

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of June 21, 2023

SUBJECT: South Town (1601 South State Street)
Rezoning – File No. REZ22-0002
Site Plan for City Council – File No. SP22-2017
Street Vacation – File No. SV22-2001

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the South Town Rezoning Petition to C1A/R (Campus Business Residential) district and accept the conditions to limit the maximum height to 100 feet, limit the maximum number of parking spaces to 0.25 per dwelling unit, limit the principal use to be multiple-family residential and no more than 30% short term rentals, and limit natural gas connections to emergency back-up power only, subject to executing a Statement of Conditions.

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council vacate the unimproved platted alley in Block 3 of the Hamilton, Rose and Sheehan’s Addition to the City and Town of Ann Arbor.

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the South Town Site Plan at 1601 South State Street and Development Agreement.

STAFF RECOMMENDATION:

Rezoning with conditions– Staff recommends that the rezoning petition to C1A/R With Conditions be **approved** and the offer of conditions to impose a height limit and maximum parking space limit, and restrict uses and power sources, **be accepted** because it is consistent with overall goals of the Comprehensive Plan and is compatible with the surrounding neighborhood.

Street Vacation – Staff recommends that the street vacation be **approved** because the right-of-way is not needed for public purposes, including vehicular or pedestrian access or public utilities, and it would not have a detrimental effect on circulation or access in the vicinity.

Site Plan – Staff recommends that the **site plan** be **approved** because, with a variance granted by the Zoning Board of Appeals, the contemplated development complies with all applicable state, local, and federal law, ordinances, standards and regulations; and the development limits the disturbance of natural features to the minimum necessary to allow a reasonable use of the land.

SUMMARY:

The South Town project has three parts: a petition to rezone the site to C1A/R With Conditions; a petition to vacate the public alley on the site, and a site plan for a building having two multiple-story towers on top of a single-story podium.

Following a public hearing on May 16, 2023, the City Planning Commission postponed a recommendation on the project until the Zoning Board of Appeals considered a variance for the project and outstanding staff comments were addressed.

The requested variance has been granted, most outstanding staff comments have been addressed, and the applicant has changed their offer of conditions.

REPORT:

Rezoning Petition – The applicant has changed their offer of conditions, withdrawing the offer to establish a minimum active open space requirement in the district and now offering a requirement for the principal use of the property, a limitation on short term rental use, and a requirement on energy source. The offers regarding establishing a maximum height standard and maximum vehicle parking standard continue. The currently offered conditions in full are:

- A. The maximum height limit for this Property shall be 100 feet.
- B. The maximum number of vehicle parking spaces for residential use on the Property shall be 0.25 per dwelling unit.
- C. The principal use of the Property shall be multiple-family residential and no more than 30% of the provided dwelling units may be as short-term rental use.
- D. The Property shall have no natural gas connections except for emergency back-up power.

Site Plan and Variance – On May 24, 2023, the Zoning Board of Appeals granted a variance to exclude floor area used for at-grade parking from the FAR calculation for the South Town development. The South Town development continues to have 246,670 square feet of floor area, but because of the variance granted by the ZBA, 24,278 square feet of that total is not included in the FAR calculation. The South Town development has 222,404 square feet of floor area contributing towards its FAR calculation and may exceed the FAR limit by 8,000 square feet due to the pedestrian area premium. The proposed development meets the FAR + 8,000-square foot premium standard of the C1A/R district.

Outstanding Staff Comments

Engineering – Since the May 16, 2023, City Planning Commission meeting, review 3 has been completed, version 4 site plan was submitted and reviewed, and has been found satisfactory.

Transportation – A multi-modal transportation impact analysis (MTIA) has been provided and reviewed by staff. Highlights of the analysis, its conclusions, and transportation staff comments include:

- Existing conditions for vehicles, pedestrians and bicycles operate acceptably.
- “Background” conditions, meaning future conditions without the proposed development, are predicted to continue to operate acceptably for vehicles, pedestrians and bicycles.
- Future conditions, including “background” growth and the proposed development, are expected to continue operating acceptably in a similar manner to background conditions.
- The results of a safety review indicate there are no correctable crash patterns present at the study intersections, while several countermeasures could be made to mitigate bicycle involved crashes resulting in injuries, including providing a protected bike lane, painting “bike boxes” at the intersection, installing and enforcing “not turn on red” signage, and implementing “protected bike signal” to allow fully protected bicycle movements.
- The proposed driveway to the South Town site will have adequate lines of sight.
- The projected parking demand for this site can be accommodated with the parking as proposed.
- Recommendations of the MTIA are:
 - Convert Henry Street between White and South State to two-way operations.
 - Revise the on-street parking on Henry Street and White Street to accommodate the proposed development uses. Short-term only parking on the south side of Henry to accommodate daycare operations. No parking on White Street to meet International Fire Code standards for aerial access adjacent to high-rise construction.
 - Provide a high-visibility crosswalk across Stimpson Street at White Street.
- Transportation staff concur with the analysis and recommendations of the MTIA, provided that the high-visibility crosswalks include a rectangular rapid flashing beacon and the approved site plan show the proposed transportation improvements.

South Town (1601 S State St)
June 21, 2023; Page 4

Prepared by Alexis DiLeo
6-13-2023

Attachments: June 13, 2023 Draft Statement of Conditions
May 16, 2023 Planning Staff Report
May 10, 2023 Draft Development Agreement
[Link](#) to rezoning file REZ22-0002
[Link](#) to street vacation file SV22-2000
[Link](#) to site plan file SP22-2017

c: Applicant and Engineer – Nederveld Engineering (Brandon Chaney)
Architect – Synecdoche (Adam Smith)
Owner – Prentice Partners of Ann Arbor, LLC (Margaret Poscher)

Revised 6/16/23 – BL: Resolving broken Attachment links