



**City of Ann Arbor**  
**Formal Minutes - Final**  
**City Planning Commission**

301 E. Huron St.  
Ann Arbor, MI 48104  
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Tuesday, May 15, 2012

7:00 PM

City Hall, 301 E. Huron Street, 2nd Flr.

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**9-a 12-0678**

Knight's Market and Spring Street Properties, Rezoning and Site Plan for City Council Approval 418 Miller Avenue, 306-310 Spring Street - A proposal to rezone 306 and 310 Spring Street from R2A Two-Family Residential Dwelling to C1 Local Business district, and a site plan for an addition to the Knight's Market at 418 Miller Avenue and to convert the existing structure at 306 Spring Street to a bakery, including landscaping, parking lot and storm water management improvements to the entire 0.41 acre site. Staff Recommendation: Postponement

*DiLeo gave the staff report.*

**PUBLIC HEARING:**

*Dick Fry, 117 N. Division Street, architect for the project, brought a comparison of the two site plans. He said that in 1979 they received approval for a parking lot design, which came in behind the market and went through the lot and out onto Spring Street. He explained that at the time, 310 Spring Street existed on the north, but has since been demolished. He compared this with the proposed plan that shows the same curb cuts into the parking lot and the same curb cut going out, with added parking in the back. He noted that they extended the northern property line by 8 feet, so they could accommodate the 15 feet landscape buffer. Fry said they will have a nice rain garden with pipes underneath instead of a detention ditch. He said the addition onto the market building would replace the trailer, which has been there for 40 years. He said there will be no changes to the footprint of both houses. He noted that Susan Bryan had designed the rain gardens. The Knight family was in attendance, and he explained that they were raised on the property and have lived there for the last 50 years. He said there has been speculation that they will sell out, but clarified that they are here to stay. He agreed that the earlier drawings did not show the floodplain, but that they have met with the City's floodplain manager and they are accepting the floodplain and working with it. He added that they will be flood proofing the buildings as needed.*

*Sherry Bedolla, member of Knight family, owners of the property, introduced family members and stated that her father purchased the market in 1952 and felt there was a niche for quality foods and meat. She said she and her brothers and their children are very involved in*

*their store and restaurants, noting that she is amazed that they are still there when customers have the larger store options available to them, yet she believes they serve the needs of the community, where customers can get quick access to food. She said she grew up in the house next to market and her brothers still live there, adding that they are very invested in the neighborhood and they aren't planning on selling out or making huge changes. She said since there haven't been many changes in the last 50 years, and they need to make some changes to make the outside appearance better. Bedolla said that if the bakery is approved, it will give them more room for baking for the restaurant and the market, and they will have an area in that house that will allow them to package meals from the restaurant for purchase. She said the expansion will provide more jobs for a very large growing family.*

*Tim Athan, 515 Spring Street, said this approval will bring a food manufacturing business to their neighborhood, which would include trucks and energy usage. He said this proposal may bring competition to the bakery across the street. He said he likes mixed use and would like to see old stores opened up in various neighborhoods. He said he doesn't regard this proposal so much as neighborhood mixed use; rather a nice neighborhood being encroached by a creeping urban growth. He said when he first moved to Ann Arbor, he lived on Ashley Street and in the following two decades has seen how its neighborhood feeling has been eroded by the removal of houses for multi-lot enterprises and he doesn't want that to happen to good old Spring Street. He said he would feel differently if Knight's needed to do this to stay afloat, but instead he sees the neighborhood becoming diminished just for their convenience. He said most of the goods will most likely be conveyed by trucks, noting that Spring Street already suffers from high traffic volumes. He said the City's Master Plan suggests they should reduce intrusions into the neighborhood, but he hasn't seen any help with Spring Street. He said eighteen years ago, the City agreed to a no left turn sign on east bound Miller Avenue at Spring Street, which has never been posted. He said because volumes are high, it is attractive to commercial development, and he believed once a lot is zoned commercial it will never again go back to being zoned residential. He said once commercial development goes in it starts the process of encroachment with a negative cumulative affect on the neighborhood. Athan said they would have to rely on Knight's design sense, while he didn't believe their existing building was big on charm, and he believed past performance should count for something.*

*Steve Schewe, 428 Spring Street, said he was in favor of the rezoning request and read from a letter he and his wife submitted. He said they have known the family since they moved in 1973, and believe they will improve the quality of life, knowing their long history in the*

*neighborhood. He said they have a special niche in high quality meats. Schewe said they are lucky to have a neighborhood store where they know you by name, and he considers it a classic American family run business. He said they are making an effort to stock local foods.*

*Kathleen Cauny, 430 Spring Street, agreed with neighbors about the qualities, but is concerned about encroachment of urban activity into a residential street, noting that she felt they are at their urban limit. She organized the residential neighborhood parking program, adding that she is used to friendly disagreement in the neighborhood. She said the parking program has resulted in a much more livable democratic approach. Cauny said they have to contend with semi trucks, which tend to go through the neighborhood, because they don't have an easy way out from Knight's Market, and they know with a new commercial bakery truck traffic will increase. She said there are two issues that she would like to see addressed; Knight's Market is asking them to bear more traffic, which needs to be recognized and perhaps more solutions need to be pursued that will make it less of a burden to their neighborhood. The second issue is the permanence of a commercial rezoning. She said it would be most desirable if there was a way to rezone the Knight's parcel and if they were to sell it, it would revert back to residential, but she recognized that this is not possible.*

*Laurie K. Feldt, 502 Cherry Street, said she supports the project. She sees opportunities for increased walkable jobs in the neighborhood. She lives at the corner of Spring Street, and said there already is a lot of traffic and she doesn't see how this will change. She said they support neighbors because they want them to be comfortable and have their properties work for them. She would like to see another bakery in the neighborhood and is okay with the fact that they would produce on site and ship elsewhere. She believes the Knight's changes will increase property values in the area and feels that she already lives in an urban neighborhood and that these 'gems' dotted throughout the neighborhood are beneficial.*

*Sandra Levitsky, 436 Spring Street, echoed comments for and against the project. She said she is an enormous fan of Knight's market. She said she has lived in two neighborhoods, in Los Angeles and Minneapolis, that have suffered from commercial creep. She said in both cases it started very benign and with seemingly good planning but went bad with the change of titles. She said she would not like to see this happen on Spring Street. She said she wishes there would be a guarantee for residents to be able to have an input to restore the neighborhood and parcels back to residential if the Knight's businesses don't continue. She said another concern, as a mother of a toddler, is the increase in traffic in the area, and if there were ways available for*

*abatements, they would be appreciated.*

*Virginia Gordan, 521 Cherry Street, said that she does not mean any disrespect of the project or the Knight family, noting the many positive aspects. She said she had concerns regarding the rezoning and the traffic issues it will bring. She stated that her biggest concern is if the parcel is rezoned to C1 and what might change, over time, as well as when the property is sold. She asked what would prevent the expansion of the rezoning to extend to the other lots, since 5 lots down from the Knight's are also considered to be in the floodplain. She said currently when you look down Spring Street you see a residential street with two stores on the corner, one of which is already a bakery. She said that once the property is rezoned, it seems the City has little control about what happens next, as they saw on Fifth Avenue.*

*Karen Athan, 515 Spring Street, said that the Knight's character is not an issue and there is no dispute about that, adding that she liked the Knight's Market and family and what they do. She stated what is on trial is the character of their neighborhood. She said it's a residential neighborhood that has developed into the Water Hill neighborhood and she sees this as a conflict with the character of the neighborhood and how she wants to see it. She said it is residential and a change to multi use commercial is not residential and would include having truck traffic from outside the neighborhood. She said she would like to see the neighborhood intact.*

*Scott Newell, 1621 Traver, owner of Big City bakery, said he is conflicted and agrees with the comments presented. He said he would recommend that if Council approves the project that they put in a traffic signal, like up the street, because pedestrian traffic is high and it is a growing kid community. He said the Knight's are the best business neighbor.*

*Noting no further speakers, the Chair declared the public hearing closed, unless the item was postponed.*

**Moved by Derezinski, seconded by Bona, that the Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve Knight's Market and Spring Street Properties Rezoning from R2A (Two-Family Dwelling) and M1 (Light Industrial) to C1 (Local Business) and Site Plan.**

**COMMISSION DISCUSSION:**

*Derezinski said the Commission has heard a range of comments, but it is clear there is great respect for the Knight family and what they have done. He said there is also concern about the future, which is a natural concern. He said it reminded him of the discussion about Zingerman's*

*expansion, including the trucks. He said it is impossible to predict the future and while they want business to succeed, they also want to keep the spirit of the neighborhood. He said the issue of encroachment seems to be the question and the likelihood of it happening. He noted that in the staff report it was noted that there are natural boundaries at play, which may prevent leapfrogging. He noted that encroachment happens, but added that this project is also in a floodplain and residents also want to have neighborhood store in the area. He stated he was as conflicted as the residents on the issue, but was willing to take a chance on the Knight's family, noting there are many reasons that it will not cause further encroachments, because the business is already up and operating. He asked if the staff report contingencies have been addressed or if they still recommended postponement?*

*DiLeo said staff still recommends postponement, since there hasn't been sufficient time to review staff comments.*

*Adenekan asked about proposed business hours for the bakery.*

*DiLeo directed the question to the petitioner.*

*Bedolla said Monday through Friday they are open from 8:00 am until 6:30 pm, and Saturdays they are open from 8:00 am until 5:00 pm, and Sundays they are closed.*

*Adenekan asked how many trucks currently visit their site per week and what they estimate the increase to be.*

*Bedolla said that not all trucks using Spring Street are theirs, since they have to go up the street to avoid the bridge. She said they might have about a dozen a week and she didn't think it would increase that much because the the bakery items would come from the trucks that they already have. She added that the bread and meals going out would go with the trucks that are already delivering meat products to the restaurants.*

*Bona asked how much parking the market needs today, noting that when she thinks of a neighborhood store, she doesn't think of a store with parking. She said all the proposed parking makes her uncomfortable.*

*Fry said that he has visited the site and never seen the parking lot full.*

*Bona noted that the City has a 14 space minimum requirement, so she wasn't asking them to take them away, but concerned about empty parking spaces.*

*Bedolla said there are approximately 6 employee cars per day using the on-site parking and they try not to have employees park on the street. She said they will often have 4-5 customer cars using the parking at once.*

*Bona asked about bike hoop location.*

*Fry said he hid them under a tree, near the entrance, pointing out that there are two bike hoops, while the code only requires one.*

*Bona shared concerns that a bakery is not a retail use, but a production use, and that is not what anyone thinks about when they think about a neighborhood market. She said that she lives in Upper Water Hill and frequents the Big City Market and the Kerrytown markets a lot. She pointed out that she hasn't been in the Knight's Market for about 25 years because it isn't welcoming. Bona said that they typically require elevation plans when there is a site plan. She asked what the petitioner is planning to do to make the buildings more welcoming from the street. Maybe the addition of an entrance from the sidewalk, addition of windows, or mixed use?*

*Fry said they haven't gotten into that yet. He said he believes the entrance will stay off the parking lot, noting that they have recently added a new larger automatic door which seemed to help. He explained that the flood proofing will require 3 feet of brick, so they might have the lower level of the bakery building in brick, and keep the second story alluminum covered, but they haven't made any decisions on the issue yet. He said the Knight's are open to spending time and money on making the buildings more attractive. He offered to bring back sketches of proposed elevations.*

*Bona encouraged taking the issue to neighbors to get their feedback on something that would feel good to those who live in the neighborhood. She reiterated that she felt the conflict with the proposal is the lack of a retail bakery. Bona said that the rezoning request relative to being in a floodplain makes sense, since she didn't feel that a floodplain is a good place for residences. She asked staff if conditional zoning, [where you have a special zoning with special restrictions associated with it] might provide some definition that the neighbors are looking for? She recognized that such a request must come from the petitioner, but she wanted to add it to the discussion. Bona asked about minimum lot size requirements in the C1 zoning district, and if staff could provide some feedback at what point, relative to lot size, a national chain might become interested in a site. She said she would be more comfortable in knowing that this project was a neighborhood size.*

*Giannola stated that she is also concerned about neighborhood creep in a C-1 zoning district. She asked if the project encompassed three parcels?*

*DiLeo responded that currently it is three parcels but the site plan approval will be contingent on lot combination.*

*Giannola asked whether it is better to keep the smaller lots, rather than having one large combined lot, that could be purchased by a chainstore in the future. She asked if there will be selling of items in the bakery building?*

*Bedolla said that they will make the product there and sell it in their market and restaurants. She said they will keep the house looking like a house from the outside.*

*Giannola said the problem is that this does not fit in C-1 zoning which is intended for retail use.*

*Fry said that it only has to happen on site, and if they are sold on site, it will be acceptable. He said the products would be sold in their market on site, adding that it would be easy to add a sales counter in the bakery, but they felt that would complicate the site.*

*Giannola asked if everything made on site will be sold in the store.*

*Fry said yes.*

*Westphal said it is great to hear the rich community input. He said it is a struggle for the Commission to look to the future and consider what is legally allowed to be built on a site and could happen. He asked staff for examples for what kinds of businesses can operated in C1 zoning districts.*

*DiLeo said C1 allows for general retail sales, restaurants, service type businesses, such as hair salons, and C-1 limits use to 8,000 square feet with a 100% FAR [Floor Area Ratio].*

*Westphal asked if part of the rationale is to prohibit residential use.*

*DiLeo said that residential use is permitted in C-1 districts, but this provides an alternative use because they are discouraging residential use in the floodplain.*

*Westphal asked if the traffic concerns warrant a study? He asked about*

*potential commercial traffic creep.*

*DiLeo said the site plan does not trigger a traffic impact study due to the size and scale of the project. She said the set threshold does not directly address deliveries. She said she will explore options for further study of the traffic and try to obtain traffic data.*

*Pratt thanked speakers for coming, and reiterated the concerns brought to the Commission. He said C-1 zoning is typically used for smaller scale projects. He asked if they had considered or discussed other zoning options.*

*DiLeo said that there was not much discussion, since other commercial districts are more intense, and C-1 is the least intense commercial zoning and the only one which included size limitation for use.*

*Pratt referenced the narrow strip of M1 zoned land that runs along the railroad, and asked what permitted uses would be allowed in the M-1 district.*

*DiLeo said railroad, transportation uses, and light manufacturing, such as assembly.*

*Pratt said that cleaning up and getting rid of the M1 is a good thing and might be explored for the whole block. On the traffic side, he said he was aware of cut-through traffic on Spring Street, which is not related to this use but due to people trying to avoid the the traffic signals. He said a couple of deliveries a day sounds reasonable. He noted the City has a traffic calming program, where residents can petition the City for assistance.*

*DiLeo said that the neighborhood went through the process for the RPP [Residential Parking Program], but she is not certain if they went through the traffic calming program.*

*Pratt said that he lives off Broadway, and the traffic calming benefited his neighborhood by reducing speeds and providing added safety. Overall, he feels that the positives on this project would be reducing residential use in the floodplain, cleaning up the M1 zoning, and the historic use of the site for commercial uses. He didn't believe that the City is interested in expanding commercial use in the neighborhood in the future. He wasn't concerned about the setback of the existing building, noting that it added to the walkability feel. Pratt stated that he felt it was a good compromise.*

*Woods said she is glad the curb cut on Miller will be removed. She*

*expressed her concern for potential flooding in the area, which could be difficult for residents. She said having the market expand would be a benefit in the area. She said she too was concerned about urban creep, adding that it is a balancing act that can't be predicted. Woods said in looking at the past, the Knight's family has attempted to keep business going and staying in the area. She asked about possible zoning reversion if the Knight's businesses ceased to operate from the location.*

*DiLeo explained that the zoning runs with the land, not the owner or use. Conditional zoning would include petitioner-offered conditions added to the land, except the condition of automatic reversion of zoning, because such rezoning would need to go through the public due process.*

*Westphal said that he echos Bona's comments about the building facade and he is interested in a transparent presence along both street frontages. While conditional zoning could be initiated by the petitioner, be asked about possible specifications that could be included, such as building footprints.*

*DiLeo said possible options are not specified, and she would have to run it by the City Attorney's office.*

*Westphal said such an option would be similar to a PUD [Planned Unit Development] and while they prefer not to do PUD's it does give the petitioner the possibility to expand their operation while giving the neighbors additional security. He asked if such zoning could cover the neighbor's requests.*

*DiLeo said it was possible. She explained that conditional zoning is a good tool when you would like to limit uses for a site and PUD is good tool when you are looking to expanding a use.*

*Westphal added that there is a benefit to keeping a single-family appearance of the proposed bakery.*

*Mahler said he noted four pieces of information that are still outstanding according to the staff report, and asked what the estimated time might be for such information to be provided.*

*DiLeo said comments should be back in the next few days.*

**Moved by Bona, seconded by Derezenski, that the petition be postponed until the issues indicated by staff have been addressed. On a roll call, the vote was as follows with the Chair declaring the motion carried.**

**Yeas:** 8 - Bonnie Bona, Evan Pratt, Eric A. Mahler, Wendy Woods, Tony Derezinski, Kirk Westphal, Diane Giannola, and Eleanore Adenekan

**Nays:** 0

**Absent:** 1 - Erica Briggs