proposal to renovate the existing seven houses (total of 26,873 square feet and 38 units), and to construct three new buildings (total of 44,738 square feet and 44 units) and a total of 62 parking spaces below the new buildings - Staff Recommendation: Postpone

9 **AUDIENCE PARTICIPATION (Persons may speak for three minutes on any item.)**

10 **COMMISSION PROPOSED BUSINESS**

11 **ADJOURNMENT**

Bonnie Bona, Chair
jsj