

**ANN ARBOR PLANNING DEPARTMENT STAFF REPORT SUPPLEMENT**

**For Planning Commission Meeting of July 7, 2020**

**SUBJECT: Valhalla Ann Arbor Annexation, Conditional Zoning and Site Plan (84 Valhalla Drive)  
Project No. A19-007 through A19-019, Z19-009, SP19-018**

**PROPOSED CITY PLANNING COMMISSION MOTION**

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the annexation and the Valhalla Ann Arbor Rezoning Petition to R4E (Multiple-Family District) based on the proposed zoning and accept these conditions:

- The maximum density not to exceed 50 units per acre.
- The maximum height of any building will be 74 feet.
- The inclusion of fifteen affordable housing units as described in Statement of Conditions.
- The entire project will be serviced only by electricity and not connected to natural gas services.

The approval is subject to executing a  Conditional Zoning Statement of Conditions.

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**Alternate Staff Rezoning Recommendation  
PROPOSED CITY PLANNING COMMISSION MOTION**

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the Valhalla Ann Arbor Annexation and R1D (Single-Family Dwelling District) Zoning.

**PROPOSED CITY PLANNING COMMISSION MOTION**

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve Valhalla Site Plan and Development Agreement.

### **HISTORY:**

This petition was postponed at the June 2, 2020 City Planning Commission meeting. The CPC expressed concerns with the plan, such as the sustainability, affordable housing provided, number of parking spaces provided and traffic impacts and design of improvements. Staff reviewed the list of Planning Commission issues with the petitioner representatives after the last Planning Commission meeting. The petitioner's letter of response is attached and revised plans, including the revised Zoning Conditions offered, have been uploaded.

### **UPDATE:**

#### **SITE PLAN PETITION:**

The petitioners have responded to concerns raised at the Planning Commission in the [attached letter](#). Planning Commission stated concerns with the total amount of parking provided, which is above the minimum required for the use. The petitioner has indicated that the bank lenders for the project require a certain amount of parking to finance the project. The petitioner did attempt to create language that could allow a reduction after approval, however this was not consistent with City Code and could not be accepted. Staff has suggested the deferment of up to 40% of the required parking, however the response was that that would not address the lenders concerns regarding parking amounts guaranteed for the project.

There were some questions regarding the height of the building at certain locations. While the height has not been reduced on the plan, the measurement has been revised to indicate the maximum height of any building is 74 feet, not 79 feet as indicated previously. Staff does agree with the modified height calculation which is measured consistent with the City Code.

The petitioner also offered additional explanation of the traffic mitigation methods that may be required. No new options are proposed and the City's Traffic Engineer has been requested to attend the Planning Commission meeting to address any questions.

There have been no changes to the site layout or building design as a result of the issues discussed above.

#### **REZONING PETITION:**

The petitioner has made notable changes to the sustainability and affordability aspects of the project as a result of Planning Commission concerns. The revised zoning application is attached [here](#).

The project was previously proposing 3 units leased at or below 80 percent of the Area Median Income (AMI), 3 units leased at or below 70 percent of AMI, and 9 units leased at or below 60 percent of AMI, for a total of 15 homes. The petitioner now proposes to

designate all 15 units to meet the City's definition of affordable housing units for households at or below 60% of AMI.

At the request of Planning Commission and consistent with the Carbon Neutrality Plan recently adopted by the City, all buildings on the site will be serviced by electricity only, no natural gas will be connected to the site with the exception of possible use of gas generators in the event of a power failure. The petitioner has provided a summary of the energy aspects attached [here](#).

Prepared by Matt Kowalski  
Reviewed by Brett Lenart  
07/01/2020

Attachments: June 2, 2020 Staff Report with Zoning Map, Aerial Photo  
DRAFT Development Agreement  
June 24, 2020 Petitioner's Response to Planning Commission  
June 30, 2020 Petitioner's Energy and Transportation Summary