



## MEMORANDUM

**To: City of Ann Arbor Planning Commission**  
**From: Megan A. Masson-Minock, AICP, Principal**  
**Subject: Downtown Premium Zoning Ordinance Amendments**  
**Date: November 5, 2015**

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Based on input from the process, research and guidance from the Ordinance Revisions Committee, we have developed draft ordinance amendment language (see attached). The proposed amendments limit premiums to buildings providing residential floor area as long 15% of the total residential floor area is designated as workforce housing and/or for buildings approaching or achieving carbon neutrality or improved energy efficiency. These two policy areas were selected to be incentivized because:

- Ann Arbor residents expressed support for using premiums to incentivize these policy areas;
- Improvement in these areas are goals of the City of Ann Arbor;
- The market is not providing these types of housing or buildings, and
- Affordable housing or stricter energy efficiency cannot be required by the City due to Michigan law.

Planning Services and Legal Department staff have reviewed the version discussed by the ORC in September. The changes resulting from reviews have been a reduction in the types of green building rewarded, with the elimination rewards for off-site or shared site green building features per the Legal Department. We presented an earlier version to the Energy Commission in October, which was greeted with support but some concern about renewable energy credits. We are scheduled to meet with the Housing and Human Services Advisory Board on November 12 and with the Environmental Commission in December.

We will give a short presentation at your meeting on November 10, which would be adapted for the public hearing presentation. Afterwards, we would like your input on the following:

- Should this proceed to a public hearing? If not, what changes to the amendments or steps in the process are needed?
- Before going to a public hearing, is a roll out to the public for feedback needed?
- When presented to the ORC, the Green Features table had a number of other features. Per their direction and the Legal Department, features were reduced to carbon neutrality and energy efficiency, which must be mutually exclusive to avoid double counting. If the green building features is limited to those two items, should the two tables be combined?