



MEMORANDUM

DATE: March 4, 2015

TO: Ms. Wendy L. Rampson, Planning Manager

FROM: Lori Harris, Norstar Development USA, and L.P. (on behalf of and in cooperation with the Ann Arbor Housing Commission)

PROJECT: Ann Arbor Housing Commission/ Norstar Development USA, L.P.
White State Henry – 701 Henry Street, Ann Arbor, Michigan

CC: Ms. Jennifer Hall, Executive Director, Ann Arbor Housing Commission
Mr. James Pappas, Fusco Shaffer and Pappas, Project Architect

Enclosed please find preliminary information provided in relation to the proposed redevelopment of White State Henry (WSH) Apartments located at 701 Henry Street. The WSH Apartments are owned and managed by the Ann Arbor Housing Commission (AAHC).

BACKGROUND – OVERALL PLAN OF THE ANN ARBOR HOUSING COMMISSION

The WSH redevelopment is part of an overall plan by AAHC to ensure the long term viability and affordability of the units under their control. The AAHC selected Norstar Development USA, L.P. (“Norstar”) as its co-developer in its efforts to assist in a long-term, multi-project revitalization of approximately 360 public housing residential units in the AAHC portfolio. The AAHC intends to convert these public housing units to project-based Section 8 vouchers via participation in HUD’s Rental Assistance Demonstration Program (“RAD”).

Under the RAD program, the AAHC would essentially exchange operating and capital subsidies under the Public Housing program for long-term Section 8 project-based rental assistance contracts, thus allowing the AAHC access to the private financing markets (equity and debt) to renovate their public housing properties. This is a means of retaining the long-term viability of the public housing resources in the community.

KEY GOALS OF PROJECT

AAHC identified some key goals to guide the redevelopment of the WSH site including:

- Inclusion of green and energy efficiency measures to reduce energy consumption and the operating cost to both tenants and the housing commission; and, to reduce the environmental impact of the project.
- A residential design to meet the needs of the existing and future tenants into the future.
- Increase the number of accessible and visitable units at the site.
- Inclusion of amenities such as a community room and internal bike racks for residents.

NEW CONSTRUCTION VS. GUT REHABILITATION

When first evaluating this site, AAHC and its development team evaluated the feasibility of renovating the existing building through gut rehabilitation. The design team concluded that a major rehabilitation was not financially or physically feasible. Though the existing building has fine street presence and fits well into the adjacent neighborhood, the layout of the existing structure has poor internal circulation. Due to the location of the stairwells and hallways, a tremendous amount of building space is lost and results an awkward layout of the residential units.

Further, the existing building has no accessible or visitable units, and rehabilitation could not accommodate these desired features. Due to the framing of the existing structure, it is not possible to demolish only the interior of the building to accommodate a major rehabilitation to include the desired goals of the project. . It was determined that new construction would better serve the needs of existing and future tenants at the site and the above described goals for the project.

PROJECT PROPSAL

This proposed revitalization effort will consist of a 3-story apartment building with 32 one & two-bedroom units, including 2 barrier free units. This proposed building will replace the existing 28 unit apartment building, which will be demolished. The proposed development will also include a 950 sf community center for use by all the residents. The proposed Apartment Development is located within the R4C Zoning District of Ann Arbor at the north side of Henry Street between State and White Streets. A Planned Unit Development (PUD) is proposed for the site to address the variances required for auto parking spaces and unit density. This parcel is within Council District 4 and the Lower Burns Park Neighborhood Group.

The main entrances into the first floor apartment building will be at grade level, with no steps to act as a barrier from the parking areas. The covered unit entries will serve to protect arriving residents, especially those with mobility impairments. The units will have interior corridor access only. First floor units will be accessed from the interior side, while upper levels will have street side entry via perimeter walks.

The adjacent parking lot is secured and located on the north side yard area to ensure easy access by automobiles and bicycles. There are 14 auto parking spaces and 7 bicycle spaces proposed to serve the 32 units. The accessible parking is located adjacent to the barrier –free units entrance, giving mobility impaired residents and visitors easy and quick access to front door. Limited parking will require a variance, and supplemental parking alternatives will be addressed by the PUD.

The propose unit density will be 37.1 dwelling units/ acre which requires a variance from allowable 20 dwelling units/ acre.



All areas around the building will be fully landscaped and receive proper buffering from winter winds and negative views. Ample site lighting provides security at entrances and parking areas. Street trees will be added along all of the road rights of way.