

**PLANNING AND DEVELOPMENT SERVICES STAFF REPORT**

**For Planning Commission Meeting of September 19, 2023**

**SUBJECT: ERIM (3520 Green Court) PUD Zoning Text Amendment for City Council Approval  
(3520 Green Court)  
Project No. REZ23-0008**

**PROPOSED CITY PLANNING COMMISSION MOTION**

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the ERIM (3520 Green Court) Planned Unit Development (PUD) Zoning Text Amendment.

**STAFF RECOMMENDATION:**

Staff recommends that the text amendment to the ERIM (3520 Green Court) PUD Zoning Supplemental Regulations be **approved** because the revision is consistent with the intent and findings of the previously approved ERIM PUD zoning district.

**LOCATION:**

The site is located on the east side of Green Road, south of Plymouth Road and adjacent to US-23. The total size of the PUD District is 35.26 acres.

**SUMMARY:**

The primary goal of this application is to allow multiple-family residential uses on all five parcels within the PUD district. No residential use is currently permitted in the PUD regulations. The original PUD Zoning was approved in 1998 for five parcels totaling just over 35 acres. Four of the parcels have existing buildings that were constructed just after the original PUD approval in the late 1990's and early 2000's. One of the parcels addressed as 3525 Green Court has remained vacant and is 7.2 acres in area. The existing land uses are general office and an extended stay hotel. The uses permitted in the PUD regulations at the time of original approval can generally be described as a mixture of office, research and light industrial. Specifically excluding medical dental offices and any residential use.

The proposed PUD addition includes residential uses, prompting updates to regulations for affordable housing. When developments meet or surpass the base Floor Area Ratio (FAR) of the original ORL zoning (Office, Research, Light Industrial) with a 75% max FAR, affordable housing is mandated. That condition applies to this site.

According to the UDC, if a development meets or exceeds the master plan's recommended residential density or the underlying zoning FAR (1) **by up to 25%, it must allocate 10% of its**

**Floor Area for Affordable Housing Units. (2) If it surpasses this by more than 25%, 15% of the Floor Area must be designated for Affordable Housing Units.**

For requirement (1) above, the petitioner proposes to exceed UDC requirements as follows:

Where the FAR of any one of the 5 lots within the ERIM PUD district exceeds a FAR of 75% by up to 25%, then **an additional 5% of affordable housing will be offered. This would result in 15% of the total Dwelling Units constructed as Affordable Housing Dwelling Units**, an equivalent payment in lieu consistent with the formula adopted by annual resolution of the City Council, or by a combination of on-site units and contribution; and

For requirement (2) above, the petitioner proposes to exceed UDC requirements as follows:

Where the FAR of any one of the 5 lots within the ERIM PUD district exceeds a FAR of 75% by more than 25%, **then an additional 5% of affordable housing will be offered. This would result in 20% of the total Dwelling Units constructed as Affordable Housing Dwelling Units**, an equivalent payment in lieu consistent with the formula adopted by annual resolution of the City Council, or by a combination of on-site units and contribution.

The revision request primarily aims to permit residential uses in the PUD District. Planning staff and the petitioner worked together to recommend changes aligned with current City Policies and goals. The updated regulations would now include all Office District uses, removing the exclusion of medical and dental uses. The FAR limit has been lifted, with the maximum height increased to 5 stories and 65 feet from the previous 4 stories and 50 feet. Minimum parking requirements are replaced with a maximum parking ratio. All hotel types are now regulated, whereas only extended stays were previously allowed. Commercial uses can now be accessory uses, limited to 10% of the building's floor area or 12,000 square feet, but cannot be the primary building use.

The PUD regulations were refined to clarify building design and site Landscaping terms, which adhere to the requirements of the Unified Development Code to regulate land use and site development. A track changes version of these updates is attached.

A Pre-petition PUD Conference with the Planning Commission was held on October 11, 2022. While there was general support, concerns were raised about affordable housing provisions in PUDs. The proposed changes reflect the current requirements for Affordable Housing in PUD districts.

**Aerial (2022)**



**PUD REGULATIONS ANALYSIS:**

	<b>EXISTING</b>	<b>PROPOSED</b>
Zoning District	PUD	PUD
Lot Area	35.26 acres	35.26 acres
FAR	40% per parcel	No Maximum
Setback: Side (South)	100 ft	30 ft for residential buildings, otherwise 100 ft
Setback: Front (East/US-23)	25 ft	15 ft
Setback: Front (West/Green Rd)	25 ft	15 ft
Setback: Side (North)	25 ft	25 ft
Height	4 stories, 50 ft MAX	5 stories, 65 ft MAX
Land Uses	Non-medical office, research, light industrial	All office, research, light industrial, residential, limited retail in association with larger building
Vehicle Parking	Required Minimums by use	None required, Maximum parking limits
EV Parking	None	UDC requirements by use
Bicycle Parking	None	UDC requirements by use

**LAND USE ANALYSIS (SURROUNDING LAND USES AND ZONING):**

	<b>LAND USE</b>	<b>ZONING</b>
NORTH	Commercial	C1 (Commercial)
EAST	US-23 Highway	Township
SOUTH	Multiple-Family Residential	R4A (Multiple-Family Residential)
WEST	Parking Lot, University of Michigan	PUD

**CITIZEN PARTICIPATION:**

The petitioner held a Citizen Participation Meeting on May 2, 2023. Notices of the meeting were mailed to addresses with 1,000 feet; 651 Postcard notices were mailed. Three members of the public attended.

**REZONING ANALYSIS:**

Changes to the text or map of the Unified Development Code (Chapter 55 of the Ann Arbor City Code) may be made pursuant to Sections 5.29.9. and 5.29.10. To assist the Planning Commission and City Council with their decision, applicants provide a petition with justifications in support of the request. The petition addresses:

- The current zoning and history of the site.

- The objective, purpose, and beneficial effect of the PUD for the city.
- Why this beneficial effect cannot be achieved under any other zoning.
- Why the uses proposed will not have a detrimental effect on public utilities and surrounding properties.
- How the proposed PUD is consistent with the Master Plan Land Use Element recommendation.
- Vehicular and pedestrian circulation.
- Disturbances to natural or historical features and why this disturbance is necessary.
- Proposed modifications to the City Code.

As condensed into the Supplemental Regulations, the PUD zoning petition says the amended district provides:

- Expansion of the permitted principal uses of the PUD. The permitted principal uses would include medical and dental offices, which are currently prohibited; would expand the definition of “hotel,” which currently restricts hotel developments to extended stays with 100 room maximum capacity; and would permit development of multifamily residential housing, which is currently excluded.
- Preservation of a diverse mix of land uses not available in other zoning districts. Increased setbacks from southern residential boundary for any non-residential building.
- Increase of 5% over the standard PUD provision of Affordable Housing required with residential development.
- Updated standards consistent with current City policies and goals (Ex: Maximum parking requirements, increased FAR).

#### **SERVICE UNIT COMMENTS:**

Planning – Planning staff support the PUD text amendments. The original PUD, among the City’s first, had restrictive regulations representing past land use preferences. Current City goals, like promoting residential uses, were previously excluded. With the inclusion of residential uses, the provision of affordable housing has been added as a requirement within the PUD. While affordable housing is required of any current PUD, the petitioner is proposing a 5% increase above the standard as a public benefit. In addition, there is still a dynamic mix of uses permitted in the district which is not permitted in other existing zoning districts. The permitted uses of research, laboratories, light manufacturing, and assembly of small goods (Ex: musical instruments) will be preserved and do provide a mix of uses unique to this PUD.

Many of the other site development specifics in the supplemental regulations are now included in the current UDC or do not align with current City policies, like the outdated parking minimums and the low 40% FAR near a location adjacent to transit and neighborhood commercial.

No new development is proposed at this time and any new development within the PUD district will require a site plan subject to all requirements of the PUD regulations and UDC codes in effect at the time the site plan is reviewed.

Reviewed by Hank Kelley  
9/06/23

Attachments:                   Zoning Map  
                                  Aerial Photo  
                                  [Original approved ERIM PUD regulations](#)  
                                  [Proposed amended supplemental regulations](#) (Clean)  
                                  [Comparison of PUD regulations](#) (Track Changes)

c: Tracy Lawyer, General Counsel, ALTARUM Institute (Petitioner)  
David Caldon, Varnum Law (Petitioner)  
Systems Planning  
Project No. REZ23-0008