



April 12, 2021

Ann Arbor City Council
301 E. Huron Street
Ann Arbor, MI 48104

RE: Zoning Evaluation for the Proposed Valhalla Development

Dear City Council members:

I have been asked to prepare this letter that summarizes the key factors to approve a rezoning for the Valhalla project. This proposed rezoning to the R4E Multiple-Family Dwelling District will be done in combination with a Conditional Rezoning, a site plan, and Development Agreement that describes the details of the project. I had previously prepared a similar letter for the Planning Commission and City staff which led to a lengthy discussion where the Planning Commission agreed that a single-family designation was inappropriate, and that the proposed R4E, tied to the conditions offered, was the right fit for this site. This led to a near unanimous recommendation by the Planning Commission for the project.

This letter begins with a few statements about my professional experience and expertise. This is followed by a review of the current City Master Plan in relationship to the zoning district being requested, and then a summary of all the benefits that the project will provide that may not be possible at a lower density.

My Qualifications

As some of you may know, I am a Community Planning Consultant. Throughout my career, I have often been selected as an instructor on planning, zoning, and transportation related topics. I also serve as an expert witness on zoning matters, usually defending communities, but also occasionally for a few select developers. One of my areas of expertise is Transit- Oriented Development planning and zoning for cities and agencies. My experience includes work on several projects in the City of Ann Arbor, including the Transportation Master Plan, the State Road Corridor Plan, and studies for The Ride. Those projects evaluated the TOD opportunities in the City. I was asked two years ago to present “best practices” for Transit-Oriented Design to The Ride’s Board. In addition to my Ann Arbor experience, I have also worked on TOD plans and codes in Grand Rapids, Lansing, three corridors in Metro Detroit, and other corridors outside of Michigan. I am currently involved on TOD projects for Bus Rapid Transit corridors in Memphis TN, Greenville SC, and Columbus OH.

Drawing from that background and experience, one of the biggest issues that can limit TOD development is that the market does not support the density needed to make improved transit viable. In some cases, there are too many small-scale land uses abutting the TOD sites that makes it difficult to achieve the density required. This is a case where Ann Arbor can meet the market needs at a location that has less conflict with adjacent uses than many others. The proposed Valhalla development location is the ideal place for TOD zoning to support the City’s plans and policies.

A. City of Ann Arbor Master Plan

Ann Arbor's *Master Plan* serves as a guide for development and zoning. While the Master Plan includes a Future Land Use Map, it also includes a series of key goals, policies and recommendations that are integral to applying future planning principals and guidance. Subsequently, the Master Plan needs to be read and applied in its entirety, not just simply referring to the Future Land Use Map. While much of the Master Plan has been updated, this specific site has not been updated in over 30 years. We note the following observations in our review of the Master Plan related to the proposed Valhalla site:

1. The 30-year-old Master Plan Future Land Use designation for the site is single-family. This is common for an area that was developed with single-family when the plan was prepared. Michigan Cities typically do not propose a change to planning and zoning for a single-family area until there is a proposal for annexations, especially for a combination of properties, such as is being proposed for this site.
2. When this property was designated as single-family, the property was in Pittsfield Township. This is likely one of the main reasons that the Ann Arbor Master Plan chose to keep the area as single-family at that time. However, the expectation is that the appropriate land use and zoning will be determined as part of the annexation process. Usually as part of the annexation process, the land annexed into a city will move into a higher density zoning classification. As noted later in this letter, the location and the amenities being offered would not be possible with a lower density zoning classification.
3. For this site, a single-family designation is not a reasonable one. Given the location, surrounding land uses, and the size of the properties, this is not an appropriate place where the City would desire single-family development compared to many other places.
4. The single-family designation is also not consistent with the development trends in the area.
5. A single-family designation is not consistent with the goals of the City's Master Plan nor the many other City Plans and policies such as the *Sustainability Plan* and the *Transportation Master Plan*.
6. The existing single-family development is nonconforming to several of the City's design standards. For example, the cul-de-sac is well over the City's 600-foot limit which is in place to help prevent long and isolated streets. The proposed development will meet or exceed the current standards.

B. Many Land Use and Zoning Decisions in the area have not followed the recommendation of the South Area Future Land Use Map. The Master Plan has not been vigorously followed in the South Area as demonstrated in several special "study sites" where uses were evaluated. Many of those areas that were recommended for single-family residential or office use, instead were approved by the City for multiple-family developments. These developments include the Brookdale Senior Housing on Ann Arbor Saline Road (the Master Plan recommended single-family and office for this site), the Main Street Condominiums (some single-family had been recommended), the Meadowbrook 75-unit apartments, and The Balfour Senior Living facility (the site was designated for office in the future land use recommendations).

C. Multiple-family residential development on this site is much more consistent with the goals and policies outlined in the City Master Plan and other relevant City plans. We have evaluated the proposal based on adopted City policies in the 2009 Master Plan and more recent plans, such as the *Sustainability Framework Plan* and the *South State Street Corridor Plan* (both adopted in 2013), for the parallel corridor in the same vicinity in the South Area Future Land Use Plan. The proposed infill development will be more consistent with various City policies than development under the existing single-family zoning or other multiple-family options that would not accommodate the density offered by RE4.

D. What that R4E Conditional Zoning Provides

As noted in the City staff report, the redevelopment of the site in question provides an opportunity to set a standard for increasing density through infill development at appropriate locations along South Main Street and other TOD corridors. The proposed rezoning to R4E, with the Conditions offered, meet the criteria for Rezoning in the Zoning Ordinance.

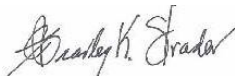
Many of these benefits, shown below, would not be possible with lower density to offset the costs for these amenities.

1. You need **density to support improved transit**. This density adds to the corridor's density at a location that is not adjacent to smaller scale development and is **within a "20-minute" walk** to a host of nearby shopping opportunities, restaurants, and services to help meet the needs of residents (draft Vision Zero Plan).
2. This corridor was identified in the 2009 *Ann Arbor Transportation Master Plan Update* as "High Priority" to coordinate future development with transit improvements that include decreased bus headways, queue jump facilities and transit stop amenities. The proposed density from this project can help meet those goals.
3. In 2011, the City adopted the R4E zoning designation to facilitate higher density residential development along major thoroughfares with The Ride's (AAATA) transit service. **This R4E designation contemplated where properties are within walking and bicycling distance to nearby shopping and entertainment venues, like this location.**
4. The proposed development will help the City meet its goals for additional affordable housing opportunities. The Planning Commission worked with our team to increase the number and pricing of the affordable housing. The proposed development will include **15 affordable units to be available at 60%, of the Area Median Income (AMI)**. The development will help place affordable housing along a transit corridor and within walking distance of commercial uses which in turn will assist with reducing the transportation costs for those housing units. Additionally, unlike some other candidate sites in the City for affordable housing, this one is along a busy thoroughfare and is not adjacent to single-family neighborhoods.
5. The rezoning densities allows the **complicated assembly of numerous smaller parcels of land** into a unified development.
6. The proposal includes a condition that the **density will only be 2/3 (two thirds) of the maximum density permitted under the R4E zoning** district, with a cap on the height (the zoning district does not have a maximum height).
7. The development will be designed to **LEED Silver standards** for increased energy efficiency and cost savings to residents.
8. Multiple family residential on this site supports the nearby commercial uses to the south. This "horizontal mix of uses" supports people walking or bicycling rather than driving their car to get groceries, goods, dining and services. The addition of nearby residents can help reinvigorate the commercial area nearby as well.
9. The site plan includes **preservation of 20 landmark trees** (438 caliper inches). Other development options evaluated would not achieve this target.
10. This is a unique lifestyle community that takes advantage of the natural setting and provides a walkable environment. Numerous residential amenities are offered as part of the development which will provide recreational opportunities and enhance the quality of life for residents. These amenities include a dog park, campus garden, a discovery playground, and forest edge walking trails.

11. The proposed development will advance the City's environmental goals for low-carbon impacts, energy efficiency, and improved water quality. The following includes examples of how the proposed development will advance those goals:
 - The entire project will be all electric and not serviced or connected to natural gas services (except for emergencies).
 - **48 Electric Vehicle parking spaces are included on site**, which is four more overall EV spaces than what is required (458 v 454 spaces).
 - **Green roof areas will be built for passive energy savings and solar panels** to provide partial solar power service (rated at a minimum of 500,000 kwh per year). These solar panels are anticipated to reduce 12-13% of the development's total energy consumption.
 - Project **energy use is targeting 8% above code** which would result in about 611,000 kWh of energy use savings/year and is equal to 433 metric tons of CO2 reduction.
12. A higher density development along an existing *The Ride* bus route and with connections to existing pathways supports City policies to encourage the use of transit and active transportation modes like walking and biking. Several project features are provided to support travel alternatives to the automobile. These travel options advance the City's goals for reduction of carbon emissions:
 - A new bus stop and the addition of **750 feet of a shared use pathway along South Main** to help fill in the gaps along this important route.
 - Pathway connections, including 10' wide sidewalks, are being provided on- and off-site to connect with existing non-motorized systems so pedestrians can walk to nearby grocery stores, shops, restaurants, and for recreational purposes.
 - The site is along Routes 24 and 25 of *The Ride* with a **new bus stop** (subject to licensing agreements) to provide a direct connection to Downtown and access to various employment zones served by the transit system. This boost of density can help generate ridership to allow consideration of even more frequent transit service.
 - Three University of Michigan bus routes (Commuter North, Commuter South, Crisler Express) begin and terminate at the Crisler Center which is a half-mile walk from the proposed development. These buses are very frequent and free for university students/faculty/affiliated employees. We understand that the City is in the process of designing and installing a multi-modal pedestrian path/sidewalk on the east side of South Main St. from Stadium Blvd to the Valhalla site, thus making it easier to access those buses.
 - This site is also within the permissible riding area for e-scooter providers like Spin. Micromobility options can be used for commuting or as a first/last mile connector to University of Michigan buses.
13. The density will provide the City with **almost \$1 million annually** (\$981,000) to the City, the Ann Arbor Public Schools and the Public Library. In addition, there project will result in an estimated \$22 million of indirect costs plus \$122 million related to construction (see HR&A report).

In summary, we believe that multiple family development under the R4E zoning district, with the Conditions being offered, is an appropriate land use for this site. Please let me know if you have any questions on this report.

Respectfully Submitted,



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