

**Ann Arbor Discovering Downtown
Downtown Zoning Advisory Committee**

24th January, 2007 Meeting
4th Floor Conference Room, City Hall

Members Present: Bonnie Bona, Michael Concannon, Bob Johnson, Carol Kuhnke, J. Bradley Moore,
Sonia Schmerl

Staff Present: Wendy Rampson, Lindsay-Jean Hard

Guests: Ethel Potts (Planning Commission), Alice Ralph (Design Guidelines Advisory Committee)

1) Review of Proposed Changes to Underlying Zoning in Interface Areas

Staff noted that during the last meeting Interface areas were not fully discussed and encouraged Committee members to spend a few minutes continuing their discussion of these areas. One member referenced the meeting notes from last meeting, during which the Committee was discussing the East William Interface area and suggested a transitional area to the south that is one to two blocks deep in that area, to repeat the depth of the transitional area on the north side of the downtown. Staff clarified that it would be beyond the scope of this Committee's work to extend recommendations outside of the current downtown district.

Several members expressed a desire to be able to make recommendations for infill development outside of the current downtown district for the East William area, articulating a need to create an Interface zone for that neighborhood, as it has no protection.

- The Committee agreed that they felt strongly about some areas outside of their charge, and would re-address them at a later time, potentially to recommend that another committee be formed to explore the zoning requirements in all areas adjacent to the Interface.

Staff guided Committee members to readdress whether they felt height limits were appropriate in the interface areas. One member felt that currently there is very little difference between zoning in the Core and Interface areas, and suggested modifying the C2A/R zoning to remove the setback requirements and modify the maximum FAR to be 200% by right and up to 400% with premiums. One member commented that the intent would then be to increase base footprints and have shorter buildings, and the previous member clarified that the intent was also to create a bigger distinction between the Core and the Interface areas.

Staff noted that reducing FARs would reduce heights, but questioned members whether they would additionally like to set height limits for some areas. One member suggested that premiums not be made available to properties right next to residential neighborhoods.

A member expressed a belief that the macro idea was to eliminate the need for PUDs and planned projects in order for more projects to go through regular zoning. Another member added that this would aid the City in having a clearer expectation of what types of projects they would get. One member then questioned how to keep the zoning as simple as possible. A member observed that properties that seem to be most contentious were the properties north of a project that could get shaded as a result of the development, and suggested that premiums be unavailable for any property just south of a residential property.

A member stressed the importance of avoiding driving people to use PUDs, as the intent is to simplify, and stressed a need to consider the impact of the cost of land on developers. This member agreed with the earlier suggestion to get rid of setback requirements, and emphasized the need to think about the impact of zoning changes on developers. A member noted that the role of government was to set up standards that apply to everyone and benefit the whole community, to which a member cautioned that if the rules are too restrictive no one would play the game. One member responded to this by questioning whether that was implying nothing would be able to be developed in the Interface areas with the suggested modifications. The member responded that at some point almost all property in any given city is turned-over, and felt that the process should be streamlined to remove some of the subjectivity.

Staff noted that zoning tries to straddle the tension between what a community wants to see and what the market forces are, and added that if a step-down in intensity was desired in the Interface areas, development is restricted and growth still has to go somewhere.

- The Committee agreed that the Interface should be of a lower scale than the Core, and while an exact answer was not reached, the group did decide that they would like to see some models of the suggestion to modify the C2A/R zoning by removing the setback requirements, and setting the maximum FAR to be 200% by right and up to 400% with premiums.

The discussion returned to PUDs and one member wondered what this rezoning process was for if there will always be the potential to use a PUD as a relief valve. A member responded by conceding that a PUD does allow a project to open up, but the project also receives greater scrutiny, however, if a disliked project complies with existing zoning, very little can be done about it. Staff noted that there is no reason the City has to approve a PUD, and added that the developer has to show a public benefit. One member expressed concern that there are no restrictions on PUDs based on location, and felt that if the composition of the planning commission was different, there could be much higher buildings as a result of no absolute limits for PUDs.

2) Premiums in C2A and C2A/R

The Committee was provided with a Floor Area Premiums Worksheet as background material for this discussion. This sheet reviews the definition of premiums, provided space for members to consider possible amenities, and posed questions to allow members to consider these amenities might function most effectively.

Staff reviewed the worksheet as well as the two current premiums, for residential construction and outdoor pedestrian open space, like a plaza or arcade. Staff noted that from the comments of members, it sounded like they felt the use of premiums was still as good idea, as they can help the community get what the market is not providing. One member commented that some of the amenities listed on the worksheet seem like they could be addressed by form-based zoning. Staff clarified that form-based zoning is an approach rather than a product, some of which is exactly what the Committee is in fact doing. Staff emphasized that some of the listed amenities could become requirements, rather than "spend" them as premiums. Staff also cautioned members to select premiums carefully and prioritize what they really want.

One member wondered if eliminating C2B/R zoning from the downtown would remove the disincentive to build residential in those areas to such an extent that residential construction could be removed as a premium. Another member noted that if there was a desire for affordable housing there would have to be a way to spread that out across all development. One member felt that the ultimate goal in the downtown was to get a mix of office and residential units and questioned the need for the residential premium. The member added a desire for premiums to be readdressed every five years based on what the community needs at that time. Additionally, the member was unsure of using affordable housing as a premium in just the downtown, noting that it could be spread out across the City, due to having a great bus system. A member commented that instead of developers just paying into a fund for affordable housing it would be nice if housing was actually built.

One member proposed that if developers wanted to access higher FARs through the use of premiums, they would have to meet three requirements; the project would be energy efficient (by the City's proposed LEAP program standards), 10% of the project would be affordable housing, and all of the added floor area would be residential. The member added that they had hoped energy-efficiency requirements would be added into the zoning, but had recently found out that was not possible.

A member suggested that transparent storefronts be a requirement, and added that retail should be required in certain areas of downtown, even if it had to be subsidized. This member was not in favor of a premium for tower design and expressed uncertainty regarding what a transportation/transit premium would be for, unless it was for residential units above a transit station. Staff noted that that would be one possibility, or it could be a one-time contribution to be used as operational funds for a circulator, like the Link or a trolley system.

A member was not in favor of building design elements as a premium due to its subjectivity. One member agreed, commenting that it was not our business to tell architects what to do, and added a preference for using LEAP program standards as it was only related to energy-efficiency. A member felt that if green building components were selected as a premium they would need to be quantified. Staff shared that one idea was to use the LEED rating system, by selecting certain elements that would be most relevant and important to the City.

One member felt that underground parking had potential for a premium, while another member felt that parking is market-driven, and that large projects should not be built without parking. A member felt strongly against penalizing small sites, and would prefer to see parking as a premium rather than see it required. One member expressed a desire to see parking dispersed more across the downtown.

3) Public Involvement Schedule

Staff briefly shared a timeline with schedules for all of the A2D2 committees, which tentatively shows this Committee having public meetings in April. Staff explained that the idea would be to craft a batch of scenarios to bring forward to have the community react to.

4) Public Comment

Ms. Ralph noted that she had starred several items from this Committee's discussion, as there was a great deal of overlap between the two Committees. She believed that difficult items for this Committee to address seemed like they could be accomplished with design guidelines, and added that she was not sure how all of this work was going to be accomplished within the set timeline.

5) Next Meeting

The committee's next meeting will be a joint meeting with the Design Guidelines Advisory Committee on Thursday, February 15th at 4:30pm. This will be held in the DDA conference room at 150 S. Fifth Avenue, Suite 301.

Prepared by Lindsay-Jean Hard