



## MEMORANDUM

TO: Ordinance Revisions Committee  
THROUGH: Hank Kelley, Deputy Planning Manager  
FROM: Alexis DiLeo, City Planner  
DATE: February 28, 2023  
SUBJECT: Office District Amendment Petition and Considerations

### **Petition for Text Amendment: Allow Event Space use in O district**

Staff are in receipt of a petition asking to add a new land use, Event Space, to the Unified Development Code and to permit it as a primary use in the O district. The petition requests Event Space be defined as:

*Event Space – A facility of space where special events are permitted to occur,...as defined herein, subject to a use agreement between a private group or individual and the facility owner. A special event may include, but is not limited to, a celebration, ceremony, wedding, reception, corporate function, or similar activity for the benefit of someone other than the property owner that takes place on a periodic basis, involving the gathering of individuals assembled for the common purpose of attending a special event.*

Use specific standards are also suggested by the petition. However, the suggested language is unnecessary or already addressed by other standards and regulations. (See attachment for exact petition language.) The petitioners state the reason for the proposed amendment is:

*...the opportunity to add complementary uses to the current Office zoning code [that] adheres to the concept of integrated land use that encourages a compact pattern of diverse development that maintains a unique sense of place, as outlined in the City's 2013 Sustainability Framework report. [The] diversity of use and activating spaces outside of common peak hours can strengthen our local economy and contribute to an enhanced sense of community.*

### **Background**

As stated in Section 5.12.1, the O (Office) district is intended “*primarily for Office buildings. The Office district classification will be applied as a transitional use buffer between residential uses and nonresidential and special purpose uses which would be incompatible in direct contact with residential zoning districts.*”

A total of 325 acres in the city is zoned O, covering about 2% of the City<sup>1</sup>. There are 66 office districts across the City, composing 325 total acres. The average office district is 4.9 acres.

Tables 5.15-1 (Primary Uses) and 5.15-2 (Accessory Uses) provide the permitted uses in the O district, summarized in the below table:

<b>Primary Uses in the O District</b>	
Residential	Adult Foster Care Assisted Living Single-Family Dwelling Two-Family Dwellings Townhouse Dwellings Multi-Family Dwellings Emergency Shelter Group Housing Guest Houses
Public/Institutional	Funeral Services Government Offices and Courts Library Adult Day and Child Care Centers Public and Private Higher Learning Public [K-12] School Nursing Care Facility Hotel Short Term Rental – Non-principal residence Artist Studio Mobile Food Vending Service Personal Services – Beauty Salons only Banks, Financial Services General Offices Medical/Dental Offices Nonprofit Corporations
Industrial	Data Processing and Computer Centers Wireless Communication Facilities

<b>Special Exception Uses in the O District</b>	
Primary SEU	Fraternities, Sororities, Student Cooperative Housing Club Headquarters, Community Center Religious Assembly Private [K-12] School Hospital Indoor Recreation Veterinary, Kennel, Animal Boarding
Accessory SEU	Drive-Through Facility

<sup>1</sup> The City of Ann Arbor covers 18,644 acres.

<b>Accessory Uses in the O District</b>	
Related to Residential	Family and Group Day Care Home Home Occupation Incidental Services Management/Maintenance Office and Storage Medical Marijuana Home Occupation Medical Marijuana Use & Cultivation Short-Term Rental – Principal Residence Homestay Short-Term Rental – Principal Residence Whole House
Non-residential Related	Temporary Outdoor Sales Restaurant, Bar, Food Service (w/use specific standards) Solar Energy System Wireless Communication Antenna

**Preliminary Analysis**

Staff’s preliminary analysis of the petition falls into three categories:

1. Event Spaces – a discussion on the proposed petition
2. Other minor amendments and improvements related to the O district to improve clarity, address inconsistencies, and better match current norms
3. Major re-evaluation of the O district purpose

1. Event Spaces – Staff offer the following comments regarding the proposed petition.

- A. Staff agree there is a gap in code regarding event spaces. Currently, they are treated as a version of a restaurant, bar, food service use and allowed in all of the mixed-use districts: O, C1, C1A, C1A/R, C1B, D1, D2, C2B, C3 and TC1 districts. In all but the O district, restaurants are primary uses. In the O district, restaurants are accessory uses and require a permitted primary use on the site and limit the restaurant use to 10% of the total floor area of the site’s floor area (up to 12,000 square feet).
- B. The suggested definition of event space needs to be edited because it blurs and combines event spaces and special events. This is an easy fix and staff’s recommended definition will be proposed when a formal ordinance amendment is prepared.
- C. Addressing this gap, it makes sense to provide a definition of event spaces and to allow in the C, D and TC districts as these already allow restaurant uses. Event spaces do seem like a unique land use than a version of a restaurant, bar, food service use and it is appropriate to consider adding this land use category to the UDC.
- D. Whether event spaces are appropriate for the O district is largely a function of how effectively nuisances can be mitigated. There are both pros and cons to discuss.
  - i. In favor of adding event spaces is the argument that doing so could promote adaptive reuse of the current surplus of vacant office space which typically has

the space and infrastructure (restrooms, accessibility, and parking) to support receptions, conferences, meetings, and similar events.

- ii. An argument against adding events, receptions in particular, is that these often occur in the evenings while most land uses in the O district do not. This is part of the logic behind why the O district is treated as a buffer for residential uses from other mixed-use and nonresidential districts.
- E. Given the types of events that are expected to be held in event spaces, performance standards or use specific standards may be appropriate to consider. For example, a minimum lot size standard (i.e. a minimum of 40,000 square feet) or a buffer distance from residential zoning (i.e. at least 300 feet from a residential zoning district) could be required. However, noise regulations already exist for the City of Ann Arbor, and are applicable across every zone. These are detailed in [Chapter 119 - Noise Control](#) in the City Code. This consideration may shift the conversation toward the way we regulate nuisance – are there already enforcement mechanisms beyond zoning which can provide relief to affected residents?
2. Other Minor Amendments – If an amendment to the UDC in general and the O district in particular is being considered, this is a good time to contemplate other minor amendments in the same spirit. The following scenarios come from staff’s daily experience with administering, interpreting, and enforcing matters related to the O district.
- A. Clarify and update Personal Services. These are currently defined as *“an establishment that is engaged in the provision of informational, instructional, personal improvement, personal care, and similar services. Examples include but are not limited to; catering establishments, custom dressmaking, film processing, licensed massage salons, optical and optician services, service and repair establishments, sun tan centers, bicycle rental, and small craft rental. This definition does not include laundry, cleaning, and garment services.”*
    - i. This definition does not offer any guidance on the scale of informational, instructional, personal improvement, personal care, and similar services. “Personal” may imply that these services are rendered one-on-one between the service provider and customer, but this is not clear. How should yoga instruction be interpreted, or math tutoring, cooking classes, and dance lessons?
    - ii. The examples provided are inappropriate. Catering establishments and film processing are more akin to manufacturing than personal services. Bicycle and small craft rental are commercial uses. More useful examples, that are more relevant, are needed.
  - B. Re-evaluate allowed Personal Services. Within Personal Services, only “beauty salons” are permitted in the O district, but these are not listed as an example personal service. This seemingly arbitrary limitation should be re-evaluated. At the least, a definition of beauty salons (or different phrase) should be provided.
  - C. Remove SEU requirements. Fraternities/Sororities, Student Cooperative Housing, Club Headquarters, Community Center, Religious Assembly, Private [K-12] Schools, and Indoor Recreation should be considered for primary uses.

- D. Separate Veterinary offices and remove SEU requirement. Veterinary offices should be separated from kennels and animal boarding and permitted as a primary use.
  - E. Allow trade/industrial schools in the O district as a primary use.
3. Major Re-evaluation of the O District – major changes will take a longer horizon to define and implement, but petitions like the one before the commission are still opportunities to discuss them and reflect.
- A. Revisit intent and purpose.
    - i. Does the current O district adequately provide for “*a transitional use buffer between residential uses and nonresidential and special purpose uses which would be incompatible in direct contact with residential zoning districts*”?
    - ii. Do other zones adjacent to residential districts, such as C, D and TC1 districts, offer more, less, or substantially different buffering of unwanted activity (ex: noise, traffic)?
  - B. Introduce performance zoning.
    - i. Instead of focusing on permitting or prohibiting individual activities, the focus could be on how any activity performs. The code can better define what type of nuisances it desires to buffer, and focus on reducing those nuisances, rather than regulating uses as a proxy for nuisance.
    - ii. Other methods of mitigating conflict through regulation are available. One example is performance zoning. Performance zoning would regulate for things like noise levels, light, pollution, vibration or smell instead of weighing the relative nuisance between a Beauty Salon and a yoga studio.
  - C. Consider opportunities to collapse zones.
    - i. Staff would like to consider if the rationale for differentiating between O, ORL, and Research zone districts is still relevant for Ann Arbor today.
    - ii. Is the added challenge of interpreting (as a regulator or petitioner) multiple limited mixed-use zones needed to produce the outcomes desired?
  - D. Incorporate this conversation into the Comprehensive Plan process.
    - i. How can improvements to districts best be incorporated into the soon-to-launch Comprehensive Plan process?
    - ii. What expectations do commissioners have for zoning recommendations from the comprehensive plan?