

CORRECTED DRAFT MINUTES  
**ANN ARBOR CITY PLANNING COMMISSION**  
REGULAR MEETING  
7:00 p.m. – June 15, 2010

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REGULAR BUSINESS

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c. Public Hearing and Action on Zaragon Place 2 Site Plan, 0.32 acres, 500 East William Street (southeast corner of East William and Thompson Streets). A proposal to construct a 140-story, 132,702-square foot mixed-use building (99 loft apartments and street level retail) with 40 at-grade or above-grade vehicle parking spaces and 50 bicycle spaces – Staff Recommendation: Approval

Rampson explained the proposal and showed photographs of the property.

Tom Heywood, executive director of the State Street Area Association, stated that the board has unanimously endorsed this proposal and the vast majority of the neighborhood was overjoyed that this property would be developed as proposed. He noted that this site was one of three sites that a study done by the University of Michigan said needed to be developed in order to rejuvenate the area. He stated that this was a very attractive building and would be a good addition to the neighborhood, noting that the 200 plus residents would be a huge economic boost.

Scott Bonney, of Neuman Smith, project designer for this proposal, explained that this would be a sister building to the existing Zaragon Place 1 building, using the same materials, with the only differences being the retail space using opaque windows and a thermal granite base for more detail at the bottom of the building being used. He showed the different materials and further described the accent features and building design. He stated that all bedrooms would have windows. He believed this project was fully compliant with the D1/D2 zoning, the draft design guidelines, and the State Street overlay district.

Roger Hewitt, 1411 Harbrooke, a business owner in the State Street area for the past 25 years, strongly supported this proposal. He believed it was clear that the only way for the downtown area to remain a viable attraction was to provide dense housing. He said they have been pushing to have their customers living among them for years, stating that a vibrant, active urban area needed dense housing.

Ray Detter, representing the Downtown Area Citizens Advisory Council (CAC), stated that the CAC strongly supported this proposal. He said they supported it because it was in an appropriate location, it complied with the Downtown Plan and the A2D2 zoning recommendations, it met the community's expectations, it provided parking, and it was pedestrian friendly. This was a by-right project that requested no variances, he said. He recognized that none of the units would be affordable and said the City would need to fulfill its commitment for that type of housing on other downtown sites.

Scott Betzoldt, of Midwestern Consulting, civil engineer for the project, discussed the site plan issues, stating that there were no setback requirements; no natural features on the site except for an 18-inch landmark tree that would be removed and mitigated; 40 spaces would be provided on the second and third floors; 40 Class A bicycle parking spaces would be provided on the third floor in a secured area; an easement existed on the south side of the property providing access to the rear entrance of Cottage Inn; and it met all D1 zoning district requirements. He stated that other features included DDA streetscaping, sidewalk dining if desired by the retail tenant, installation of a storm water management system, and a fitness center for the residents.

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

**Moved by Derezhinski, seconded by Mahler, that the Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the Zaragon Place 2 Site Plan and Development**

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**Agreement, subject to addressing outstanding comments from the  
Systems Planning Unit and the Fire Marshal.**

Derezinski stated that this was an impressive project, the first that tested the new D1 zoning district. He believed Zaragon Place 1 has become a model of success, which was important in considering the design, materials and how this type of building worked with the streetscape. He congratulated the petitioner on this project, saying he was particularly pleased about the public meeting that was held. He said it was noteworthy in the sense of the very strong, affirmative stance taken by almost everyone present at the meeting. He supported this project and the process it has followed.

Carlberg stated that other developments like this, such as State Street Lofts, have experienced a great deal of complaints about noise intruding into the apartments from other apartments. She asked what the petitioner would be doing with this development to eliminate this problem.

Bonney stated that they reviewed the complaints after the Zaragon Place 1 building was completed and occupied and, as a result, they retrofitted the drop seals on the entrance doors to the suites and blew insulation between the walls of the bedrooms and living rooms. These measures took care of this problem, he said. With the new Zaragon Place 2 building, he said, they would do the same in addition to using more solid materials between the units and staggering the location of air ducts between the rooms so noise would not travel through them.

Carlberg said this was good to hear and suggested that this be outlined before it went to City Council and that it be provided to staff to have on hand the next time this situation came up. She asked about the problem Zaragon Place 1 had with ice dripping from the roof in the winter.

Bonney stated that they modified the design of the cornice for this project to eliminate that situation. He said the cornice would slope back toward the building, allowing all the moisture to be caught into a gutter system, thereby preventing dripping.

Carlberg said it was good to learn from what has happened with the first building. She asked the petitioner to explain why it was believed this would be a successful project, why Zaragon Place 1 was fully occupied, and how students wanting to bring cars would be handled.

Bonney stated that one of the keys to the building's success was that it offered an alternative to the other housing opportunities in town, such as dormitories, apartments, and others. The alternative would include higher quality, loft-like spaces with an industrial design and high-end materials, all things that made a difference to students, he said. He also noted that this was a superb location. With regard to students and cars, he said, they were trying to match exactly what was prescribed by the D1 zoning district. He stated that most of the people who live here would not own cars, as they preferred to walk. He noted that there would be a significant amount of bicycle parking.

Carlberg asked how many tenants used other parking structures in the area.

Liza Lax, building manager for Zaragon Place 1, stated that there were about ten people on the waiting list for parking spaces within the building. She said they provide assistance to the tenants who desire parking, such as referring them to the nearby municipal parking lots and recommending an off-campus housing website containing parking opportunities.

Carlberg stated that the tree design for the DDA's streetscaping has not included trees on the north sides of buildings because there was not enough sunlight. She asked about the trees that were proposed on the north side of this new building and how they would grow.

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Betzoldt stated that the trees that have been selected for the north side of the building did not require high amounts of light.

Mahler asked about the storm water detention plans.

Betzoldt stated that the storm water being detained would mainly be roof drainage, so it would be quite clean. He explained it would be routed through the building since the building footprint consumed almost the entire site. It would go to underground storage tanks at the entry to the second and third parking levels, he said, with gravity then discharging the water out to the public street and into storm sewer. He said the water would be metered according to Washtenaw County guidelines.

Mahler asked what the grade was of the ingress/egress parking ramp.

Betzoldt said the grade of the ramp, which was 16 feet wide, would be about nine percent, which was very similar to that of the Zaragon Place 1 building.

Mahler thought the 681.5 percent floor area ratio (FAR) was quite high, even with the premiums, but his concern was far outweighed by the different elements of this proposal, such as a very desirable parking arrangement, a high density project, the creation of jobs, and LEED certification. It did not go unnoticed, he said, that the high density of this project was proposed without opposition. He also noted that writing the LEED certification into the development agreement was commendable. He had no serious objections to this project.

Woods asked about the concern raised by the Fire Department about the name of the building being the same as the first Zaragon Place. She stated that names sometimes could sound so similar and no one would want fire response personnel to go to the wrong building.

Betzoldt agreed that it could be confusing. Typically, he said, the address was given when making an emergency call, which would not be confused with the address of the first Zaragon Place. He noted that there were eight to ten McDonald's restaurants in Ann Arbor, as well as multiple Kroger grocery stores and Cottage Inn restaurants, so this would be no different than that.

Woods stated that she would not vote against the project because of this concern, but referenced a fire that took place in the recent past that involved confusion about an address/name of street in which a life was lost. This situation worked until it did not work, she said.

Betzoldt suggested that it would be important to educate the residents and managers to insure clarity on this development's address.

Woods asked if trees were going to be planted along the south side of the building.

Bonney replied no, as there was only room in that location for loading and unloading. This was a cross access easement, he said. He noted that there were existing trees along the property line adjacent to the University's parking lot, which would remain.

Woods asked where the dumpsters would be located.

Bonney stated that trash compactors and multiple containers for recycling would be located in specified areas on each floor.

Woods confirmed that bicycle parking would be located on the third floor.

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Bonney replied that this was correct. He said the 40 Class A parking spaces would be located in a secured area on the third floor. He stated that they have found that students do not mind using the elevators to transport their bikes, adding that the vehicles ramps would be too steep to safely ride a bicycle.

Woods asked if the windows on the parking levels were open.

Bonney said yes, they were open. If it were to snow, he said, a small amount of snow would enter the parking levels and then melt, just as any other parking structure in town. The windows to the bicycle parking area were not open, he said, so that space would be protected from the weather.

Pratt agreed with Commissioner Derezinski's comments, stating that this was an attractive building with the amount of glass used on the façade, giving it a contemporary look. He asked if the windows in the apartment units would be operable.

Bonney replied that all of the living rooms and bedrooms would have operable windows.

Pratt said it appeared that the retail space along the street level was recessed.

Bonney said this was correct. He stated that the D1 ordinance and the draft design guidelines contained a provision that allowed a sidewalk 12 feet in width to be widened 80 percent of the façade, which resulted in an additional four feet of sidewalk width for this building. They wanted to have the option for enhanced outdoor dining, he said, and to create a bit of a protected area with the recessed entrances. He stated that this would also permit them to create architectural interest as recommended by the draft design guidelines, allowing them to provide some transparency. He pointed out that the sidewalks would not be wider than what was allowed by ordinance.

Westphal appreciated the fact that the draft design guidelines were taken into account. He wondered about the reasoning behind not continuing the cornice on the remainder of the north, south and east facades.

Bonney stated that the large sunscreen feature was only beneficial on the south and west sides of the building, so it made sense to orient it toward Thompson Street. This design provided some variety, he said, and made it more purposeful, keeping some of the sides more simple and the emphasis on the street side, rather than wrapping the cornice all the way around the building.

Westphal stated that even though it was different, he thought the theory was that there should be a defining element that went all the way around the top of the building.

Bonney stated that there was a change of material on the east side at the top where the penthouse was located, but that it was only perceivable from a distance because it was set back a bit. He stated that the building was U-shaped, rather than a large square, which had to do with their decision to give the building a slight change in character.

Westphal appreciated the transparency on the first floor facades. He expressed concern about the perspective from the corner and, while it would be a great space for diners, he said the diners would be staring at a blank wall. He asked if that space needed to be solid.

Bonney replied yes, but showed all the glass areas that would provide views to the outside from the lobby.

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Westphal was fine with outdoor dining, but was concerned about the aesthetics of that particular area. He was not sure if it was the signage or the recessed design, but it did not remind him of a strong retail/restaurant feature.

Bonney said it was possible this might be enhanced with a tenant who wanted some kind of canopy and said they preferred waiting until they knew who the tenant was going to be in order to offer flexibility.

Westphal stated that with regard to the tenant of the retail space, he hoped it would not be a bank. He thought this was a great project and that it would be a real enhancement to the neighborhood.

Briggs agreed with the comments made about this being a good project. She asked what the petitioner would have done if the 40 parking spaces were not required.

Bonney stated that the parking was not required until the 400 percent FAR was exceeded, so the 40 required spaces came into play when they increased the FAR. He said they believed 40 spaces were the correct amount given their experience with projects of this size and density. If the project were located on the edge of the downtown district without as much public parking nearby, they would likely have reconsidered the amount of parking to provide.

Briggs said it was found at the Zaragon Place 1 building that tenants either took their bicycles to their apartments or parked them on the street. She wondered how many bicycle parking spaces were provided at Zaragon Place 1.

Bonney stated that the bicycle parking for Zaragon Place 1 was located in the lower level and people were less inclined to go below to store their bikes. He stated that the elevators in the new building were large, making it more convenient for tenants to take their bikes to the parking on the second and third floors. He also noted that ten spaces were provided out front for visitors.

Briggs suspected tenants were taking their bikes to their apartments because of convenience or security. She encouraged the petitioner to look into making the bicycle parking spaces as secure as possible. It seemed to her that 40 was a low number for the approximately 200 residents for this building and wondered if there was the ability to create more space for bike parking.

Bonney replied that there was additional space if it turned out there should be more bike parking.

Giannola echoed the other comments made this evening, stating that she thought this was a wonderful project. She asked about the view from the east side of the building.

Bonney showed the eastern elevation, where Cottage Inn and the Maynard House were located, and indicated where the windows in the apartments would be located.

Bona agreed with just about all of the comments expressed this evening. With regard to the address of the building and the potential confusion with the building name, she thought the most difficult to find would be an address that matched the name of the building. She stated that the retail use would have a large sign, so it would not matter if the address was on Thompson or William, but she thought one address for the building was a reasonable request. She thought the alley easement that was behind Cottage Inn was very important and, if the small parking lot at the rear ever disappeared, she suggested the alley be continued to provide access to the other buildings. She appreciated Commission's concern about the sidewalk, but noted that the sidewalks in this particular area tended to be too narrow and she understood what the petitioner was trying to do by increasing the width to 16 feet. She supported it more in this location than in others. With regard to the top of the building, she did not believe the intent of the draft design guidelines had been met. She said the placement of the cornice and the penthouse gave the impression that half of the building was doing something different, like there was a heavy bottom that had

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not been finished. She stated that none of the penthouses looked like a rooftop; rather, she said, they looked like mechanical rooms. As this project headed to City Council, she recommended that the petitioner address the top of the building relative to the intent of the design guidelines.

Derezinski asked about the petitioner's timetable.

Bonney said it was their intent to start construction as soon as possible, likely in the fall, adding that construction would take 18 to 24 months.

A vote on the motion showed:

YEAS:	Bona, Briggs, Carlberg, Derezinski, Giannola, Mahler, Pratt, Westphal, Woods
NAYS:	None

**Motion carried unanimously.**