



MEMORANDUM

TO: Planning Commission

FROM: Brett Lenart, Planning Manager

DATE: March 15, 2022

SUBJECT: **City Council Proposed Resolution – University of Michigan (“University”) Workforce Housing – North Campus**

On January 18th, the Mayor and City Council referred a proposed resolution to the Planning Commission, and other advisory groups, to provide feedback or advice on the proposed resolution.

The resolution (attached) would result in the following actions:

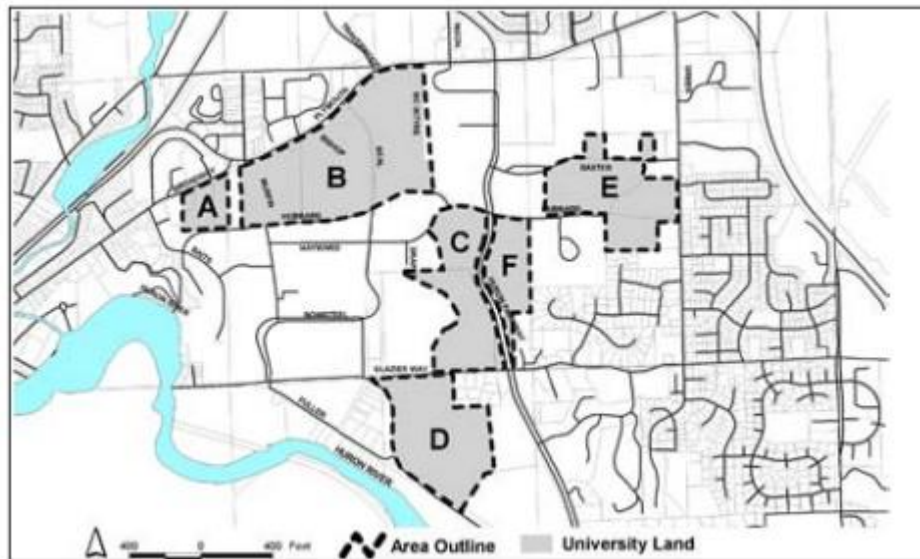
- The City Administrator would provide an opportunity for the City and University to explore opportunities to provide workforce housing on North Campus.
- The City Administrator would invite other interested elected officials to participate.
- The City Administrator would discuss workforce housing at the quarterly policy meetings between the City and University.
- The City Administrator will solicit the Michigan Municipal League, the City’s lobbyist, the Chamber of Commerce, and any other local groups who share a goal of adding 2,000 units of workforce housing on North Campus.
- The City will advocate for University to increase housing as enrollment increases.
- The City will advocate that the University establish a formula for new residential units in proportion to student and employee growth.

As background to any consideration, the following resources may be of value to the Planning Commission in considering feedback:

- Pages 77-82 of the City of Ann Arbor Master Plan – Land Use Element begin with:

The University owns a number of parcels in the North Campus area that are either undeveloped or have the potential for additional development. As a public educational institution, University-owned land and streets are exempt from local taxes and City codes and regulations, including zoning, site plan review and approval from the City prior to new construction. Most University owned land within the City boundaries currently is zoned PL (Public Land District), which indicates the land is owned by a public or governmental entity. The transfer of land ownership from University to a non-university entity for the purpose of private development requires that the parcel be rezoned to permit appropriate uses of the land. If the University decides to sell portions of its land to the private sector, it is important that the plan provides guidance as to the type and intensity

of such development. Private development should adhere to design guidelines in Chapter 5.



While each of these areas has some unique recommendations, the recommendations are similar with the existing land use on North Campus. Depending on the specific location or proposed density, the addition of private residential homes on North Campus would be evaluated pursuant to these plan considerations to some degree, and the addition of residential homes on University land (i.e., there is no private development activity in these areas) would not be subject to any City Planning Commission involvement.

Additionally, the City of Ann Arbor Master Plan – Land Use Element (p. 76) asks that the University consider the environmental and social impacts of proposed projects:

- *Minimize negative impacts to adjacent neighborhoods.*
- *Provide sidewalks and bicycle paths, where appropriate.*
- *Promote alternative transportation choices to help alleviate problems relating to traffic.*
- *Provide adequate storm water detention facilities for buildings and parking areas.*
- *Protect existing high quality natural features.*
- *Protect the natural and aesthetic quality of the Huron Parkway corridor.*
- *Design new buildings to enhance the beauty of North Campus.*
- *Conduct appropriate remediation measures for the clean-up of Brownfield sites and other lands with known contaminants.*
- *Be sensitive to the natural and aesthetic qualities of the Huron River Valley, including the maintenance of river views, the protection of natural areas and the reduction of surface parking lots.*
- *Utilize best available practices in managing the protection of natural features.*

- *Utilize best available techniques in managing storm water, especially during construction.*

At the request of Planning Commission, staff contacted University representatives to discuss this resolution, or the upcoming campus planning effort that is being considered. The invitation was declined.

Based on this information, I am proposing two options for consideration by the Planning Commission to provide desired feedback to the City Council:

Option A

Attached is a proposed edit of the resolution for consideration by the Planning Commission. I have attempted to focus suggestions on those areas that may be more applicable to the role of the Planning Commission.

Option B

Considering the proposed resolution more generally, the following factors could be considered by the Planning Commission to express feedback to the City Council:

- Development of housing by the University would be most likely tax exempt.
- Development of housing by the University would provide additional housing opportunities for a portion of the housing market (i.e., only those that have an affiliation with the University).
- To date, uncertainty of the University's interest in exploring such development activity, or discussing such with the City.

Based on these factors, the Planning Commission could recommend that the City Council reject such resolution as any resources devoted to the conversation could be redirected to housing actions and/or policies that are more in the legislative control of the City of Ann Arbor.

If there is any additional information I can provide, please contact me at blenart@a2gov.org.

Resolution to Begin Discussions with University of Michigan (U-M) for 2,000 Units of Workforce Housing on U-M's North Campus and Agreement on Additional Student and Employee Residential Units Commensurable with U-M's Growth

Whereas, The City of Ann Arbor and the University of Michigan have a longstanding, mutually beneficial relationship and share many interests, ~~including sustainability goals, pedestrian safety initiatives and holding successful athletic events;~~

Commented [LB1]: Presume that City and University share many far-reaching goals, listing a few could be considered limiting.

Whereas, The UM competes with many other world class universities for world class talent and providing residential units on North Campus may support its recruiting success;

Whereas, The UM is beginning a comprehensive planning process for the North Campus; Whereas, The North Campus provides opportunities for Workforce Housing for UM employees with minimal disruption to the Ann Arbor community;

Whereas, Workforce Housing was initially defined as housing for public employees - teachers, police officers, firefighters, and others who are integral to a community, yet who often cannot afford to live in the communities they serve.

Whereas, While the UM's mission may not include providing housing for employees, many options are possible, such as providing 99-year land leases to private developers for apartments, condos and cooperative housing, ~~or the sale of land;~~

Commented [LB2]: This possibility is specifically identified in the City's Comprehensive Plan.

Whereas, The UM enrollment has increased by 6,653 or 15% over the last seven years without the addition of commensurable residential units
<<https://ro.umich.edu/reports/enrollment>>;

Whereas, The UM enrollment for the 2021-22 academic year was an all-time high of 50,278 undergraduate and graduate students in Ann Arbor;

Whereas, UM increased employment by 2,213 or 4.4% over the last four years and future growth is planned, including a new hospital
<<https://tableau.dsc.umich.edu/t/UMUHR/views/WorkforceTrends/HeadcountTrends?toolbar=top&embed=yes&:render=true>>;

Whereas, The North Campus area has most of the infrastructure in place to support well over 2,000 units of Workforce Housing;

Whereas, Employees of the UM travel from all around Southeast Michigan, and lower-paid workers may be more likely to travel the longest distance given the high cost of housing in Ann Arbor;

Whereas, Ann Arbor has a significant shortage of Affordable and Workforce Housing and the growing

student enrollment and employment levels at UM put significant pressure on the housing market;

Whereas, The construction of 2,000 units on North Campus would provide a learning laboratory for students and research opportunities for faculty in sustainability disciplines;

Whereas, Many other world class universities are providing employee housing, thus there are many opportunities for benchmarking and implementing best practices; and

Whereas, Many formal and informal relationships exist between City and UM leaders, including Council members who are employed by UM and who serve on UM Boards;

RESOLVED, That the City Administrator will provide an opportunity for elected officials of the City and UM to dialog and -explore opportunities to provide Workforce Housing on North Campus, thus furthering both of our sustainability initiatives;

RESOLVED, That the City Administrator will invite other interested elected officials at the County, State and Federal level to participate in this dialog;

RESOLVED, That City Administrator will discuss Workforce Housing at the quarterly UM policy meetings and report progress to City Council;

RESOLVED, That the City Administrator will solicit the support of the Michigan Municipal League, the City's lobbyist (Governmental Consultant Services, Inc (GCSI)), the Chamber of Commerce, and any other local groups and leaders who share the goal of 2,000 units of Workforce Housing on North Campus;

RESOLVED, That the City leaders will continue to advocate for additional student residential units as enrollment increases; and

RESOLVED, That the City leaders will advocate that UM establish a formula for new residential units in proportion to student and employee growth.

Commented [LB3]: From a land use perspective, this would have the potential to help provide additional housing opportunities and options in the City.