



City of Ann Arbor
Formal Minutes - Final
Planning Commission, City

301 E. Huron St.
Ann Arbor, MI 48104
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Tuesday, July 21, 2015

7:00 PM

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

10-a 15-0923

White/State/Henry Apartments Planned Unit Development Site Plan and Rezoning - A request to rezone this 0.86 acre parcel from R4C (Multiple-Family Dwelling District) to PUD (Planned Unit Development), demolish the existing 28-unit apartment building and construct a new 32-unit, three-story apartment building with community center on the site. Access to the parking lot will be provided from existing curb cuts on South State Street and White Street. Stormwater detention will be provided under the parking lot. (Ward 4) Staff Recommendation: Approval

Kowalski presented the staff report.

Chair Woods disclosed that her husband is Chair of the Housing Commission and said while she has no financial from this project she asked the Commission if they wanted her to recuse herself from this issue.

The Commission unanimously said no.

PUBLIC HEARING:

Edward Vielmetti, 1210 Brooklyn Avenue, said he is familiar with this area and gave the context of the location of the development as being in a triangle of land surrounded by State Street, Stadium Blvd and Stimson, and cut off from the neighborhood. He said folks living only 100 feet away in Burns Park don't consider this area and anything that the City can do to improve the quality of these dwellings will be welcome. He said while the buildings are worn down it seems to be a nice neighborhood. He hoped that people who have lived in this nice neighborhood won't be inconvenienced by having their homes being torn down and hoped that temporary housing would be available to them during the re-build. He said he is encouraged that there will be more people living there and that there will be more affordable housing available. He liked the plan of going with three stories and felt that even four stories would be appropriate. He expressed his support for the project and hoped it would move forward.

Jennifer Hall, Executive Housing Director of the Ann Arbor Housing

Commission, explained that the current building was built in 1948, and they are in terrible shape. She said there are no barrier free accessible apartments. Hall said they looked into doing a gut-renovation to maintain the exterior structure but found that would not work. She said the re-build will be in the same shape but with adding features such as energy efficiency, a community center with an on-site property manager office. She said they were able to change the unit sizes although with virtually the same number of bedrooms (41); noting they will now have more one-bedroom units, of which they have a shortage currently. She said the reason they decided to go with smaller units was because this site is more for single adults and not so appropriate for families. Hall explained that all of the 2-bedroom units will be on the first floor and all will be visitable [no stairs] and two will be barrier free accessible, with the possibility of adding more fully accessible units if funding allows.

Hall further noted that the Fire Department's flow test arrived this evening, and she would be providing copies to the Planning Division. She explained that the biggest change from the earlier plan was the one-way driveway that earlier went into the property from State Street but now has been reversed as requested by the City's Public Services Department, and now exits onto State Street. She said the Housing Commission is required to do relocation for all residents who are given the choice to move to another apartment or accept a Section 8 voucher and move with a private landlord. She said the Housing Commission has to pay all associated moving costs, utilities, and access to transportation as well as counseling, to assure no current residents are displaced in the re-build process.

Hall pointed out a mistake on the site plan comments on Page 5 [3rd paragraph] of the PUD analysis. She said the architect had failed to remove the text from an earlier template that mentioned that their target audience was students. She asked for that to be stricken from the record, since they are not allowed to have students in their housing.

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

Moved by Clein, seconded by Briere, that the Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the White/State/Henry Apartments rezoning from R4C (Multiple-Family Dwelling District) to PUD (Planned Unit Development) and PUD Supplemental Regulations, and

The Ann Arbor City Planning Commission hereby recommends that

the Mayor and City Council approve the White/State/Henry Apartments Site Plan and Development Agreement.

COMMISSION DISCUSSION:

Peters reminded the Commission that the City recently adopted the Washtenaw County Affordable Housing Needs Assessment, as a Resource Document to the Master Plan, and this increase in units, while small, is still a move towards the goal, in addition to adding accessible units.

Bona said current R4C zoning restricts the number of units to have a certain number of bedrooms and that would be something to think about when R4C comes back to the Commission for review. She said they toyed with the idea of a Floor Area Ratio [FAR] to discourage large apartments, and R4C unintentionally incentivizes 6-bedroom apartments. She said she was happy to do a Planned Unit Development [PUD] to correct our own zoning tendencies. She asked Hall how old the buildings are.

Hall said they were built in 1948.

Bona asked what they plan to do to make sure the new buildings don't fall into the disrepair of the current buildings.

Hall said there is a difference between how they originally acquired the current housing which was public housing, and how they will be financing and operating the new structures. She said under Public Housing, funding is set by Congress and has continually gone down, and the Housing Commission has not had any control over that. She said all their tenants pay 30 percent of their adjusted income on rent and HUD is supposed to provide the operating subsidy between market rate rent and what the tenant provides. She explained that the Capital funds received are not enough to maintain their buildings throughout the City. Hall said the new structure required the Housing Commission to apply for low income housing tax credits and when they are awarded, the tax credits have to be sold to an investor, and for each project they have to get a mortgage with financing and the investors are making sure that they are fully operational for the next twenty years and that the rent coming in are covering expenses. She said the rent amount they will be receiving will be set and will go up with the cost of living adjustment and will allow them to take care of their properties.

Bona asked if they are confident that the support will continue, assuming it was not infinite.

Lori Harris, Norstar Development USA, LP, Development Partner of the Ann Arbor Housing Commission, said there is a 45 year total compliance "extended use" period that is put in place by Michigan State Housing Development Authority [MISHTA] how the program runs. She said looking into the future, they have no idea how the US Department of Housing and Urban Development [HUD] will continue, but the Section 8 program has been funded more consistently, while the public housing not so much.

Bona said every time she sees a 25 year old building torn down, she wants to tear her hair out. She said if maintenance is neglected, it will cost more in the long run and she was hoping there would be some intelligent solution behind the funding sources for these new buildings that would be looking at their long term well being.

Harris said the Ann Arbor Housing Commission has been great stewards in the design process with the goal of energy efficiency and in looking at all the materials being used so they are set up to have longevity, in addition to the amenities being offered.

Dr. Ronald Woods, Chairperson of the Ann Arbor Housing Commission, said the condition of the housing stock as they have addressed it through the Rental Assistance Demonstration Program [RAD] has not been the result of purposeful neglect; the problem has been the decline in federal funding that has been consistent over the past 20 to 25 years. He said the hope is with the highly efficient and professional group of individuals running the program, it will succeed. He added that public housing is a public trust, and as such it is a part of a political process, which requires our Congressional representatives to hear from us when we elect them. He said it is important for elected leaders to hear about housing as a public trust, and that we will call upon them to keep the funding there so that the funding does not become precipitous moving forward.

Bona said it is important to know that we are getting affordable house through this PUD request and she felt it was a creative solution to the site. She said the Housing Commission's management had justified the increased density as well as the reduced setbacks and buffer requirements. She encouraged them to continue to be creative in solving what she considered the toughest problem; creating and maintaining high quality but very low funded projects.

Briere asked about accessibility of the proposed units

Hall said they will have 2 fully accessible units on the first floor, with the remaining 8 units being visitable, which means there is a no-step entrance, and the units are designed so accessible features can be added to make them fully accessible. She explained that the need of each tenant is different, so her goal on each of their new projects is to be able to add a minimum of 10 to 15 percent accessibility if they can. She said the end result will depend on how much money they can generate to build the project, but she is hoping that they will be able to build 6 to 8 fully accessible units by the time their funding source is known.

Briere said if bedrooms are on ground floor, what is the layout for the second and third floor.

Hall said the units are stacked flats, so the second and third floors have to have stairs.

Clein said the site plan shows 14 proposed parking spaces for the 32 units; he asked if the Housing Commission finds that most of their tenants have cars.

Hall said maybe 50 percent have cars, and while they don't have enough parking for their other sites, they don't receive calls from this site. She said she believes it's because it has on-street parking and is located on two great bus lines.

Clein asked if Hall had received complaints from neighbors on parking issues.

Hall said she hasn't heard anything and the issue didn't come up at the neighborhood meeting.

Clein said the affordable housing satisfies his concern for the public benefit and it is an issue that the Planning Commission wants to pursue as a health to the community. He expressed appreciation for the design of the building and regrets that there were not more members of the public present to see what was being worked on.

Peters asked when the demolition would start, and when the current residents would have to move. He asked Hall to explain how that process works.

Hall said historically there is a low resident turn out to meetings. She explained that the Housing Commission will apply for tax credits this October, noting that this project will be paired with their Platt Road project that was previously approved by the Planning Commission. She said this will be their last new construction tax credit application, and if they get awarded [as they have for all of their other projects] they will typically be notified in December, and given the funding processes she believed they will likely close the following August [2016].

Hall explained that HUD has special rules for relocation and they are not allowed to start the relocation process until they issue something called RAD conversion commitment. She said she believes that happens in April, which will then be followed by the Housing Commission meeting with the residents and trying to meet their needs up until August 2016. She said when they close on the project funding in August 2016, the residents will know where they are moving and will have a 1 to 2 month period in which to move. She said currently as units become vacant at this site they are not filling them.

Milshiteyn asked about the selection process for new tenants versus old tenants.

Hall said former tenants have a first choice to come back to the new building, with tenants needing accessible unit getting the very first choice. She said following that they go to their public housing waitlist with 1,200 people waiting. She said when they opened their Section 8 list they received 15,000 on that list.

Franciscus said she needed to leave soon.

The Commission thanked Hall and the Housing Commission for their great work.

On a voice vote, the Chair declared the motion carried.

Vote: 7-0

Yeas: 7 - Wendy Woods, Kenneth Clein, Sabra Briere, Jeremy Peters, Sofia Franciscus, Bonnie Bona, and Alex Milshiteyn

Nays: 0

Absent: 2 - Eleanore Adenekan, and Sarah Mills