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TO: Mayor and Council

FROM: Milton Dohoney Jr., City Administrator

CC: Derek Delacourt, Community Services Area Administrator  
Jennifer Hall, Ann Arbor Housing Commission Executive Director  
Brett Lenart, Planning Manager  
Mariah Walton, Deputy City Administrator

SUBJECT: August 6, 2026 Council Agenda Response Memo

DATE: July 30, 2026

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**CA-14 - Resolution to Approve an Affordable Housing Fund Grant Agreement with the Ann Arbor Housing Commission and Ann Arbor Housing Development Corporation, for a Pre-Development Sub-Grant to the Ann Arbor Community Land Trust for the Townie Homes Project, and Appropriate \$100,000.00 (8 Votes Required)**

**CA-15 - Resolution to Approve an Affordable Housing Fund Grant Agreement with the Ann Arbor Housing Commission and Ann Arbor Housing Development Corporation, for a Pre-Development Sub-Grant to Avalon Housing Inc for Hickory Way III, and Appropriate \$100,000.00 (8 Votes Required)**

**Question:** What are the eligible activities that the pre-development grant covers? (Councilmember Disch)

**Response:** Pre-development activities can cover any development expenses that happen prior to closing on financing. They are typically expenses related to due diligence and financial feasibility. Activities can also include legal, environmental testing, survey, appraisal, title search, market study, architect, cost estimator, engineering, consultants, and transportation study, etc.

**B-3 - An Ordinance to Amend Chapter 55 (Zoning), Rezoning of approximately 0.84 Acres from D2 (Downtown Interface) to PUD (Planned Unit Development District), 315 West Huron PUD Zoning and Supplemental Regulations, 301, 311, 315, 317, 319 West Huron Street and 102, 106 South First Street (CPC Recommendation: Approval - 7 Yeas and 0 Nays) (ORD-26-21)**

**Question #1:** Does staff advise adding the developer's commitment to limit use of NPR STRs to 10% to the PUD supplemental regulations? (Councilmember Disch)

**Response:** No, during the staff and Planning Commission Review, the proposed PUD rezoning was recommended with a full range of commercial uses.

**Question #2:** If residents wanted to use their rental units as PR-STRs, would they be allowed to do so, even if that exceeded the 10% limit? (Councilmember Disch)

**Response:** No, once the 10% threshold was reached, no STR licenses would qualify for the property.

**Question #3:** If a tenant vacated a unit but continued to pay the rent and claim it as their principal residence, could they rent it as a PR-STR? Could they do so if doing so exceeded the 10% limit? (In this scenario, I am imagining a tenant who vacated for a limited term, such as summer, and returned—so, instead of subletting, they listed as an STR). (Councilmember Disch)

**Response:** The 10% is absolute. In this circumstance it is possible that the STR license would “convert” from a principal residence STR to a non-principal residence STR.

### **DC-1 - Resolution to Approve Amendment to the Council Rules**

**Question:** Am I correct in interpreting that this rule change does not prohibit Council from taking up items requiring a vote of council after 11 p.m.? Voting items can be considered after 11 p.m. if a majority on Council votes for taking up an additional item. And if at 11 p.m. there were several remaining items requiring a vote, would Council need to vote to take up each one? (Councilmember Disch)

**Response:** Yes, you are correct that this rule change does not prohibit Council from taking up items after 11 p.m. if a majority of Council votes to extend the time of the meeting and take up additional item(s).

A typical motion would be to extend the time to a certain hour (e.g. 11:30 p.m.) in order to take up specific agenda items (e.g. Agenda items X, Y, Z...). Multiple items can be included in the motion but should be specified.