



City of Ann Arbor

Formal Minutes

Planning Commission, City

301 E. Huron St.
Ann Arbor, MI 48104
[http://a2gov.legistar.com/
Calendar.aspx](http://a2gov.legistar.com/Calendar.aspx)

Tuesday, June 7, 2016

7:00 PM

Larcom City Hall, 301 E Huron St, Second
floor, City Council Chambers

Commission public meetings are held the first and third Tuesday of each month. Both of these meetings provide opportunities for the public to address the Commission. All persons are encouraged to participate in public meetings. Citizens requiring translation or sign language services or other reasonable accommodations may contact the City Clerk's office at 734.794.6140; via e-mail to: cityclerk@a2gov.org; or by written request addressed and mailed or delivered to: City Clerk's Office, 301 E. Huron St., Ann Arbor, MI 48104. Requests need to be received at least two (2) business days in advance of the meeting. Planning Commission meeting agendas and packets are available from the Legislative Information Center on the City Clerk's page of the City's website (<http://a2gov.legistar.com/Calendar.aspx>) or on the 1st floor of City Hall on the Friday before the meeting. Agendas and packets are also sent to subscribers of the City's email notification service, GovDelivery. You can subscribe to this free service by accessing the City's website and clicking on the 'Subscribe to Updates' envelope on the home page.

1 CALL TO ORDER

Chair Woods called the meeting to order at 7:00 p.m.

2 ROLL CALL

Planning Manager Ben Carlisle called the roll.

Present 7 - Woods, Clein, Briere, Peters, Bona, Milshteyn, and
Gibb-Randall

Absent 2 - Franciscus, and Mills

3 APPROVAL OF AGENDA

A motion was made by Milshteyn, seconded by Peters, that the Agenda be Approved as presented. On a voice vote, the Chair declared the motion carried.

4 INTRODUCTIONS

5 MINUTES OF PREVIOUS MEETING

5-a 16-0861 City Planning Commission Minutes of March 1, 2016

The Commission unanimously approved the Minutes and forwarded to the City Council . On a voice vote, the Chair declared the motion carried.

5-b 16-0763 City Planning Commission Minutes of March 15, 2016

A motion was made that the Minutes be Approved by the Commission and forwarded to the City Council and should be returned by 7/7/2016. On a voice vote, the [Enter Title] declared the motion carried.

5-c 16-0864 City Planning Commission Minutes of April 5, 2016

The Commission unanimously approved the Minutes and forwarded to the City Council . On a voice vote, the Chair declared the motion carried.

5-d 16-0865 City Planning Commission Minutes of May 4, 2016

The Commission unanimously approved the Minutes and forwarded to the City Council . On a voice vote, the Chair declared the motion carried.

6 REPORTS FROM CITY ADMINISTRATION, CITY COUNCIL, PLANNING MANAGER, PLANNING COMMISSION OFFICERS AND COMMITTEES, WRITTEN COMMUNICATIONS AND PETITIONS

6-a City Council

Councilmember Briere said she is looking forward to the joint working session between City Council and the Planning Commission on June 13th.

6-b Planning Manager

Ben Carlisle reiterated the time and location for the joint working session for City Council and the Planning Commission, Monday June 13th at 7 p.m. at CTN located at 2805 South Industrial. He asked the Commissioners present to let him know if they cannot attend. He stated that tonight they will have the public hearing for the City's Master Plan. He reported that they will be moving the agenda items scheduled for the

June 14th meeting—which has been cancelled—to the June 21st meeting. Carlisle explained that two projects have returned to the Commission for additional public hearings due to concerns about sufficient public notice: Balfour Senior Living and South Pond. Lastly, he reminded the Commission to respond to his email about summer meeting availability.

6-c Planning Commission Officers and Committees

6-d Written Communications and Petitions

16-0862 Various Correspondences to the City Planning Commission

Chair Woods reported that the Commission has been invited to attend the 2016 Old Fourth Ward and Downtown Neighbors Spring Party.

Received and Filed

7 AUDIENCE PARTICIPATION (Persons may speak for three minutes about an item that is NOT listed as a public hearing on this agenda. Please state your name and address for the record.)

8 PUBLIC HEARINGS SCHEDULED FOR NEXT BUSINESS MEETING

8-a 16-0863 Public Hearings Scheduled for June 21, 2016 Planning Commission Meeting

Chair Woods read the public hearing notice as published.

Received and Filed

9 UNFINISHED BUSINESS

9-a 16-0866 Master Plan Review - Once a year, the Ann Arbor City Planning Commission and Planning & Development Services Unit review the City Master Plan. The City Master Plan is a collection of plans, or “elements,” that work together to describe a vision for the City’s future and guide decisions about its land use, transportation, infrastructure, environment, housing, and public facilities. The adopted plan elements can be found on the City’s website at www.a2gov.org/masterplan <<http://www.a2gov.org/masterplan>>. As part of its annual review, the Planning Commission is seeking comments about the City Master Plan,

including elements that should be studied for possible change or new elements that should be added to the master plan. This information is important to the Planning Commission in setting its work program for the upcoming fiscal year. Staff Recommendation: Postponement

Carlisle presented the staff report.

Chair Woods read the public hearing notice as published.

PUBLIC HEARING:

Ethel Potts, 1014 Elder Boulevard, Ann Arbor, stated that she wanted to discuss the Zoning Ordinance Reorganization (ZORO) process as she imagines it will be included in the Master Planning process. She expressed concern over the length of the draft document she has—269 pages, as well as the lack of access to the process for the public. She suggested making print copies available to the public. Potts stated that the original ZORO committee only met four times; she attended three of those meetings and did not feel much was accomplished. She recommended that the Planning Commission use ZORO so they can see how it works or does not work.

Noting no further public speakers, the Chair closed the public hearing unless the item is postponed.

Moved by Peters, seconded by Briere that the Ann Arbor City Planning Commission hereby approves the City of Ann Arbor Master Plan resolution and the City of Ann Arbor resource information in support of the Master Plan resolution.

COMMISSION DISCUSSION:

Ken Clein responded to the comments made by Potts regarding ZORO. He stated that the project is a reorganization of existing documents and the goal is not to make changes but to make things clearer. He said it is not an attempt to rewrite the Master Plan in any way. He thanked Potts for her attention and concern.

Bonnie Bona asked what implementation of the Sustainability Action Plan means and how the Commission would be involved.

Carlisle responded that there are specific action items within that plan that need to be looked at yearly as a Commission to see how and where they can be integrated into action by the Commission, such as during the development review process. He stated that he will have to look at the

plan for specifics.

Jeremy Peters stated that it has been put into a previous City budget to do a larger Master Plan review, possibly hiring an outside consultant to do so, and he pointed out that it would take a significant amount of time and dedication from this body to undergo such an endeavor.

Briere said the action of reviewing and updating the Master Plan is supposed to be done every five years but it is difficult to find the time to do so. She stated that the funding is in the budget currently, but they are waiting until the Planning staff is more organized and has a new Planning Director to undertake such a considerable initiative; once the Planning Director has settled she will begin lobbying heavily for the creation of a study committee or a series of committees to get started.

Chair Woods stated that within the resolution, many of the documents used are under review as well. She said it is evident that the staff has been working hard by being able to get everything done during this time of transition.

Briere agreed with Woods and added that currently there is a subcommittee of the Environmental Commission looking at the Natural Features Master Plan to see what needs to be reviewed and updated.

Woods asked the Planning Manager if it would be possible to provide a progress report on the action items for the Commission as they relate to the goals of the Master Plan, either in a couple of paragraphs or in the staff report.

Carlisle said yes.

Moved by Clein, seconded by Milshteyn that The Commission postpone the Master Plan Review until the next meeting. On a voice vote, the Chair declared the motion carried.

10 REGULAR BUSINESS - Staff Report, Public Hearing and Commission Discussion of Each Item

(If an agenda item is tabled, it will most likely be rescheduled to a future date. If you would like to be notified when a tabled agenda item will appear on a future agenda, please provide your email address on the form provided on the front table at the meeting. You may also call Planning and Development Services at 734-794-6265 during office hours to obtain additional information about the review schedule or visit the Planning page on the City's website (www.a2gov.org).

(Public Hearings: Individuals may speak for three minutes. The first person who is the official representative of an organized group or who is representing the petitioner may speak for five minutes; additional representatives may speak for three minutes. Please state your name and address for the record.)

(Comments about a proposed project are most constructive when they relate to: (1) City Code requirements and land use regulations, (2) consistency with the City Master Plan, or (3) additional information about the area around the petitioner's property and the extent to which a proposed project may positively or negatively affect the area.)

- 10-a 16-0867** 611 East University Site Plan for City Council Approval - A proposal to demolish the existing buildings at 611 and 615 East University Ave and 612 and 616 Church Street, creating a 19,500-square foot site, and construct a 134,000-square foot, 13-story building with retail on the ground floor, 2 levels of parking for 56 cars, and 90 apartments. The building has frontage on both East University and Church Street. D1(Downtown Core) and South University Character zoning district. Ward 3. Staff Recommendation: Approval

Chris Cheng provided the staff report.

Chair Woods read the public hearing notice as published.

PUBLIC HEARING:

Allen Green, 39577 Woodward Avenue, Bloomfield Hills, attorney for neighboring property Zaragon Place, stated that they are not opposed to the project, but have a few serious concerns. He explained that this project will be building on the zero lot line and the setback that exists comes from the Zaragon building. He stated that they do not know how this project will be built or maintained without trespassing onto their property due to the minimal distance between the two buildings. Green also expressed concern over the limited distance between residences' windows in the two properties. He said most of these concerns can be addressed if this development uses a larger setback. He also stated that this developer has not come and spoken with his client about the stormwater detention outlet access easement that was mentioned in the staff report. Green asked that the Commission table their vote this evening so that these issues can be addressed.

Brad Moore, architect of petitioner, said he had with him fellow architect

Bob Keane from WDG, representatives of the owner, and representatives from the engineering firm of the owner, to answer questions this evening. He explained that the first three stories of their building are built on the property line; however, those stories are the parking levels and will not have windows. He stated that after those three stories, the building steps back ten feet. Moore said Zaragon was notified of all required citizen participation meetings related to the development and that he had personally contacted the attorney that represented the Zaragon ownership when they did ArborBLU. He said the building is within the height and FAR limits of the D1 zoning district and they have included a small park as a public amenity in the corner of the project that he hopes will expand if and when the property to the north is developed.

Bob Keane, WDG Architecture, architect of petitioner, gave a brief overview of the project. He stated that the building is in an urban environment with university buildings, two and three story buildings, and a few high rises, and it blends in with these coming in at a scale in the middle of that. He explained that the shape of the building is a shifted bar due to the shape of the sight and it allows them to break down the scale of the building. Keane said the ground floor will have 3,600 square feet of retail and a leasing office and lobby, levels two and three will be parking, and levels four through thirteen will be residential. He noted that most of the units will be larger, four or five bedroom units with some studios and the top floor will have several amenity spaces, taking advantage of the views of campus. Keane explained that the corners of the building are cut away with glass corners sitting atop the masonry; one of these corners will end in an iconic glass box on the top floor in the student lounge that looks directly onto the diag. He went over an elevation of the building, explaining that there is a strong base, middle, and top to the building, in addition to fenestration used to break up the scale of the building. Keane noted the materials used for the building, stating that he feels they are using a nice juxtaposition of materials. He pointed out the pocket park they will be creating.

Sean Havera, Property Accounting Services, property manager for the building to the north of project and member of the South University Area Association, stated that he is in support of the project. He said the petitioner has worked with his company and taken their concerns seriously. He noted that this is a downtown environment and there will inevitably be development. He said the building meets the zoning ordinance and he is in favor of it.

Julian Tabron, 1017 Oakland Avenue, Ann Arbor, University of Michigan

student, stated that he has strong concerns about the project from a student perspective. He said that these luxury apartments will be charging between \$900 and \$4,770 per month per unit and will not be affordable to many students. He noted that the Foundry and ArborBLU were constructed within the last year and has concerns about the level of vacancy that could exist. He recommended using D1 as a mixed use zone with more affordable rentals for students or cooperative housing. Tabron also mentioned an uptick in the crime rate in the South University area and argued that an increase in bars, lack of eyes on the street due to an increase in high rises, and lack of affordable housing options creating more poverty was linked to crime. He stated that the high rises and rising rents in South University are contributing to socioeconomic inequality. Tabron said a community aspect is missing from these large luxury apartments and it negatively affects the mental health of the residents living there.

Dennis Tice, 618 Church Street, Ann Arbor, owner of the Pizza House restaurant, stated that he has been in business for over thirty years and does not think it is a high crime area. He approves of this type of building and is happy to see it go up.

Adrienne Jones, 200 E. Liberty, Ann Arbor, said she appreciates the beauty of the proposed architecture and is excited that people are investing in Ann Arbor, but has several concerns. She stated that she knows the site is not in a historic district but asked whether anyone had considered incorporating the existing structures into the new development. She said Ann Arbor is in a position as a college town to consider preserving historic structures such as the existing buildings on the site.

Tim VanMatre, Collegiate Development Group, member of the development team, stated that he wanted to address the gentleman's concern about the constructability of the project. He explained that they have a contractor on their team who has determined that constructability along the south property line is not a concern. He said he and his team are open to working with neighbors to address concerns. He stated that his team has reached out to the Zaragon team and looks forward to discussing their concerns.

Matthew Stieg, 619 E. University, Ann Arbor, University of Michigan student, stated that he has a few issues with the project. He said the Zaragon building has brick the color of the buildings on campus and angular glass elements that mirror the style of the School of Social Work

building across the street; this proposed development is closer to the university but makes no effort to keep with the aesthetic of the university. He stated that this project is an entire block wide and hence more visible from the East University walk; he is concerned that the glass and bright orange color will not blend in with the character of the neighborhood. Stieg said he is a resident of Zaragon and has enjoyed the experience but there is very little access to a grocery store. He asked whether there could be a provision to make the retail space in this development a grocery store as it will be bringing many new residents to the area. He asked about the walkway to the north of the development and who owns it as it does not get properly shoveled or salted in the winter and is very icy. He also asked about accommodations for moped parking, stating that ArborBLU is the only high rise that has parking spaces for mopeds.

Barbara Copi, 1601 Cambridge, Ann Arbor, stated that she and her family own rental housing throughout the Ann Arbor area, two of which are located on Willard Street in the area of this proposed development. She asked whether the zoning classification of the block between South University and Willard from East University to Church was all D1, and then to Washtenaw.

Chris Cheng responded that there was a small portion of D2 in that section but the rest along South University was D1.

Copi stated that she objects to the classification of the South University area as downtown. She said that she graduated from the University of Michigan in 1966 and back then South University was a part of campus. She stated that when the street was rezoned, there was supposed to be D2, but that was obliterated. Copi expressed frustration with the Planning Department and City Council for allowing this to happen, for allowing high rises to change the character of the campus area.

Cristina Ley, 1017 Oakland Avenue, Ann Arbor, recent graduate of the University of Michigan, stated that she is strongly opposed to this development. She said she has watched businesses close due to the construction of these high rises on South University; they raise property values, raising rents for retail and small businesses cannot afford to pay and they close. She said she walks past empty storefronts and blight every day. She asked what the point was of having a bunch of students live in the area in these high rises if there are no businesses to frequent, nowhere to shop, just bars. Ley said she has personally witnessed crime happen in the neighborhood; she has seen friends become addicted to drugs such as heroin that were sold in this neighborhood. She stated that

she feels these high rises are not properly monitored and there is no sense of community, which contributes to the crime. Ley said the influx of these apartments is leading to the elimination of affordable housing options for students, making education a barrier to young people, and contributing to the decline of both the Ann Arbor economy and the state economy. She stated that she sees no benefit to the community by allowing these corporate entities to proliferate at the cost of local businesses.

Noting no further public speakers, the Chair closed the public hearing unless the item is postponed.

A motion was made by Councilmember Briere, seconded by Peters, that the The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the 611 East University Street Site Plan and Development Agreement, subject to combining the lots prior to issuance of any permits.

COMMISSION DISCUSSION:

Briere said she is heartened to see a number of people speaking tonight that have never spoken before; it is a valuable lesson in civics to come and participate and deal with the complexities of zoning. However, she said a few things need to be explained to the audience and asked Carlisle to explain why their resolutions are always presented in the affirmative rather than the negative.

Carlisle stated that the reason resolutions are written in the affirmative rather than the negative is more of a procedural matter than a substantive one; if the Commission were to vote no on a negative, it would leave the project in limbo. He explained that the resolution itself does not reflect the opinion of the Commission but rather a vote on said resolution showcases the opinion of the Commission.

Briere said the Planning Commission in their review of a development may make comments related to design, or parking, or other matters, but in the end they are applying the ordinances as they are currently written and cannot vote based upon other concerns. She stated that they make a recommendation to Council who ultimately approve the development or not.

Jeremy Peters asked the petitioner how they plan to respond to the Design Review Board's comments about removing the vehicle entrance on East University as the area has a lot of active street use by

pedestrians. He stated that removing an additional curb cut could minimize accidents.

Moore said the narrowness of the site does not allow the internal circulation that would permit them to have one vehicular entrance to the building. He stated that the largest quantity of drivers will be coming down the ramp onto the East University exit where they will have a glazed overhead door there that allows drivers to see the traffic on the street, as well as make them wait until the door is opened to exit. He explained that the sound and movement of that door will give pedestrians a signal that a car is approaching; he believes they have addressed the issue of safety and visibility with this door. Moore said they do not anticipate a high volume of traffic as most of the tenants will be students and most students use their vehicles for errands and not to get to class each day.

Peters said it would be nice to see mention of the garage door and maintenance in the development agreement to ensure that the door does not just stay up.

Brandt Stiles, Collegiate Development Group, member of the development team, stated that in addition to the glass entrance to the garage there will be a visual and audible signal every time the door opens and closes.

Ken Clein asked how big the plaza will be between the building and the carrel for the transformers.

Scott Betzoldt, Midwestern Consulting, member of the development team, responded that the plaza is irregularly shaped, but it is about 40 feet at its widest and 15 feet at its most narrow.

Clein asked whether the property to the north is the bank parking lot.

Betzoldt said yes, it is the PNC parking lot. He added that it is their hope that a future developer would extend the park on their property.

Moore stated that they had been in talks with the property owner and they have the intention of creating a pedestrian space on their property to widen the park.

Clein said that is very hopeful but they cannot take that into consideration tonight. He expressed concern that a future developer could decide to build a three story wall and it would result in a dark and less usable

pedestrian space. He asked if there is building lighting.

Moore said yes there will be lighting on the walls.

Clein asked if there will be landscaping.

Betzoldt said yes, there will be seasonal landscaping, boxwood hedges in planters and seasonal trees.

Clein said it is really more of a plaza space than a park.

Betzoldt said there will be seating and a fire pit as well.

Clein asked about the loading spaces and what the small rectangles indicated on the level one floor plan are supposed to represent.

Moore said they indicate the mobile refuse and recycling containers when they are being staged for pick up. He said they are kept in the trash room otherwise. He stated that the City did not want to pull underneath the building and wanted to be able to do all pick up outside of the building.

Clein said that is a good plan. He asked if the openings between the loading area and the alley were going to be kept open or if there would be gates of some kind.

Moore said open. He said they have similar open areas in the ArborBLU building and they have not had any issues; there are adequate lighting and security cameras.

Clein asked about the strangely configured area behind the leasing office.

Moore said those would be the offices of the on-site management company.

Clein asked about the unit mix.

Moore responded that they will have three, four, and five bedroom units, as well as traditional studios and micro studios.

Clein asked if they have an approximate mix that they could share.

Moore said he believes that information is in the report.

Cheng stated that there will be 14 studio apartments, 51 four-bedroom apartments, and 25 five-bedroom apartments; all bedrooms will have at least one window that faces directly outside.

Clein asked if they will have a cross-property easement with the neighboring property for maintenance purposes.

Moore said they are working with a contractor that has worked with a pre-cast manufacturer and they have a system where all of the caulking maintenance can be done from their side, not from the other side.

Clein asked whether the panels are pre-finished or painted.

Moore responded that the panels are all pre-finished. He said they used pre-finished panels at ArborBLU and they have worked out very well.

Clein asked what they will do if someone tags the building.

Moore said he doesn't know but the only people that will have access to that side of the building will be Zaragon residents as there is a security fence across the property.

Clein stated that he has seen tags on things that you wouldn't believe people could get to and asked what they plan to do in the event of an unforeseen occurrence such as that. He said this is an issue of property owners, not of zoning, but should be considered. Clein stated that it is the Commission's responsibility to ask questions such as these to ensure that they don't approve a building that could be a detriment to the City.

Moore responded that the alley in question isn't very visible and typically graffiti artists want their tags to be seen but agreed that they would have to work something out with their neighbor in the case of graffiti.

Clein asked whether they completed a solar study of the impact of the building on the adjacent properties.

Moore said their neighbor the Zaragon building is to the north of them. He stated that they have not done any specific solar shading studies on the properties to the north; it was not mentioned as a concern during discussions with the property owner to the north.

Clein said a shading study is not a requirement, although as tall buildings

proliferate they may reconsider the practice. He stated that solar access is becoming an issue in terms of access and ventilation as well as solar energy and feels it should be a consideration for the development team.

Bonnie Bona said she appreciated the comments of Briere and is one of the few Commissioners that was around when the downtown zoning ordinance was rewritten. She stated that she believed the downtown plan was completed in 2007 and the ordinance was modified in 2009. Bona said the intent of the amendments to the downtown zoning ordinance does not mean they got it right and criticism is always welcome. She stated that the intent of the downtown, both D1 and D2, was to increase the residential use in the spaces close to campus so that a grocery store would be able to be supported. She explained that studies showed that they needed a density of 10,000 residents throughout the downtown, or urban core, to support a full service grocery store as opposed to a little market. Bona said she believes they are about halfway to that population goal and their goal was to do that in twenty years. She said she believes they are mostly on track despite hitting a recession. She added that several of the projects that were mentioned were actually constructed under the old zoning, and that the height maximums under the new zoning are not that much taller than in the old ordinance. She explained that they actually got more amenities with these amendments, such as a three-story street wall setback and the character areas. She said that the idea of having more eyes on the street comes from the idea of having lots of residents. Bona agreed with statements from the public that she is disappointed that South U does not look a whole lot better than it did before. She stated that she is not sure she can explain that and feels they should be critical of what they are doing. She asked the Chair if it was okay for her to ask one of the neighborhood business owners about what they feel is happening in the neighborhood instead of the petitioner.

Chair Woods said that would be alright.

Bona asked Dennis Tice, owner of the Pizza House restaurant, if he was still involved with the South University Business Association, as if she recalls correctly he was once the President or at least heavily involved with the organization.

Tice responded yes, he currently serves on the board.

Bona asked how long he has been on the board.

Tice said he was the President since 2010 and recently stepped down.

Bona asked him to describe how the neighborhood has changed since 2010 or so with these high rises going up.

Tice said as soon as the zoning was changed around that time, South U saw their first high rise developments happen. He stated that he believes that the neighborhood is cleaner and that there is more activity occurring during the day and night; it is not Main Street or State Street but it is getting there. He said these new buildings have cleaned up the streets, replacing old structures; he and his brother—who have been there for almost 30 years—see these developments as a huge positive. Tice noted that these developments are good for business.

Bona asked if he has noticed an increase in his own business' sales.

Tice said yes; during construction it hurts sales but after that it gets better. He stated that Zaragon has helped, Landmark has helped, and ArborBLU has helped. He noted that as more students move into South U, the hope is that homes in the Burns Park area can be converted back to single family uses, because that is a desirable area for families. He said his sales only decrease by about a third when the students leave; they get families, senior citizens, all types in his business. Tice said he believes these developments clean things up and believes that they will have a grocery store in the neighborhood eventually.

Bona said they need someone to design one of these buildings with enough square footage to actually put one in; maybe we can get them to take out the parking on the first floor and just have a grocery store. She stated that it may be something the Commission may want to see for future projects; how parking could be modified to become a different use. Bona also said she wanted to discuss the issue of D1 versus D2, as it has been a challenge in a few parts of town. She stated that in the South U neighborhood the view was taken that if there was a parking structure across the street or a university building, we could easily have very tall buildings; if there was a residential neighborhood across the street, they tried to incorporate D2. She said most of the D1 along Willard Street is either adjacent to the university or a parking structure, and there are no height limits at the university, so that was their logic.

Briere said she had a couple of questions about the retail situation in the South University area. She stated that several of the public speakers commented on the shuttering of businesses and the lack of diversity in retail establishments, and by implication, a lack of quality of retail

establishments, in South U. She said because we are talking in essence, whether I like it or not, about retail establishments that are aimed for student purchases, she sees a real conflict in longevity and high quality retail when your proposed client audience is temporarily living where they are living, and have only temporary relationships with the retail establishments. Briere asked Tice if he agreed with other comments she has heard about the real detriment to South University being the lack of public parking as an attractor for better quality and more diverse retailers.

Tice responded that public parking is an issue; the structure is full during the day and from about 4 p.m. on, it is half full. He stated that they do need more public parking down there. He noted that he believes retail rents will go down as buildings are built higher as the landlord will be able to make what is needed from the residential rents on the top floors. Tice said he believes more students living in the district will attract retailers and a grocery store, eventually. He stated that they have a post office in South U that gets good traffic. He said he believes more people will bring more retail.

Briere said there is a difference between housing aimed for students versus housing aimed for a more diverse population. She asked if there is housing for a more diverse population in South U, such as a young faculty member, a retiring couple, anyone other than students. She stated that she does not mean to denigrate students, but it can become a monoculture.

Tice responded that he does not believe so at the moment. He said eventually there could be. He noted that the four, five, and six bedrooms units are the ones that rent first, showing that students are driving the rental market. Tice stated that once the student rental market is saturated he believes the studios and one bedroom units will become more popular. He said he has had many conversations with Maggie Ladd, Executive Director of the South University Area Association, about what is best for South U, and he thinks once we get residents down there, we will get the service businesses we want, and once we get those, then we will get the young professionals.

Alex Milshteyn expressed concerns that the rental market is becoming more saturated as he has seen for rent signs while driving by rental complexes, including those that will be in competition with this project, which is uncommon for this time of year. He said given the fact that you are investing a significant amount of money in this project, it is likely that you have done a fairly comprehensive market study to determine that a

need for this development exists; however, these signs indicate approaching saturation. He asked the petitioner to describe the economic justification for building another high-rise development given these conditions.

Stiles said their market studies have looked at occupancy trends, supply and demand balances with various unit mixes, absorption rates during the leasing cycle going back three to four years, and they are showing their competition to be 100 percent leased. He stated that their competition is leasing up early in the leasing cycle. Stiles said they are trying to fill an unmet demand with the unit types and mix that this development is proposing. He stated perhaps those properties that are taking longer to lease are not their Tier 1 competition, but believes they will be leased, or will need to adjust their rents to be leased. He said rents are rising by three to seven percent per year in their competitor's buildings, as well as in shadow market products, which are houses or units in smaller complexes, for the last five years or so, across the country. He said there could be a disconnect between supply and rent in some of the lower tier product, but the top tier new construction product is leasing up at 98 to 100 percent.

Milshteyn asked if their studies had taken the Foundry, and the other new building nearby, into consideration.

Stiles responded that his team had called the Foundry last week and they reported that they were full. He said it says a lot about supply and demand to know they delivered late and are now fully leased.

Milshteyn asked if they had done any pre-leasing for retail or if they had identified any tenants that they would like to bring in.

Stiles said that along with their project at 615 South Main, they have been talking to local retailers and there is interest in both of their properties. He stated that they have given floor plans and dimensions to these prospective tenants but it has not gone very far. He explained that they are targeting local businesses; the space is 2,200 square feet so they don't expect a national retailer to come in. Stiles said the rents are not as strong as they used to be, but are still strong. He stated that he thinks having local retailers will strengthen the vibrancy of the neighborhood.

Milshteyn asked what the average rent per bedroom will be in the property.

Stiles responded that rent will be about \$900 to \$1,100 per bedroom.

Peters said in his experience, having been a student at the University of Michigan between 1998 and 2004, he feels the retail environment has improved quite significantly since then. He cited the bagel factory site which sat abandoned for four years or more and other vacant properties. He said he thinks the density has been beneficial to the area.

Bona said as an architect she should be able to read the drawings provided but they are very difficult. She said they look technically rich but graphically difficult to interpret. She hopes these comments can help them make improvements if this project is to go before City Council, who will be less technically proficient than the Commission. She said it is important to show the adjacent buildings for all floors depicted, not just the first several. Bona noted that the alley works and will go all the way through for now, but the owner to the north could build up to the property line. She asked the architect to walk them through the first floor and then subsequent floors, and to show where the property line is.

Keane gave an overview of where the property line is. He said they have a three story pre-cast garage wall along the south property line. He stated that the Pizza House is along the same property line to the south. He indicated that the property line runs along the pocket park and the space for the generators.

Bona asked whether the north property line is parked on today.

Moore responded yes.

Bona said, so then the building you are removing goes right to the property line and you are not overlapping any of that existing parking.

Keane said correct. He stated that their building goes right up to the property line on East University, and then the property line does some jogging to the north of their building and it curves to become five feet from their building along Church.

Bona asked if they have an easement with the neighboring property to maintain the driveway that runs through the property line to the north of the building.

Moore said yes, currently a joint driveway exists, and they will maintain it.

Bona asked if the drive existed before the project.

Moore responded yes, what is referred to as an alley is actual two private drives next to one another that connect.

Bona asked if vehicles will go through the space to the north that they have dedicated for a plaza and the transformers.

Moore said no vehicles will drive through there.

Bona asked whether vehicles will drive through the space north of the transformers.

Moore said there is a significant grade change there, almost half a story, that would prohibit that from happening.

Bona asked them to accentuate the location of the property line as they move forward. She stated the step back from the Zaragon property is not clear in the elevations; it appears as though they are putting windows right up next to Zaragon, which could be made clearer. Bona asked whether the older buildings that are being demolished are in a historic district.

Cheng said there is not a historic district in this neighborhood. He said the two houses being removed are from 1900 or so and the other buildings were built between 1920 and 1949.

Bona asked if any of the buildings in the neighborhood were part of the scattered districts that became illegal.

Briere responded no.

Bona stated that it is not the Commission's job to decide which buildings are in a historic district, that is left up to the Historic District Commission and City Council.

Briere said she has questions about the so-called pocket park. She asked if it is publically accessible or privately owned.

Moore said it is publically accessible but privately owned.

Briere asked if it would be acceptable for someone to walk around the block from Pizza House with leftovers and eat it by the fire pit.

Moore responded that it would be perfectly acceptable.

Briere asked if it also would be acceptable for someone from the university to go there to eat their lunch.

Moore responded in the affirmative.

Briere asked if this was going to be treated as a free speech parklet, a place where people are allowed to come in and just be there. She said enforcement is always an important concern.

Moore asked for an example of what she means.

Briere said that Liberty Plaza is a free speech plaza; it is publically owned. She stated that there is a pathway adjacent to the Varsity that is publically accessible but the courtyard facing Washington Street is not considered a park and would not qualify as a free speech area.

Moore responded that they envision the pocket park or plaza as very similar to the space in front of the Varsity. He said he would have to ask the owner what their policy on free speech would be.

Stiles said he thinks they are always in favor of free speech, but if there were safety concerns they would have to do enforcement to make sure it was a safe environment for everyone.

Briere asked about adding additional moped parking.

Moore said they actually have designated moped parking on the second and third floors, but perhaps it did not show up properly in the renderings. He indicated four spots per parking level, as well as spaces where they could include an additional three to four spaces.

Briere asked whether they will be providing space for any of the rideshare vehicles.

Moore said currently they do not have any spaces but are in talks with providers there could end up having a couple of spots on the site.

Briere asked if they have considered demolishing the existing buildings on site in a green way, so that the materials in the buildings could be relocated, like a moved house, or recycled in an appropriate fashion.

Moore said they plan to have a contractor come in to salvage anything they can such as door handles and mantles, which would be moved off site for retail or rehab, and the rest of the construction materials would be sorted and recycled if possible; their contractor has committed to doing so.

Briere said she wishes they could enforce that, but she is grateful to hear that they have considered it.

Moore explained that one of the issues is that the demand for various recyclable goods changes.

Woods commented that she hopes the floor of the ballet studio in one of the existing buildings is the sort of thing that can be recycled; or if the ballet studio could be a retail or office space, or otherwise continue to be used. She stated that she knows a lot of students and others use that studio, including her grandchildren.

Clein asked whether the door on the first floor property line coming from the neighboring property is some sort of egress arrangement.

Moore said yes.

Clein asked whether the translucent glass they will be using will be lit.

Keane said parking garages are lit at night, so the translucent glass is a way to control what that looks like, they are interested in having these slices of glass at various widths and depths across the façade to creating an interesting effect on the opaque portions of the building.

Clein asked whether they will have through wall vents for their mechanical HVAC or a VRF system.

Keane said they are anticipating a central system on the top of the building, but there will be building penetrations such as dryer vents that will be arranged in an aesthetically pleasing way on the façade.

Moore added that on the west elevation they have a glazed rooftop patio and sky lounge, but as you move to the other side of the building they have screen walls to hide the heating and cooling units.

Clein said he wanted to remind them that in the development agreement it will state that any material changes require the petitioner to come back

to the Commission to review those changes; removing screen walls, or changing out real brick for fake brick, would be examples of material changes.

Moore responded that they have a good track record as they made no material changes for Varsity or ArborBLU.

Clein stated that like other people, he gets a little shocked when he sees the size of some of the buildings going up in the City. He said he thinks a lot of people thought buildings that were six to eight stories would be nice, but the economy is such that it can support higher buildings. He stated that what they are building is allowed by zoning of course, and the design is sophisticated architecturally with some nice features, despite people's concerns about height.

Shannan Gibb-Randall said she saw this project at the Design Review Board and other than the second vehicular entrance on East University she feels they responded well to all the feedback: much more articulation on the north side, capturing the view of the diag on that corner, and giving the building a clearer face. She stated that transformers usually have doors that open so that trucks can access them; she asked them whether the furniture in the plaza will be mobile so that this can occur.

Keane said the furniture will be mobile and that the plaza will look different in the winter months than it does in the summer months. He explained that in the event that the transformers need to be serviced or replaced, the patio has been constructed to withstand loading. He said they spoke with DTE about the specifications for the curbs, etc. and they are onboard with the design.

Moore said the primary truck access is from the east side. He explained that what DTE was concerned about on this side was in the event that they need to pull fuses, they need a thirteen foot pole to pull the fuses, so they wanted to be able to open those doors, pull the fuses, and put them back in. He stated that truck access will be from the east 85-90 percent of the time.

Gibb-Randall asked whether the planters will be on wheels.

Keane said they will be movable with a hand cart; they will be large but not have wheels themselves.

Gibb-Randall said since they will not be immobile, no irrigation system

can be used for them, so it should go in the job description of the lobby folks to water those plants. She asked if they will be doing the V4 version of LEED Silver that is coming out this fall or the older version.

Moore said that was a miscommunication with staff; they will not be pursuing LEED certification, but they will do a LEED scorecard under the current version.

Woods said there is always a concern for adequate access for firefighters in high-rise buildings and didn't see any comments from public safety.

Cheng said the fire department is required to review the site plan; there is a first floor fire command center in the building, but he would have to go back to look at the comments.

Woods asked the petitioner to explain the fire command center in more detail.

Moore responded that the fire command center is command central if there is a fire or emergency in the building; in this room they can monitor sprinkler systems and fire alarms throughout the building. He said the fire marshal asked them to move their fire department connection from East University to Church because she said there was a larger water main and more flow on that side, so the fire connection will be on the east and the command center will be on the west.

On a voice vote, the Chair declared the motion carried. Vote: 7-0

Yeas: 7 - Wendy Woods, Kenneth Clein, Sabra Briere, Jeremy Peters, Bonnie Bona, Alex Milshteyn, and Shannan Gibb-Randall

Nays: 0

Absent: 2 - Sofia Franciscus, and Sarah Mills

10-b 16-0868

Borum-Maigret Annexation & Zoning for City Council Approval - A request to annex this 0.5- acre parcel, located at 685 S. Wagner Road, from Scio Township and zone it R1D (Single-Family Dwelling District). Ward 5. Staff Recommendation: Approval

Carlisle presented the staff report.

The Chair read the public hearing notice as published.

PUBLIC HEARING:

Noting no public speakers, the Chair closed the public hearing unless the item is postponed.

A motion was made by Councilmember Briere, seconded by Peters, that The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the 685 S. Wagner Annexation and R1D (Single-Family Dwelling District) Zoning.

COMMISSION DISCUSSION:

Briere said annexation by itself is not expensive but connection to the water system is quite expensive, and asked whether any of the cost of this connection was being defrayed by the owners or Pall or the state government.

Carlisle responded that it is not the state government; there is some agreement between the property owner and Pall but he is not privy to that information. He said he knows that Pall has paid for the application fee for the annexation.

Briere said that is okay, it was more of a hopeful question, as the property owner cannot yet connect to sanitary sewer but will need to do that at some point in the future. She said whether it is Pall or Danaher, or whoever is the owner of the body that is legally responsible for cleaning up the water, she hopes that this property owner and others that need to be annexed will be compensated for at least some of the cost of doing so.

Woods asked if the majority of the township islands displayed on the map will be annexed into the City by our agreement.

Carlisle said all of them are all party to the annexation agreement between Scio Township and Ann Arbor; the Township will not contest the annexation if they come to the City. He stated that Jeff Kahan, staff, handles most of the annexations and is developing a strategy to reach out to property owners and organize some sort of collective action, but he has not been able to do so for these particular parcels.

On a voice vote, the Chair declared the motion carried. Vote: 7-0

Yeas: 7 - Wendy Woods, Kenneth Clein, Sabra Briere, Jeremy Peters, Bonnie Bona, Alex Milshteyn, and Shannan Gibb-Randall

Nays: 0

Absent: 2 - Sofia Franciscus, and Sarah Mills

11 AUDIENCE PARTICIPATION (Persons may speak for three minutes on any item.)

12 COMMISSION PROPOSED BUSINESS

13 ADJOURNMENT

Moved by Peters, seconded by Milshteyn, that the meeting be Adjourned at 9:19 p.m. On a voice vote, the Chair declared the motion carried.

Wendy Woods, Chair
mg

These meetings are typically broadcast on Ann Arbor Community Television Network Channel 16 live at 7:00 p.m. on the first and third Tuesdays of the month and replayed the following Wednesdays at 10:00 AM and Sundays at 2:00 PM. Recent meetings can also be streamed online from the CTN Video On Demand page of the City's website (www.a2gov.org).

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