Ann Arbor Discovering Downtown Downtown Zoning Advisory Committee

17th May, 2007 Meeting 6th Floor Conference Room, City Hall

Members Present: Fred Beal, Bonnie Bona, Bob Johnson, J. Bradley Moore, Sonia Schmerl

Staff Present: Wendy Rampson, Lindsay-Jean Hard

Guests: Christine Crockett (Design Guidelines Advisory Council), Ray Detter (Citizen's Advisory Council), Ethel Potts (Planning Commission), Alice Ralph (Design Guidelines Advisory Committee)

1) Review of Comments Received

Staff questioned members whether they'd had a chance to review the public comments sent in, and noted that aside from the large set of comments about floodplain restrictions, there was a wide variety of comments received, and added that there was a lot of very thoughtful comments shared by the community.

A member of the audience noted that one challenge with the floodplain is that there are a number of different people and departments working on it. A member noted that when this process began, the committee had talked about overlay zones, but then hadn't ever gotten to that discussion. The member expressed an interest in exploring a recommendation for a floodplain overlay zone.

Ms. Ralph indicated her comments did not appear to have been included in the packet of public comments, so she read them for the committee. A member noted that a number of people commented on parking, and noted that attending the Nelson/Nygaard parking sessions had changed her viewpoint regarding some of the parking policies the committee had discussed. Staff noted that changes had been made to the zoning recommendations for parking based on comments from the A2D2 Steering Committee.

2) Review of Zoning Recommendations

Staff directed members' attention to the map in their packet with two proposed changes to the Interface area. The first is the block on Huron Street between Division and State Street. Staff noted that the scale of development that would be allowed under the Core zoning could substantially impact the historic residential properties on the north half of the block, and therefore is recommending this area be classified as an Interface area.

One member noted that an extra setback had been suggested for when a development was abutting a residential area, and questioned what the impact of changing this area to Interface would be. Staff noted that under the Core designation, it would be possible to get a tall building that might shadow houses, but added that this wouldn't be an issue in the Interface, as there would be an absolute height limit. The member noted that they'd always been concerned about that block, not due to height, but due to shadowing, and added that the City Hall block should be included too. Another member noted that Ann Street already serves as a buffer to the City Hall block. One member agreed with including the City Hall block within the Interface, in order to create a continuous Interface wall. One member liked the reasoning behind the proposed change, but was concerned about the impact on Huron, as there are already taller buildings on the block, like the Campus Inn, and felt the change could result in radically different sized buildings. The member felt that an overlay would allow tower designs in that area which would ensure that adequate sunlight could still get to properties. Another member felt the change to Interface would be reasonable, and questioned what the City Hall block is currently zoned. Staff noted that it is zoned Public Land, and added that as City Hall is a seven story building, a shift to Interface

zoning would be a reduction of what would be allowed on the block. One member noted that everyone seems to think that tall buildings belong on Huron, and questioned whether a shift to Interface could be done at mid-block. A member questioned whether one property could be within two different zones, which staff confirmed could happen.

There was a consensus within the committee that the commercially zoned portion of the East Huron block between Division and State should be designated as an Interface area. There was also a consensus that the Division and Ann Street frontage of the City Hall block should be treated as an Interface area.

The committee shifted focus to the second area proposed to change to Interface, which is south of Packard along Main Street. A member questioned whether the Interface should extend north of Packard on Main all the way up to William. Another member was less concerned with that area, and more concerned with extending the Interface in a line west across Main Street from Packard down to Jefferson, as the area is already stepping down, it would maintain consistency. One member felt that the Core should extend all the way down to Mosley. Staff noted that this would be inadvisable, as the majority of it lies within the floodplain. The member noted that they would certainly not be in favor of changing the DTE site to Interface.

The committee recommended shifting the South Main boundary between the Core and Interface to Packard and the south boundary of the Ashley Mews development.

The discussion shifted back to the northern end of the Core, and one member felt that the Core should continue extending up along Main Street, especially as there were already two projects approved in that area that would be in line with the Core zoning. The member added that the Core could run along the alleys on these two blocks from Catherine to Kingsley. Another member was not persuaded by this argument, as he felt one of the aforementioned projects was a mistake. Another member noted that the goal was to protect shadowing of the residential houses north of Kingsley. A member added that the block west of Ashley between Ann and Catherine should be in the Core, especially due to being next to the parking structure. One member felt that the area north on Main was something to talk about, but felt that a lot depended on what happens outside of the scope of this committee's work, north of Kingsley. Staff noted that the Central Area Plan recommends down-zoning that area, so that would have to be re-evaluated.

> The committee agreed that consensus did not exist to make any additional boundary changes.

Staff noted that the summary zoning chart had been revised to reflect changes based on feedback from the public meetings. Staff noted that there were numerous comments regarding the inadvisability of requiring commercial uses at the street. A member noted the initial discussion began with the intent of getting some *use* at the street level, so that the City did not get another Denali building. The member added that on a non-shopping street, they would be okay with a lobby for a residential building, for example, but that they just did not want to see something that couldn't be interacted with. Another member noted that the desire for a commercial requirement was based on getting transparency and activity. A member noted that if certain streets are set as retail streets, they will still need to allow for entrances to residential units if the buildings are mixed use.

The committee agreed with the staff recommendation to require street level retail use on designated shopping streets, which will be identified as part of the Urban Design Guidelines project.

Staff noted that the response to the suggested FAR had been favorable at the public meetings, although some people wanted higher maximums in the Core. One member felt that they were all too low, and in many cases, would limit development below what people have already done. The member suggested the following FAR maximums; 500% by right, 800% with premiums, and 1000% with affordable housing in the Core, and 300% by right with 600% with premiums in the Interface. The member felt strongly that it should be possible to build to 300% in the Interface without asking any questions. Another member noted that they were very comfortable with the levels as originally proposed, and added that they would consider going higher in the Core, but not in the Interface. The previous member noted that the suggested levels in the Interface are down zoning, and would

force people to use premiums to get to where we currently are. The member felt that there might be challenges to this beyond the community, and felt that there might be legal issues.

Another member was also comfortable with the Interface maximums, noting that the master plan says to step down in an interface area, but was willing to talk about the Core. A member then specifically requested adding FAR in the Core, at the earlier suggested levels of 500% by right, 800% with premiums, and 1000% with affordable housing. One member noted that they would be uncomfortable with that. The previous member noted that height has been talked about, but like with Corner House Lofts, the issues with it really aren't about height, but rather that it's an ugly building. Another member agreed, noting that it isn't a big building, it's just ugly. The member noted that a building that height is not objectionable, but added that it already fits in with what FAR maximums have been recommended. The previous member noted that both the Residential Taskforce and the Calthorpe Report had recommended taller buildings, and the current suggestion would be discouraging what was originally recommended when this process began.

One member suggested just noting a range of 400 to 500% FAR by right in the Core since there are a variety of opinions. A member noted that they would have stuck with 300% in the Core in order to get more through premiums. Another member disagreed and felt that the City would benefit from more people building more projects in the downtown, and expressed a belief that green building will be the standard in the future anyway. Staff noted that dropping to 300% by right in the Core would make a number of things non-conforming and would make changes very difficult. Staff added that having a range would be reasonable, and the disagreement would be noted.

Since the Committee could not reach consensus on maximum FAR, the recommendation will reflect a range of 400-500% by right in the Core and continue to indicate 200% by right in the Interface.

Staff reviewed the recommended parking policies from parking consultant Nelson/Nygaard. One member had thought they recommended not requiring parking for any use. Staff noted that they were looking for funding for a transportation fund, so parking would be required in some instances, but there would be an option to pay a fee instead of providing the parking. A member added that the consultants noted that the in-lieu fee should be set to be lower than the cost of building parking. One member asked for clarification of off-street parking requirements, and staff noted that the matrix needed to be corrected to show two tiers for premium FAR: 1 space is required for every 500 sq ft of non-residential floor area, and 1 space is required for every 1000 sq ft of residential floor area.

One member was concerned with adding levels of parking without counting it within the FAR. The member questioned how much height this could potentially add to a building, and expressed the opinion that developers have motivation to build parking anyway, so they shouldn't get FAR for it too. A member noted that there have been incidents where the parking requirement killed the project, because it would have been too expensive. The member felt that public/private partnerships were a good idea to continue. One member stressed that they would have parking count as FAR. Another member noted that they were intrigued by the transportation fund, and it was necessary to require parking in order to have a fund.

One member noted that they were okay with the parking recommendations as they worked together in a whole package. A member suggested setting a limit for parking, such as 2 floors max without a special exception. Staff noted that the alternative is sticking multiple floors on top of other structures. Another member noted that they were very impressed with Nelson/Nygaard's whole toolkit, and felt that with all of their recommended policies the parking demand might not grow more than what could be handled with the existing structures. The member wanted to be sure to incentivize developers contributing to the fund, and added that they were once in favor of adding parking to small sites, but now thinks that consolidating parking and the transportation fund make a lot of sense. The member felt that the whole package stacks the deck towards what everyone wants and is worth taking a chance for. Another member expressed strong objections to providing any incentives for on-site parking.

With the exception of one strong objection, committee members were generally in favor of maintaining the existing off-street parking requirement and were in favor of having an in-lieu fee that would be incentivized for developers to choose over building parking.

Members moved on to a discussion of height and set-backs, and one member felt they were all okay as is. Another member felt that a potential 60 ft setback for developments up against a residential area was extreme and could create some weird situations. Another member noted that they had felt that requirement would be necessary in the areas the committee had just changed to Interface, so the situation had been fixed. A member noted that they were okay with the two story minimum in both the Core and the Interface, but felt that the 60 ft height limit in the Interface might make it difficult to use the full possible premium FAR. The member felt that height limits affect design and noted that there weren't very many options for premiums, just residential.

The Committee agreed to forward the setback recommendations as originally proposed, recognizing that additional refinements may result from the Urban Design Guidelines project.

A member noted that a benefit to having LEED as a prerequisite to access premiums, versus a City energy program, is that it is out-of-house and wouldn't require additional staff support. Another member noted that the problem with LEED is that you don't obtain certification until the project is done. Other members noted that that likely wouldn't be a problem, as it is necessary to start the process from the beginning, document everything really well, and it is an investment to start it, so developers would want to follow through with it. A member suggested setting LEED Silver as the base level for obtaining access to premiums. Staff noted that the original suggestion was to obtain energy efficiency, such as through a national code standard, and noted that she would be uncomfortable with LEED as a base for instance when someone was trying to do affordable housing.

One member questioned whether there would be any reason to add parking as a premium, for instances such as the Brown Block, where they would hate to see a site like that wasted in terms of maximizing potential parking spaces on the site.

> The Committee agreed to forward the premium recommendations as originally proposed.

A member expressed a desire to see a floodplain overlay zone. Another member did not want to prescribe development in the floodplain, noting that there are over 1000 buildings in the floodplain, and that it would be undesirable for them to not be able to maintain and keep up their properties. The member added that not a lot of the floodplain is in the downtown area the committee is looking at. Other members felt that an overlay would provide a benefit and reduce risk in that area. The previous member felt current restrictions already reduce risk, while others felt that it at least deserved mention and recognition within their recommendations.

- The Committee agreed that staff would draft a floodplain recommendation for consideration and solicit comments from members via email.
- 3) Next Steps
 - A2D2 Steering Committee May 31st, 3:00 pm
 - City Council Work Session June 11th, 7:00 pm
 - City Council Regular Meeting June 18th, 7:00 pm
- 4) Public Comment

None.

Prepared by Lindsay-Jean Hard