

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of June 15, 2010

**SUBJECT: Zaragon Place 2 Site Plan for City Council Approval
500 East William Street
Project No. SP10-013**

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the Zaragon Place 2 Site Plan and Development Agreement, subject to addressing outstanding comments from the Systems Planning Unit and the Fire Marshal.

STAFF RECOMMENDATION

Staff recommends that the site plan be **approved** because the contemplated development would comply with all applicable state, local, and federal law, ordinances, standards and regulations; and the development would not cause a public or private nuisance, limits the disturbance of natural features to the minimum necessary to allow a reasonable use of the land, and would not have a detrimental effect on the public health, safety or welfare.

LOCATION

This site is located at the southeast corner of East William Street and Thompson Street and is in the Downtown Development Authority district and the Allen Creek watershed.

DESCRIPTION OF PETITION

The subject site is 14,187 square feet in size and contained a one-story bank, with several drive-thru tellers, which was demolished about three years ago. It is zoned D1 (Downtown Core District) and State Street Character Overlay District, and both frontages are designated Primary Streets. The petitioner proposes to construct a 14-story, 96,685-square foot mixed use building, including 99 dwelling units, ground floor retail space and 40 off-street parking spaces.

In general, the building has a three-story streetwall at the front property lines and a five-foot average offset above the streetwalls. The first floor is recessed an additional four feet from the front property lines to allow for entryways and outdoor seating. Approximately 2,000 square feet of the first floor has been designated for retail space, facing East William Street. The remainder of the first floor will be devoted to accessory residential uses including a lobby, mail room, exercise room, and manager's office. Access to the residential uses is from Thompson Street. The second and third floors of the building are proposed to contain a total of 40 off-street parking spaces and 40 bicycle parking spaces. On the fourth through 14th floors, each floor will contain nine apartments (one 4-bedroom unit, six 2-bedroom units, and two 1-bedroom units).

A driveway and ramp from Thompson Street are proposed to access the off-street parking. A service drive is also proposed outside of the building on the south side of the site, sharing the same curb cut from Thompson Street. This service drive will provide loading/unloading functions for both the proposed development and the Cottage Inn Restaurant at 512 East

William Street, which is adjacent to this site. Storm water management tanks are proposed to be placed underneath the off-street parking driveway and ramp.

There is one landmark tree, an 18-inch elm tree, growing through asphalt on the west property line, which will be removed. A total of nine caliper inches of mitigation is required, which will be planted as three 3-inch street trees adjacent to the site (on public land). The development will also cause the loss of existing street tree canopy and must provide mitigation for those as well. In all, eight new street trees will be provided; three for landmark tree mitigation, four for canopy loss mitigation and one extra.

The development proposes to use the residential use floor area premium to increase the normal allowable floor area ratio (FAR). Because of the residential uses provided, an additional 40,019 square feet of floor area is permitted beyond the 56,748 square feet normally permitted for this site. By code, the area devoted to premium off-street parking may be excluded from the floor area and FAR calculations. The proposed development provides 96,685 square feet of floor area and has an FAR of 681.5%. The proposed floor area is slightly less than what is allowed based on the residential uses provided (the development could be 96,767 square feet), and is also slightly less than the maximum FAR with premiums allowance (700%). All conditions and prerequisites for the residential floor area premium option have been addressed, including achieving a minimum of two points under the Leadership in Energy and Environmental Design energy and atmosphere credit and each sleeping room having at least one window facing directly to the outdoors.

This development is intended to be a sister to the existing Zaragon Place building at 619 East University Avenue, constructed in 2008. The proposed materials for Zaragon Place 2 are the same as those used at Zaragon Place on East University Avenue. The architectural design of Zaragon Place 2 is similar to that of Zaragon Place on East University Avenue, except that the shape of the building is somewhat different, an offset is proposed at the top of the streetwall, and clear glass with integrated awnings are proposed for the windows of the first floor retail space.

A development agreement has been drafted to address sanitary sewer flow mitigation (footing drain disconnections), off-site planting (on public land) for landmark tree mitigation, parkland contribution, and documentation of LEED Energy & Atmosphere points.

SURROUNDING LAND USES AND ZONING

	LAND USE	ZONING
NORTH	Church	D1 (Downtown Base), State Street Character, Secondary Street
EAST	Retail/Restaurant	D1, State Street Character, Primary Street
SOUTH	Surface Parking (University of Michigan)	PL (Public Land)
WEST	Retail and Residential	D2 (Downtown Interface), Liberty/Division Character, Front Yard Street, and R4C (Multiple-Family Dwelling)

COMPARISION CHART

	EXISTING	PROPOSED	REQUIRED/PERMITTED
Base Zoning	D1 (Downtown Core)	D1 (Downtown Core)	D1 (Downtown Core)
Gross Lot Area	14,187 sq ft	14,187 sq ft	No minimum
Usable Floor Area in % of Lot Area	0% (vacant site)	681.5% (96,685 sq ft)	400% MAX normal (56,789 sq ft MAX) Up to 700% MAX with premiums (up to 96,767 sq ft MAX based on providing 53,358 sq ft residential use in normal)
Character Overlay District	State Street	State Street	State Street
Streetwall Height	Not applicable	3 stories	2 stories MIN 3 stories MAX
Offset at Top of Streetwall	Not applicable	5 ft average William streetwall, 8 ft average Thompson streetwall	Average 5 ft MIN
Maximum Building Height	Not applicable	14 stories, 174 ft	24 ft/2 story MIN 180 ft MAX
Massing Articulation	Not applicable	Not applicable	None
Side, Rear Setbacks	Not applicable	0 – 1.3 ft side 12 ft rear	None
Building Frontage	Primary Street	Primary Street	Primary Street
William	Not applicable	0 ft plus recesses and alcoves	0 ft MIN, 1 ft MAX, first floor recesses and alcoves acceptable
Thompson	Not applicable	0 ft plus recesses and alcoves	0 ft MIN, 1 ft MAX, first floor recesses and alcoves acceptable
Parking	Special Parking District	Special Parking District	Special Parking District
Parking – Automobiles	Not applicable	40 spaces	40 spaces MIN for premium floor area
Parking – Bicycles	Not applicable	40 Class A	38 Class A MIN 1 Class C MIN

HISTORY

The site is part of the Plat of Ann Arbor Land Company’s Addition to the Village (now City) of Ann Arbor, recorded in 1836. The site contained a one-story bank since the 1970s that was demolished in 2007. There is no site plan on file for the bank; prior to the mid-1970s development on platted lots was exempt from site plan review requirements. Typical site

improvements, such as off-street parking, were required and reviewed as part of the building permit.

The site was rezoned as part of the A2D2 Zoning Initiative from C2A to D1/State Street Character Overlay/Primary Street effective in December 2009. This petition is the first to be submitted within the Downtown Core district since the new zoning regulations went into effect.

PLANNING BACKGROUND

The Downtown Plan is based upon several guiding values which articulate the most fundamental elements of the downtown. These values include providing a diversity of uses and accommodating a diversity of users, and providing a viable economy, a “green” and energy-efficient built environment and transportation network and social and cultural opportunities. Dense land use and development patterns which draw people downtown and foster an active street life, contribute to its function as an urban neighborhood and support a sustainable transportation system is a goal expressed in the Plan (page 22) as well as encouraging a diversity of new downtown housing opportunities and expansion of the downtown resident population to strengthen downtown’s role as an urban neighborhood, continuing to seek a range of age groups and income levels in the downtown (page 24).

CITIZEN PARTICIPATION

The petitioner held a meeting for interested citizens on April 12, 2010, two weeks prior to submitting this project for approval. Invitations were sent to all residents and property owners within 1,000 feet of the site as well as all subscribers to the GovDelivery planning update service. Over 30 people attended the meeting and a dozen more people emailed comments to the petitioner. The full report provided by the petitioner is attached. Noteworthy concerns expressed by attendees and the petitioner’s general responses included:

- Adequate parking, affordability and shadows on neighboring buildings – *the minimum code requirement for off-street parking will be provided and rental rates will be market priced; the narrowness of the proposed tower and the separation from Maynard House will minimize shadow impacts.*
- Increasing existing wind tunnel effect between the Maynard House and Tower Plaza – *because of the wide separation from Maynard House and the offset from Tower Plaza, there should be no increase in pedestrian level wind speed caused by this project.*
- Impacts to unloading and catering operations (at the Cottage Inn Restaurant) – *a 12-foot wide service drive along the south side of the site will be available to both this site and the Cottage Inn site.*
- Having too much of this type of housing – *we [the petitioner] believe this type of housing is not oversaturated in Ann Arbor.*
- Noise generated by the development – *the development will use wall unit and rooftop mechanical equipment that meets or exceeds Ann Arbor noise codes; the parking levels will be naturally ventilated with no need for exhaust fans.*

SERVICE UNIT COMMENTS

Parks and Recreation Services – A contribution of \$48,000 is requested to maintain the quantity and quality of parkland throughout the City, as recommended by the Parks and Recreation Open Space Plan, because no open space available to all city residents has been provided as part of the proposed development. The funds may be used to acquire new parkland or enhance

existing parkland near this site for the benefit of the future residents as well as existing residents impacted by the proposed development.

Systems Planning – (1) The proposed location of the fire hydrant to support the building's fire connection is still under review and may need to be located closer to the building's connection. Continued discussion with Systems Planning staff and the Fire Marshal and the petitioner is necessary prior to Council action. (2) Impacts to the sanitary sewer system are being modeled, further information will be forthcoming. The petitioner may be required to mitigate any impacts depending on the modeling outcome.

Fire Marshal – (1) A different name should be considered to avoid confusion with the existing Zaragon Place development, and to avoid depending on the address only for emergency response. Also, the address for all tenants of the building should be the same; the use of multiple addresses is discouraged. (2) The proposed hydrant location [on William near the Thompson corner] and the location of the fire department connection [adjacent to the building entrance on Thompson] mean that fire response equipment will block the entire west face of the structure and may compromise effective response. Relocation of either the hydrant and/or the building connection must be considered.

Traffic Team – A more detailed traffic impact statement is under review. It is not anticipated that any mitigation will be necessary, but further information will be forthcoming depending on the results of the continued analysis.

Prepared by Alexis DiLeo
Reviewed by Wendy Rampson
jsj/6/10/10

Attachments: Parcel and Zoning Map
Aerial Photo
Site Plan
Elevations
Citizen Participation Report
6/10/10 Draft Development Agreement

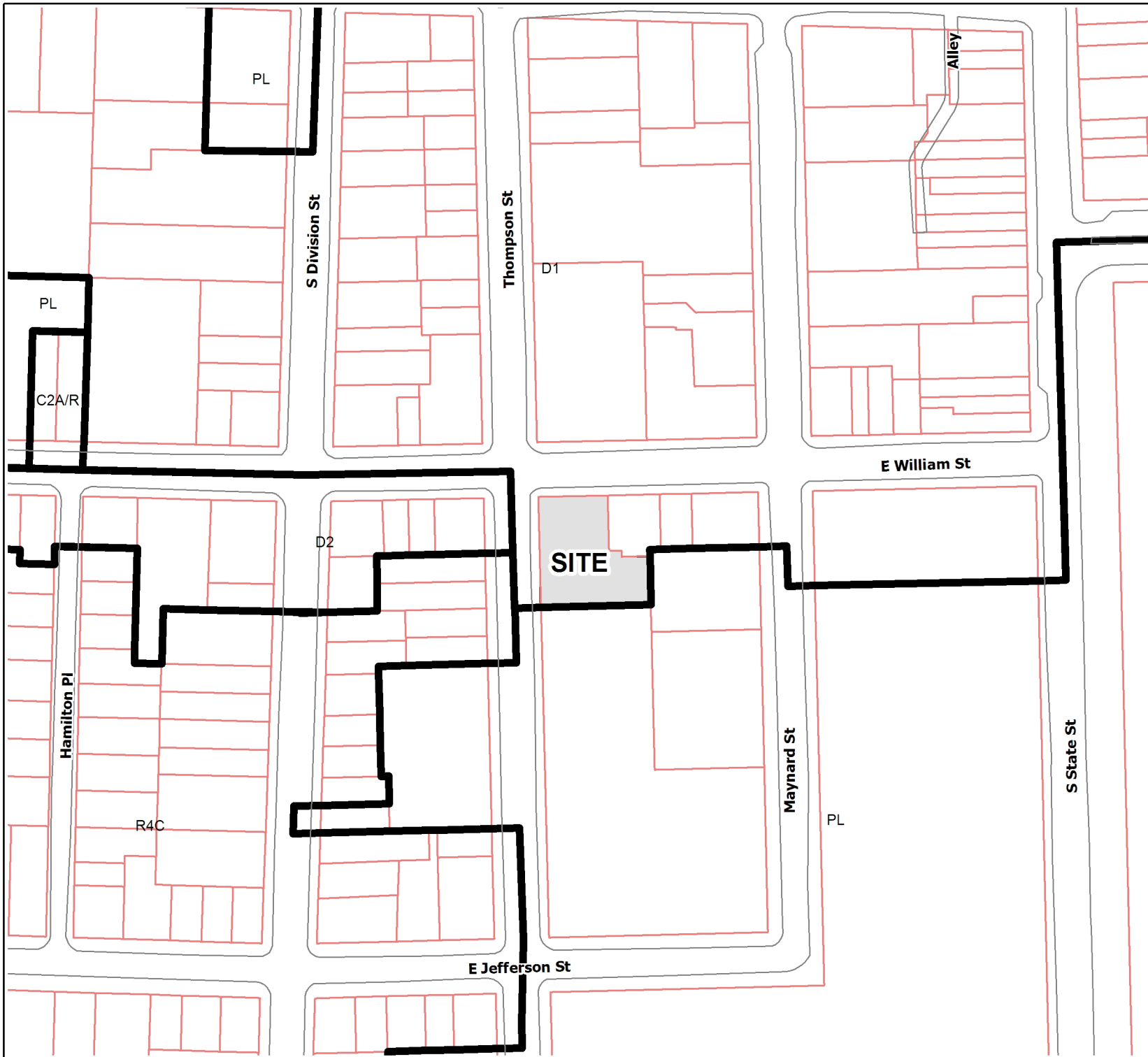
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Parcel and Zoning Map:

Zaragon Place 2 Site Plan, 500 E William St



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2009 Aerial Photo:

**Zaragon Place 2
Site Plan,
500 E William St**

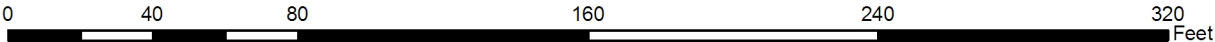


E William St

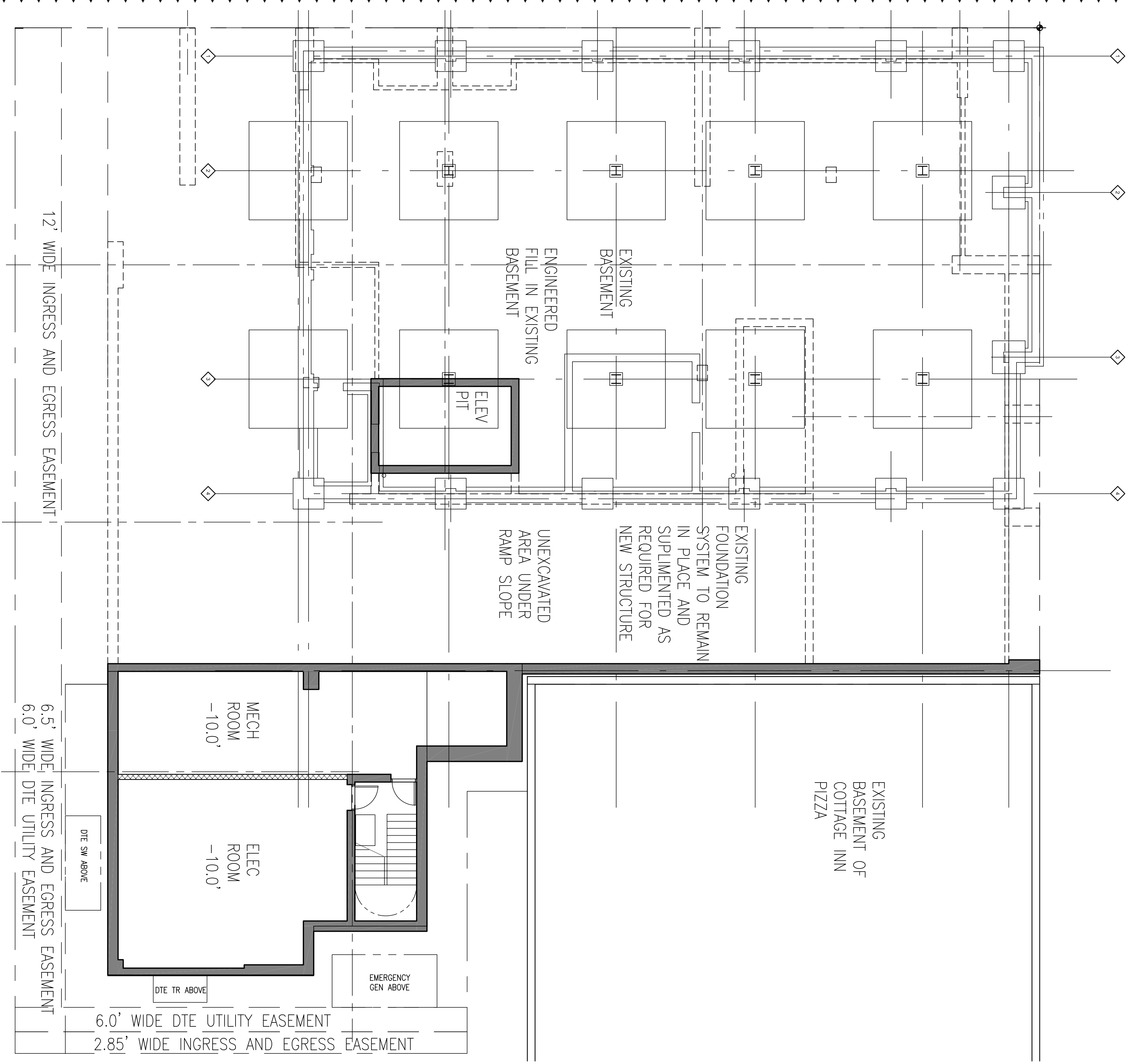
Thompson St



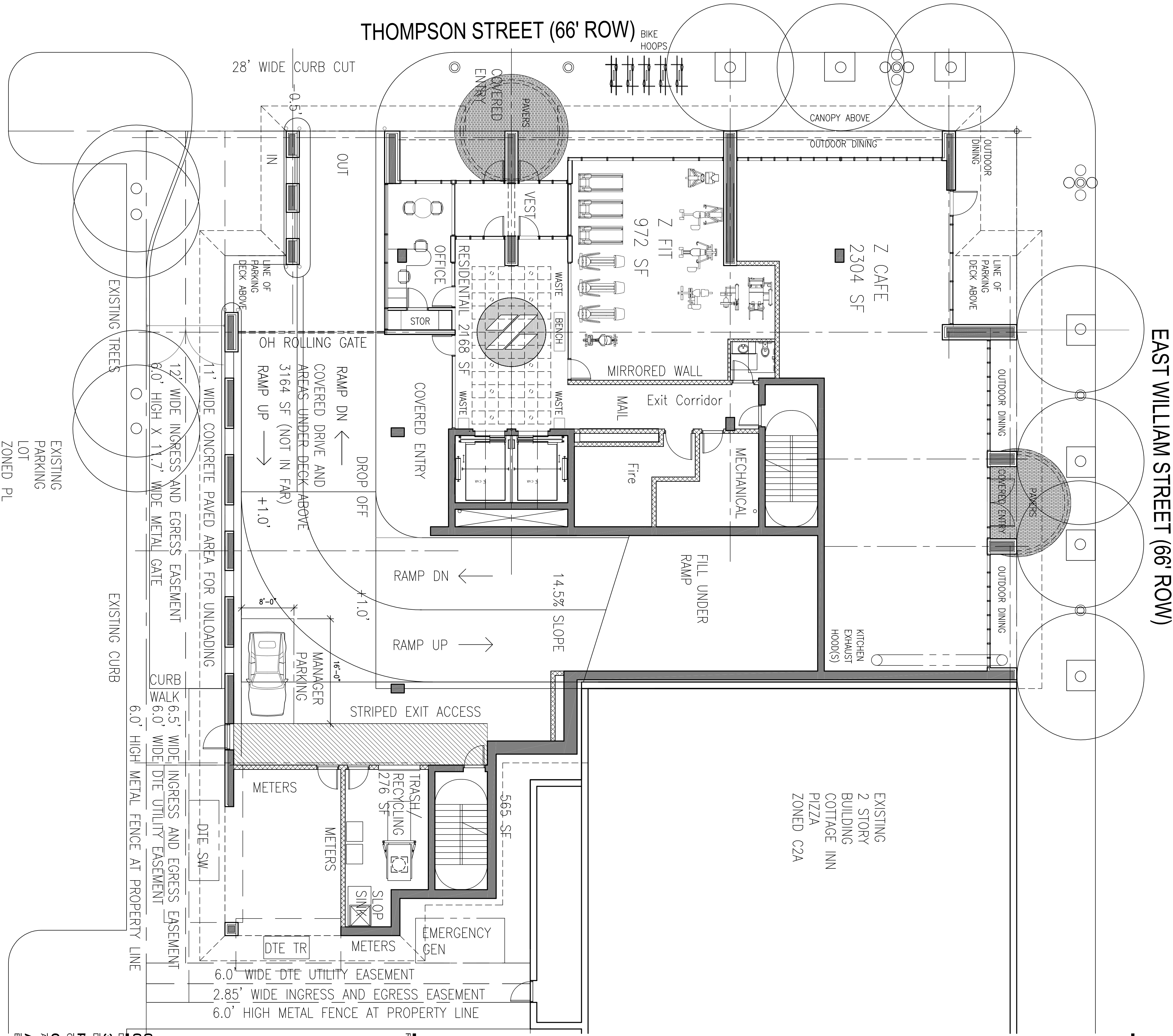
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Basement Level Floor Plan



Level 1 Floor Plan

04-26-10 SPA
04-21-10 PD Review

3-30-10
3-30-10
3-30-10
3-30-10

Checked
Approved

Do not scale
Use figured only
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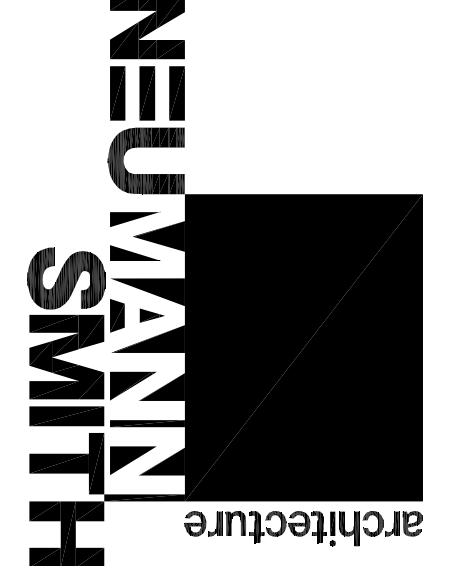
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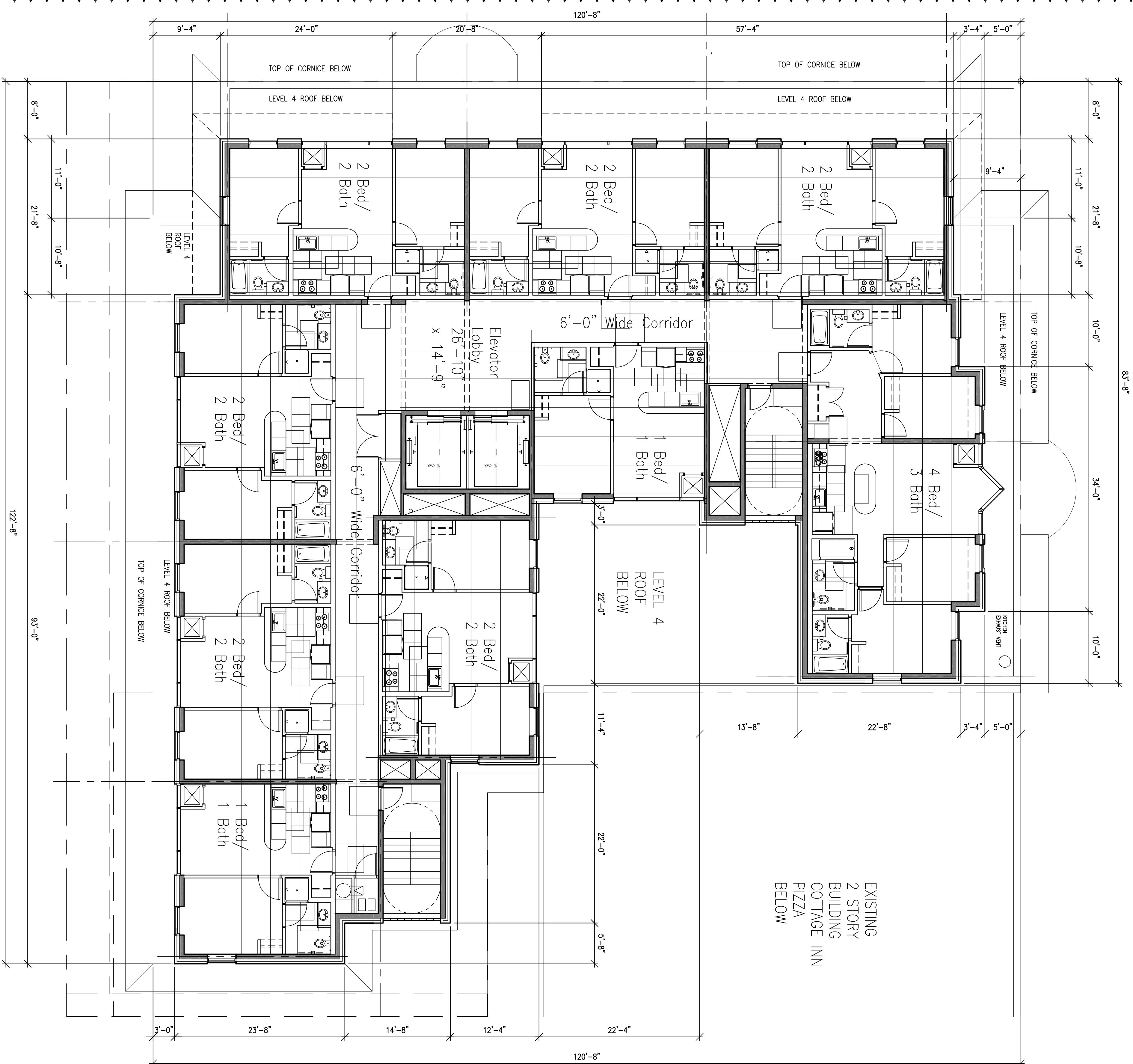
Title
Basement and Level 1
Floor Plans

Scale: 1/8" = 1'-0"

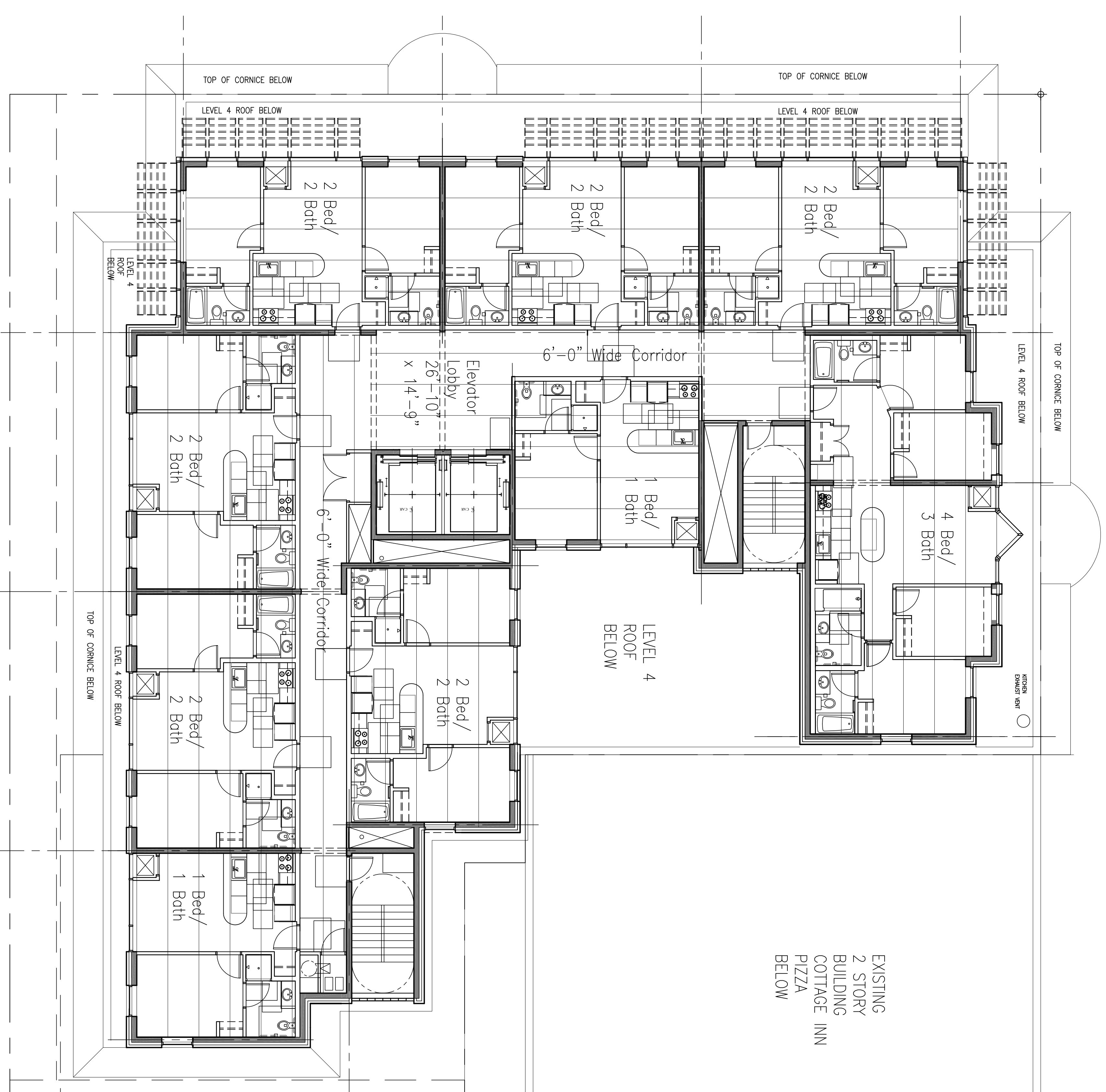
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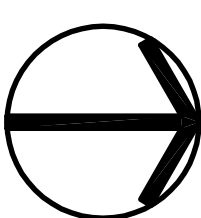
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 Level 4 through 12 Floor Plan



 Level 13 and 14 Floor Plan

