

## **PLANNING STAFF REPORT**

**For Planning Commission Meeting of December 2, 2025**

**SUBJECT: The Dean (558 S Fifth Ave) Rezoning  
554 S Fifth Ave, 558 S Fifth Ave, 201 E Madison St, 211 E Madison St,  
215 E Madison St, 543 S Fourth Ave, 547 S Fourth Ave, 551 S Fourth  
Ave, 553 S Fourth Ave  
File REZ25-0004**

### **PROPOSED CITY PLANNING COMMISSION MOTION**

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve The Dean rezoning petition to D1 (Downtown Core) base, Midtown overlay, and Secondary Street frontage designation, approve the Dean area plan, and accept the voluntarily offered conditions to:

1. Limit the maximum height to 161 feet.
2. Adhere to design requirements of the Downtown Development Authority.
3. Provide a 10-foot setback adjacent to residential zoning.

### **STAFF RECOMMENDATION:**

Staff recommend **approval** of the **rezoning petition** to designate the site D1 (Downtown Core) base, Midtown overlay, and Secondary Street frontage designation, **accept** the condition to require a 10-foot setback from lot lines adjacent to residential zoning, **reject** the conditions to limit the maximum height to 161 feet, and **reject** the condition to adhere to Downtown Development Authority design requirements, because the proposed designations are consistent with the overarching goals of the 2009 Comprehensive Plan and align with the draft recommendations of the 2026 Comprehensive Plan.

Staff recommend **approval** of the **area plan** because it demonstrates the permitted uses and development of the proposed zoning designation will be compatible with the City's adopted plans and policies.

## LOCATION:

This site is located on the north side of East Madison Street between South Fourth and Fifth Avenues and includes 9 parcels: 554 S Fifth Ave, 558 S Fifth Ave, 201 E Madison St, 211 E Madison St, 215 E Madison St, 543 S Fourth Ave, 547 S Fourth Ave, 551 S Fourth Ave, and 553 S Fourth Ave. It is in the central area of the city.

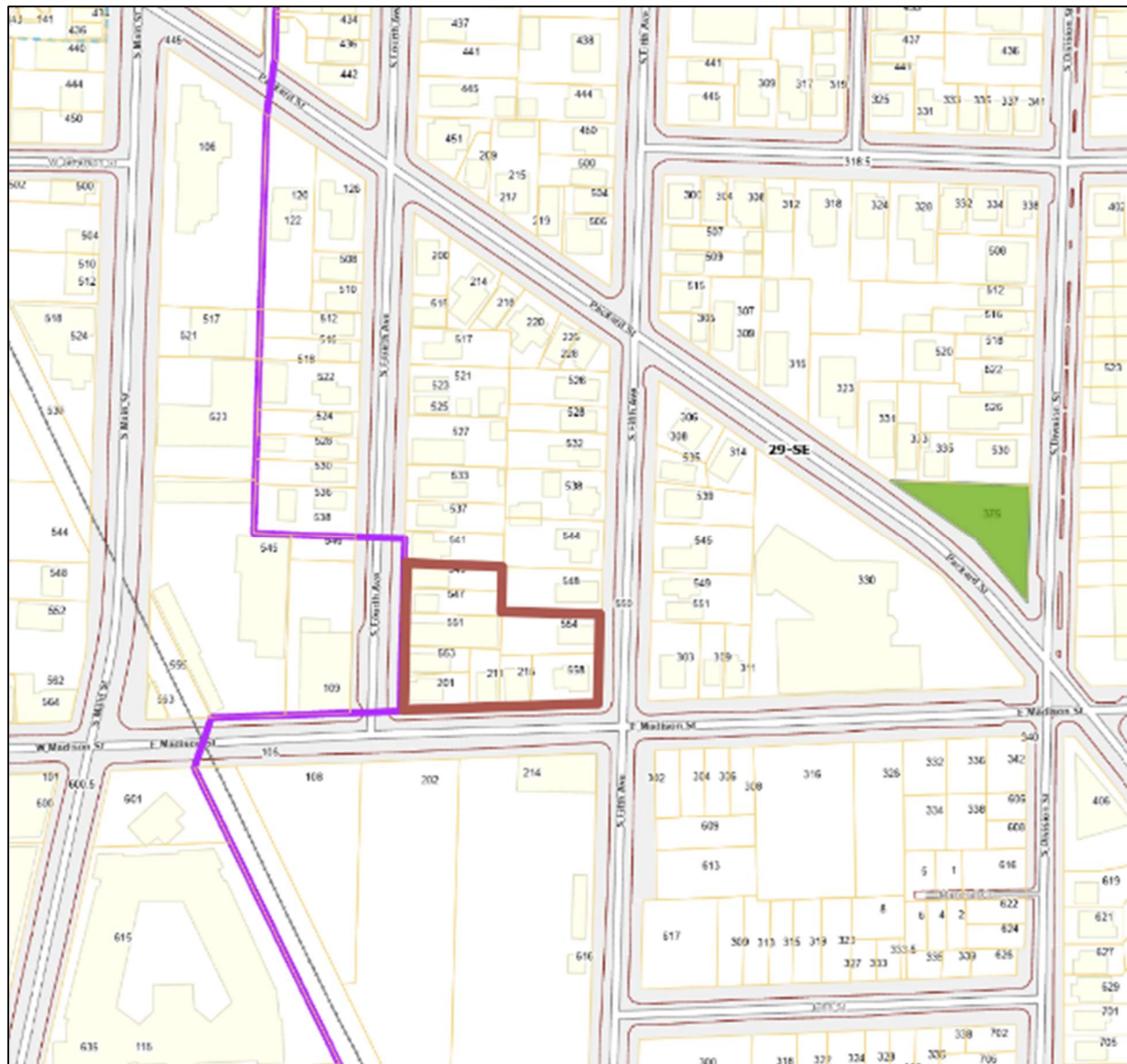


Figure 1: Location Map - The Dean

## **SUMMARY:**

A petition has been submitted to rezone 9 parcels on the north side of East Madison Street between South Fourth and Fifth Avenues from R4C (Multiple-Family Dwelling) and M1 (Limited Industrial) to D1 (Downtown Core) base, Midtown Character overlay, and Secondary Street frontage designation. Voluntary conditions are offered to the zoning designation to:

- 1) restrict the maximum height to 161 feet,
- 2) adhere to Downtown Development Authority design requirements, and
- 3) increase the required side and rear setback to 10 feet when abutting residentially zoned property.

The rezoning will allow the construction of a high-rise residential building as illustrated on the accompanying area plan. A separate site plan application for a 14-story building with two levels of parking and 12 floors of residential use providing around 180 apartments is being reviewed concurrently and will be scheduled for Planning Commission approval following a decision on the rezoning petition.

Initially, a combined application for rezoning and site plan approval was submitted. The first review revealed that the site plan layout included four curb cuts and would require a variance to exceed the normal curb cut allowance based on street frontage length. A variance cannot be approved until the zoning designation is known, otherwise the variance would be for a speculative condition.

## **EXISTING CONDITIONS:**

Four of the site's nine parcels are zoned M1 (Limited Industrial), the remaining five parcels are zoned R4C (Multiple-Family Dwelling). Each parcel contains an existing building in residential use. 551 S Fourth Ave was constructed in 1950 as an industrial garage; it now contains garage and storage space on the first floor and residential apartments on the second floor.

The M1 district is a nonresidential and special purpose district specifically intended to provide for "various types of industrial and manufacturing uses" with "low land coverage," large setbacks and "low concentration." Permitted uses are compatible with each other, but not appropriate adjacent to residential uses, and include trade schools; vehicle rentals and sales; vehicle service and repair; contractors and construction services/office and research; transportation uses; manufacturing, processing, assembly, fabrication uses; and warehousing/storage uses.

The R4C district is a residential district specifically intended for multiple-family dwellings in the central area of the City close to downtown and campus areas. Permitted uses include residential dwellings in single-family, two-family, and multiple-family buildings.

The site is also in the Floodplain Management Overlay zoning district (which is slightly larger than the mapped flood hazard areas, the flood fringe and floodway components combined). The flood fringe of the floodplain extends over the southwest half of the site. Although close by, there is no floodway on the site.

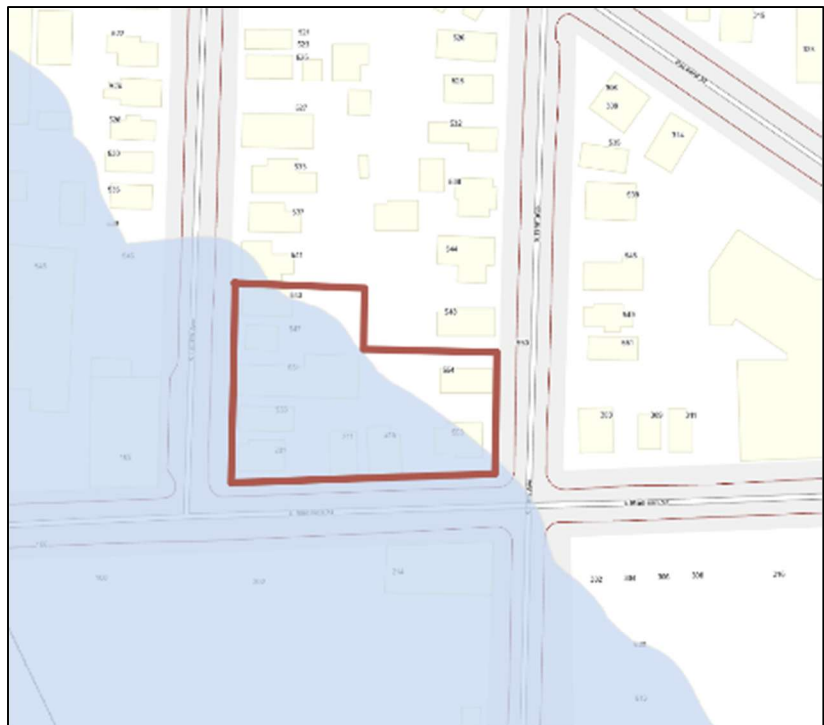


Figure 2: Floodplain Management Overlay zone map

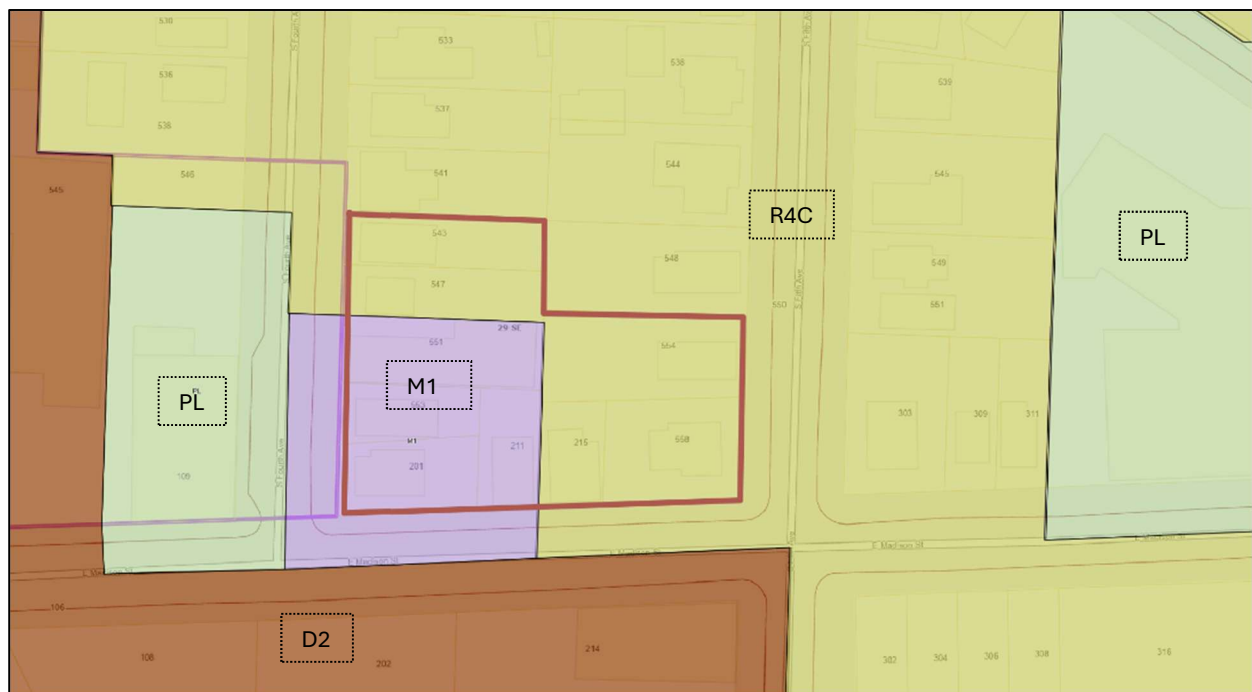


Figure 3: Current Zoning Map (base districts)

## REZONING PETITION:

**Proposed** – Parcels that comprise The Dean site are currently zoned M1 or R4C. The applicant requests rezoning to D1 (Downtown Core) base, Midtown Character overlay, and Secondary Street frontage designation.

Table 1: Existing and Proposed Zoning Regulations Comparison					
District	Lot Area (minimum)	Density	Height (maximum)	Front Setbacks	Side and Rear Setbacks
M1	13,000 sq. ft.	Max. 75% FAR	35 ft.	Min. 15 ft.	Min. 30 ft. side, 50 ft. rear when abutting R
R4C	8,500 sq. ft.	Max. 20 d.u./ac.	30 ft.	Min. 25 ft.	Min. 12 ft. side, 20 ft. rear
D1	No minimum	No maximum FAR			
Midtown Character			180 ft.		N/A
Secondary Street				Min. 0 ft., Max. 10 ft.	

Voluntary conditions for the zoning designation are offered to:

- 1) restrict the maximum height to 161 feet,
- 2) adhere to Downtown Development Authority design requirements, and
- 3) increase the required side and rear setback to 10 feet when abutting residentially zoned property.

The applicant's offer in the form of a draft "Conditional Rezoning Agreement" is attached.

**Review Criteria** – Changes to the referenced Zoning Map of Chapter 55, Unified Development Code, of the Ann Arbor City Code may be made pursuant to Section 5.29.10. To assist the Planning Commission and City Council with their decision, applicants submit a petition which addresses:

1. The extent to which the rezoning is necessary.
2. How the rezoning will affect the public welfare and property rights of persons located in the vicinity.
3. How the rezoning will be advantageous to the City.
4. How this particular location will meet the convenience and service requirements of potential users and occupants.
5. Any changed or changing conditions in any particular area, or in the City generally, which may have bearing on the request.
6. Other circumstances and factors which further justify the request.

When conditions are voluntarily offered, the Planning Commission has the authority to review the offered conditions against the rezoning standards to ensure that such standards are met. The Planning Commission may recommend approval with the conditions as submitted, may recommend approval with revised conditions provided that the revised conditions are voluntarily offered by the applicant, or may recommend denial.

**General Analysis** – The 2009 Comprehensive Plan encourages more dense development with a particular emphasis on more housing overall and a wider range of housing types, and encourages more sustainable developments, living arrangements that enable less or no reliance on personal vehicles, and reduced vehicle miles traveled. The 2009 Plan is proposed to be replaced by a 2026 plan to continue to guide policies and standards along those same lines, but with the explicit core values to be affordable, equitable, sustainable, and dynamic.

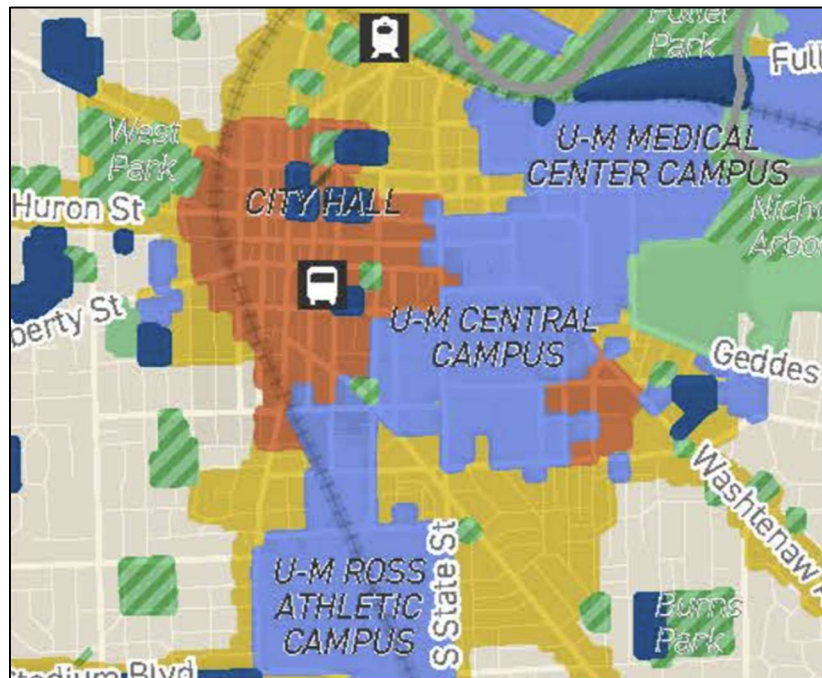


Figure 4: Snip of Draft Future Land Use Map (v3) from Draft Comprehensive Plan

The proposed 2026 plan includes a future land use map to help illustrate how land use regulations can be used to further the core values of the plan. The draft future land use map recommends the “hub” land use category for present-day Downtown as well as the area south and east to meet the University of Michigan’s adjoining central and south campuses. The Dean site is located within this red-shaded “hub” future land use designation, see Figure 4.

The “hub” is a general term for a conceptual land use category that has not yet been crafted (this will come after the 2026 Comprehensive Plan is adopted and a new planning initiative is started to draft code amendments to create and adopt new zoning districts and likely repeal existing ones). However, the consensus is that “hub” should be similar in intent, use and development mass as the current D1, D2, and TC1 districts.

**Base Zoning Analysis** – The proposed rezoning to **D1 base** designation is in keeping with the overarching goals of the 2009 Comprehensive Plan. It is also in keeping with



the draft 2026 Comprehensive Plan that not only reinforces those overarching goals but plainly recommends the subject site have the same land use regulations as present-day Downtown, which is about half D1 and half D2 (Downtown Interface).

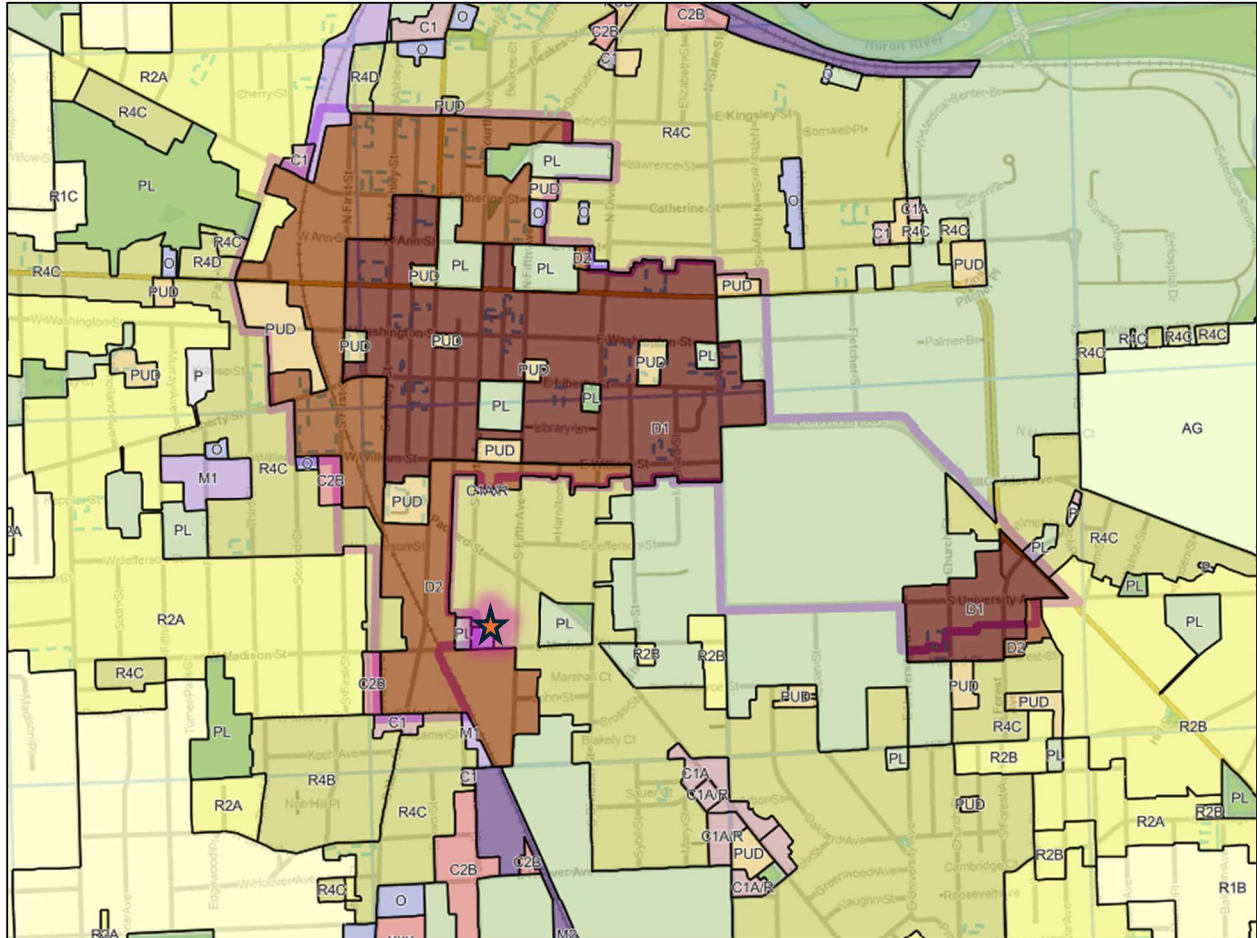


Figure 5: Current Zoning Map of base districts. D1 shown in darkest red, D2 shown in red/orange. R4C shown in dark olive green. PL shown in medium green. Pink line indicates Downtown Development Authority. Star indicates The Dean site. Note not all property owned by the University of Michigan designated PL.

**Overlay Zoning Analysis** – The D1 and D2 base zoning designations only regulate permitted uses and development mass. Neither district provides regulations for building height or form, or side/rear setbacks. These dimensional standards are regulated by overlay districts; therefore, it is essential to also designate an overlay zoning district for any site zoned D1 or D2. There are nine overlay zoning districts: East Huron 1, East Huron 2, First Street, Kerrytown, Liberty/Division, Main Street, Midtown, South University and State Street. Purpose statements for each overlay district are provided in Section 5.14.1 of the UDC (11<sup>th</sup> edition, page 25).

Knowing that some combinations of base and overlay district are not available<sup>1</sup>, the proposed **Midtown overlay** district is the most appropriate for the Dean site given the proposed D1 base designation. The draft 2026 Comprehensive Plan suggests expanding the core of downtown eastward and southward to meet the edge of campus. The Midtown overlay district is currently framed on all sides by other character overlay districts. Its purpose is “higher density development with a strongly defined street edge and active open spaces.”

Consideration can be given to designating the Liberty/Division overlay district for the Dean site, but that overlay district was crafted with the East William Historic District in mind. Its purpose is to increase building mass but maintain the traditional scale and rhythm of residential buildings. Because the maximum height permitted in the Liberty/Division overlay district is the same as the Midtown overlay district (180 feet), and there are no historic districts south of Packard Street, the purpose of Midtown fits better than the purpose of Liberty/Division.

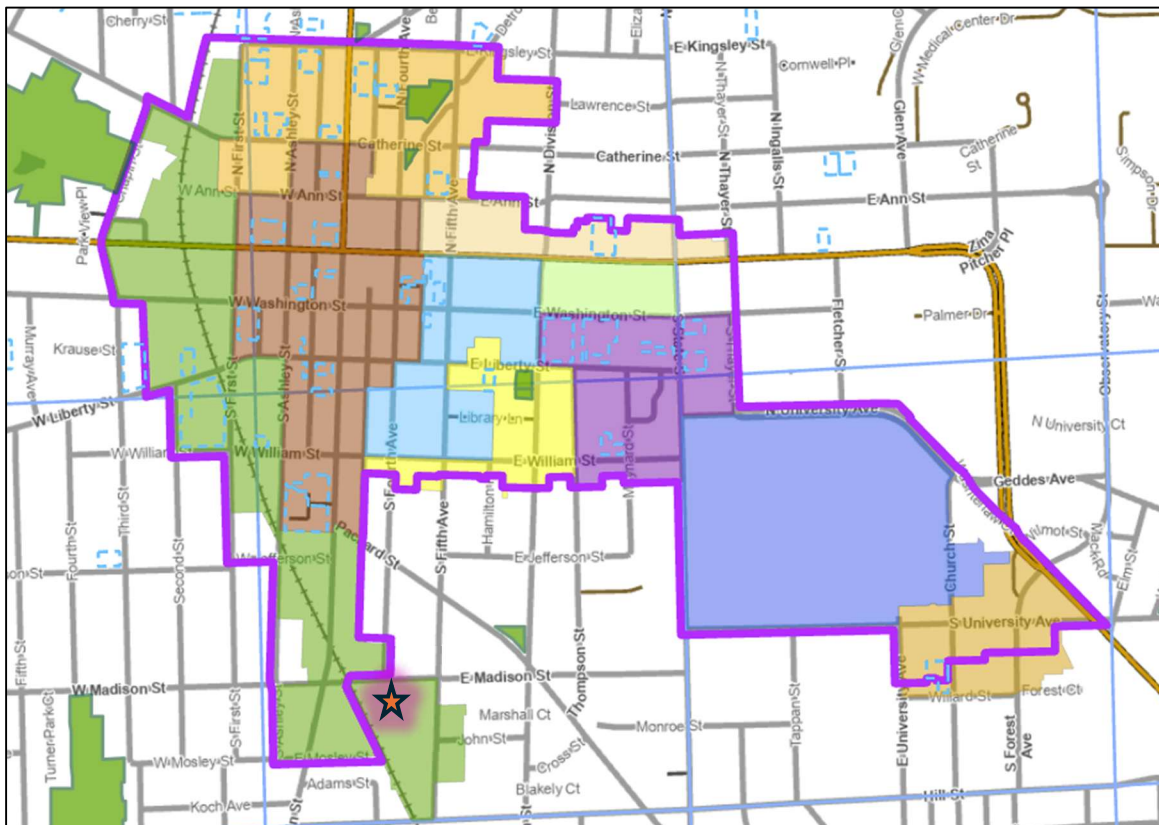


Figure 6: Current Zoning Map of overlay districts. Light blue indicates Midtown. Yellow indicates Liberty/Division. Brown indicates Main Street. Green indicates First Street. Purple indicates State Street.

<sup>1</sup> There are no provisions for D1+Kerrytown or First Street. There are no provisions for D2+State Street, East Huron 1, East Huron 2, or Midtown.



**Street Frontage Designation Analysis** – Neither base nor overlays regulate the required front setbacks in downtown zoning districts. Front setbacks are regulated by the street frontage designation and so it is also essential to designate one of three applicable street frontages: Primary Street, Secondary Street, or Front Yard Street. Primary Street requires building placement at the front lot line, Secondary Street allows a range of building placement (between 0 and 10 feet from the front lot line), and Front Yard Street requires buildings to have a 15-foot front yard at least.

The proposed rezoning petition seeks **Secondary Street** designation, which staff endorse as the most appropriate designation. The purpose of the Midtown overlay is to create a strongly defined street edge and the Secondary Street designation allows that while enabling a degree of flexibility for some open space and extra room for pedestrian amenities if needed when right-of-way widths aren't as wide as in the destination commercial core. East Madison Street to the west and south of the site are currently designated Secondary Street (from when those properties were privately owned by the Fingerle Lumber Company).

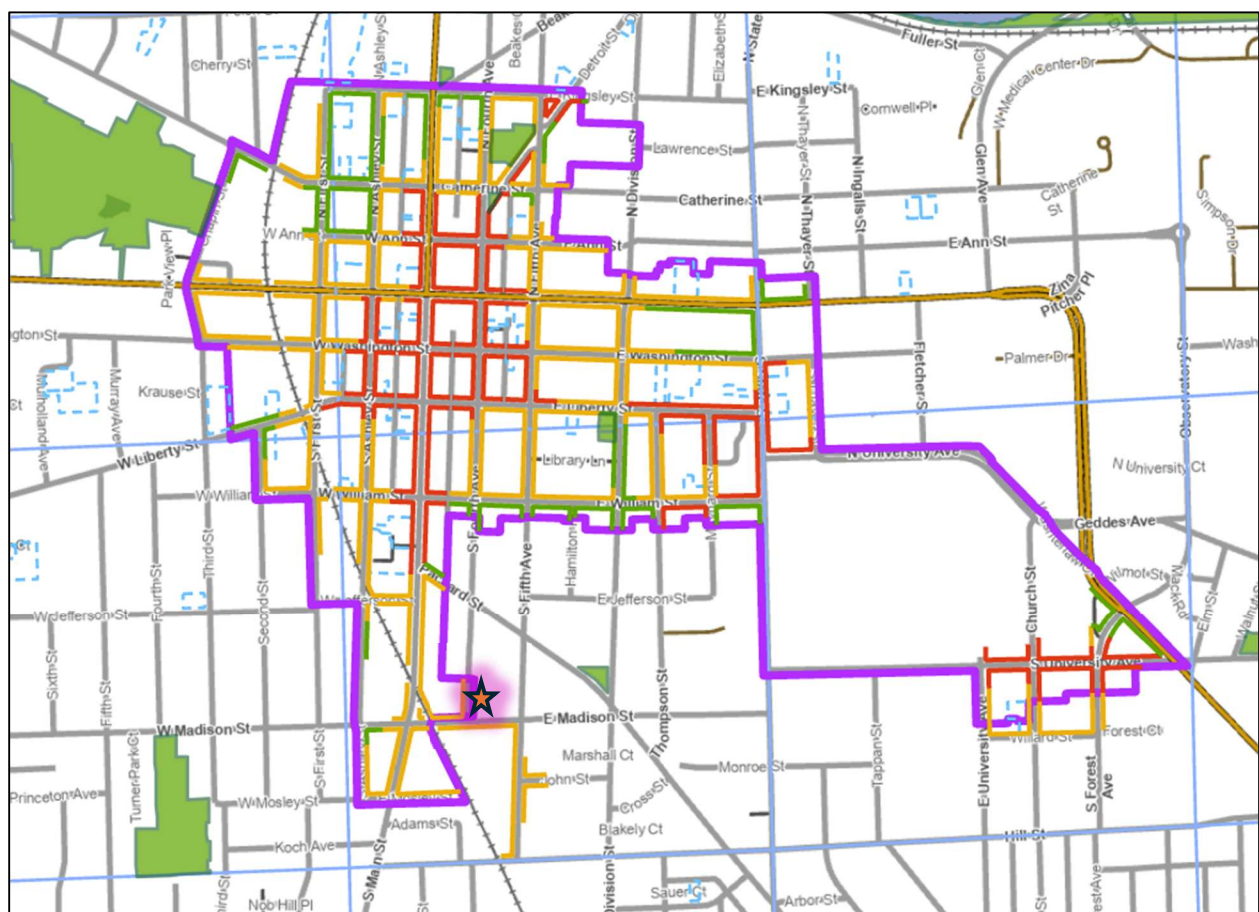


Figure 7: Current Zoning Map street frontage designations. Red indicates Primary Street. Orange indicates Secondary Street. Green indicates Front Yard Street.

**Conditional Zoning Analysis** – Three conditions have been offered to the requested zoning designations. They are:

1. Height Restrictions. The maximum building height shall be 161 feet as measured from the average grade.
2. Design Standards. Although the Project is located just outside the Downtown Development District (“DD” District), the Developer agrees to adhere to the design requirements of the Downtown Authority for projects developed within the DD District.
3. Building Setbacks. The required Side and Rear Setbacks in the Midtown Downtown Overlay District is zero feet. The Developer agrees to increase this to 10’ when abutting any residential zoned property.

**#1 Height Restrictions - Staff recommend rejecting the condition to restrict height to 161 feet.** Our analysis concludes that the Midtown overlay zoning district, which regulates height, is an appropriate designation. Rather than further restricting the height and setting the expectation that all future rezonings should establish unique height limits, consideration should be given to a different base or overlay zoning designation.

Staff increasingly observe that unique dimensional standard limitations do not serve their intended function. After initially softening the perceived change that comes from rezoning, applicants find that conditions tied exactly to proposed site plan prevent normal design changes that almost always arise during construction (for example, a change in building materials means thicker joists and beams, increasing height by two feet). The offered condition to reduce the maximum height from 180 feet to 161 feet is solely based on proposed height of the anticipated building. It will not provide a noticeable difference on the downtown skyline and is likely to require another rezoning to change.

**#2 Design Standards – Staff recommends rejecting the condition regarding design standards.** The intent is clear, but the references are incorrect. More importantly, adherence is already required. Per Section 5.28.5 Design Review, projects zoned or proposed to be zoned D1 or D2 are subject to design review. The Downtown Street Design Manual, initiated by the Downtown Development Authority and adopted by the City as part of the Public Services Standard Specifications, applies to the South Fourth Avenue frontage of the site.

Following the Downtown Street Design Manual recommendations for the East Madison Street and South Fifth Avenue frontages as much as possible – considering those streets do not have a typology designation – could be a provision of a development agreement associated with a site plan but should not be an additional standard of the zoning designation.

**#3 Building Setbacks – Staff recommends accepting the condition to require a 10-foot side and rear setback when adjacent to residential zoned property.** The Midtown overlay district was crafted to only abut other downtown zoning, not residential zoning such as R4C. The minimum side and rear setback for Midtown in Table 5.17-6 is “n/a”. The offered 10-foot setback fills a newly created gap in the standards (see Table 1: Zoning Regulations Comparisons, above). As the first situation where Midtown overlay zoning abuts R zoning, it is appropriate to have a standard for this circumstance. For comparison, the Liberty/Division overlay district requires a minimum of 5 feet for lot lines abutting any R zoning district.

### **AREA PLAN REVIEW:**

Area plans are required with an amendment to the Zoning Map unless a site plan to develop the land is submitted in conjunction with the Zoning Map amendment. Area plans must show that the permitted uses and permitted development of the proposed zoning will be compatible with the City’s adopted plans and policies. Ordinance and regulations in effect at the time of area plan approval are applicable to the site for three years, meaning that approved area plans “lock in” standards for three years to allow follow-up with a site plan to develop the rezoned land. Area plans remain valid until replaced by a plat or approved site plan which also ends the lock-in period.

Initially, The Dean was a combined application for Zoning Map amendment and site plan approval to rezone to D1+Midtown+Secondary Street designations and construct a 256,205-square foot, 14-story building, 159 feet in height, with two levels of parking and 12 floors of residential use. The building was to contain about 182 apartments, 84



Figure 8: Early rendering of The Dean from Site Plan v1.

vehicle parking spaces, 190 bicycle parking spaces and 3 curb cuts. Per Section 5.21.2, the maximum number of openings in a public street based on the site's frontage is 2.

The zoning designation of the site must be known in order for the Zoning Board of Appeals to grant a variance from the applicable development standards. Therefore, the rezoning petition and site plan application must be considered separately and after the rezoning has been approved by City Council, the site plan can be considered by the Zoning Board of Appeals and Planning Commission.

The Dean Area Plan illustrates a high-rise residential development could be constructed on this site meeting the standards of the D1 base, Midtown overlay, and Secondary Street zoning designations. A site plan to construct a high-rise residential development is concurrently under review, file number SP25-0016, with status “requires resubmit” at the time this staff report was published. Revised plans are expected to be submitted within the next 8 weeks for continued review. An application to the Zoning Board of Appeals for a curb cut variance is pending.

Prepared by: Alexis DiLeo, Principal Planner  
Reviewed by: Hank Kelley, Deputy Planning Manager

Attachments: The Dean Area Plan (11/14/25)  
Conditional Rezoning Application November 13, 2025  
“Conditional Rezoning Agreement”