HOUSING + AFFORDABILITY IN ANN ARBOR

2020-21 PUBLIC ENGAGEMENT RECOMMENDATIONS

www.community-engagement-annarbor.com
Housing* is considered “affordable” when it costs no more than 30% of a household’s gross income.

*Housing costs = rent + utilities or mortgage + taxes + utilities.
In 2021, the Ann Arbor median family income is $106,600/year.

But half of the families in Ann Arbor don’t earn that much money.
# 2021 ANN ARBOR AREA MEDIAN INCOME

<table>
<thead>
<tr>
<th>Area Median Income</th>
<th>1 Person</th>
<th>2 Person</th>
<th>3 Person</th>
<th>4 Person</th>
<th>5 Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>$22,400</td>
<td>$25,600</td>
<td>$28,800</td>
<td>$31,950</td>
<td>$34,550</td>
</tr>
<tr>
<td>50%</td>
<td>$37,300</td>
<td>$42,600</td>
<td>$47,950</td>
<td>$53,250</td>
<td>$57,550</td>
</tr>
<tr>
<td><strong>60%</strong></td>
<td><strong>$44,800</strong></td>
<td><strong>$51,200</strong></td>
<td><strong>$57,600</strong></td>
<td><strong>$63,900</strong></td>
<td><strong>$69,100</strong></td>
</tr>
<tr>
<td>80%</td>
<td>$55,950</td>
<td>$63,950</td>
<td>$71,950</td>
<td>$79,900</td>
<td>$86,300</td>
</tr>
<tr>
<td>100%</td>
<td>$74,600</td>
<td>$85,200</td>
<td>$95,900</td>
<td><strong>$106,600</strong></td>
<td>$115,100</td>
</tr>
<tr>
<td>120%</td>
<td>$89,600</td>
<td>$102,400</td>
<td>$115,200</td>
<td>$127,800</td>
<td>$138,200</td>
</tr>
</tbody>
</table>

Ann Arbor Primary Metropolitan Statistical Area includes all of Washtenaw County – Median Family Income = $106,600;  USA = $79,900

HUD places the Area Median Income into the 100% AMI 4-person household slot, and all other incomes are a formula based off that number.
### Household Size

<table>
<thead>
<tr>
<th>Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Income</td>
<td>$44,800</td>
<td>$51,200</td>
<td>$57,600</td>
<td>$63,900</td>
<td>$69,100</td>
</tr>
</tbody>
</table>
| 60% Area Median Income
| 1 Bedroom | $1,120 | $1,280 | $1,440 | $1,598 | $1,728 |
| 2 Bedroom | $1,199/month | $1,333/month |

Source: Apartments.com
COMMUTING PATTERNS

83,494 COMMUTE IN FOR JOBS

24,614 LIVE AND WORK IN ANN ARBOR

20,495 COMMUTE OUT FOR JOBS

Source: On the Map 2017
County report specifically recommended 140 units per year for 20 years in the City of Ann Arbor for a total of 2,800 units for 60% AMI households or less.

The millage that recently passed is estimated to provide enough funding for 1,500+ new affordable housing units.
INITIAL PUBLIC ENGAGEMENT: 350 S 5TH PREFERRED OPTION

OPTION 3B

DESCRIPTION
D1 zoning, by-right with density bonuses 900% FAR. Does not develop over the Transit Center but 3rd provides additional transit bay. East and west building with east building stepped back from William Street.

ASSUMPTIONS
* Parcel split into an “east” and “west” building.
* Allows room for expanded transit, but doesn’t utilize transit center space directly.
* Building height includes rooftop mechanicals (not visible from street level).
* Build to the by-right density of 900% FAR (given affordable housing density premiums).

TRADE-OFFS

<table>
<thead>
<tr>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
</table>

Provide Affordable Housing Units
Provide Market Rate Housing Units

FEEDBACK: What do you like about this option? What are your concerns? How would you change it? Please leave a sticky note in the box at right.

PREferred OPTION SUMMARY

- The size of the site is large and can support a significant number of affordable housing units.
- The site scores competitively for potential 9% LIHTC financing.
- The preferred option utilizes D1 zoning with density bonuses by right.
- The preferred option does not develop over Blake Transit Center but does provide an additional transit bay for Blake expansion of off-street services.
- The preferred option includes an east and west building with the taller east building stepped back from William Street.
- The preferred option provides 418 housing units with a minimum of 130 affordable units (31%).
- The preferred option provides an approximate floor area ratio (FAR) of 800%, below the 900% allowable by right.
- The preferred option includes two building towers that are 13 stories (west) and 18 stories (east) tall.
DESIGN CONSIDERATIONS

INITIAL ENGAGEMENT

- MAXIMIZE AFFORDABLE HOUSING
- IMPROVED OPERATIONS BLAKE TRANSIT CENTER

PRE-ENTITLEMENT REFINEMENT CONSIDERATIONS

- DTE EASEMENT
- DEDICATED SERVICE/LOADING LANE
- IDLING BUS EMISSION CONSIDERATIONS
- PHASED PROJECT
- TRANSIT ORIENTED BEST PRACTICES

- UNDERGROUND PARKING POTENTIAL FEASIBILITY
- DEDICATED 30 FT BUS LANE (4 BUS BAYS, SAW-TOOTH)
- FUTURE ON-STREET TRANSIT EXPANSION
- VERTICAL CIRCULATION/EGRESS REQ.
- LAND COST
General support for building a great transit street that is linked to affordable housing.

People liked wider sidewalks, mid-block speed table/crosswalks, and gateway treatments.

Make street comfortable, safe, and legible for all ages and abilities.

Focus street design on transit use, (but it would be great if bikes were provided for also!)

Extend the project area to include ideas such as a green wall on the deck, and pedestrian connection across 5th.

Keep pursuing opportunities to expand capacity.
4TH AVE PROJECT
WILLIAM TO LIBERTY

PROJECT EXTENT & SCOPE

1. Utility support for affordable housing project
2. Streetscape and sidewalk widening
3. Slow driving zone, safety improvements, raised crossings
4. Expand transit service along street
5. Create a better transit center
UPDATED PREFERRED OPTION
WILLIAM STREET PUBLIC REALM LOOKING WEST
CONTEXT AND SITE PLANNING
CONTEXT AND SITE PLANNING
**UPDATED PREFERRED OPTION**

**BUILDING MASSING + UNITS**

- **P1**
  - Height: Up to 14 stories
  - FAR: Less than 900%
  - Units: Approximately 90
  - Affordable (100%): Approximately 90

- **P2**
  - Height: Up to 20 stories
  - FAR: Less than 800%
  - Units: Approximately 280
  - Affordable (20%): Approximately 55

- **Total**
  - Total units: approximately 370
  - Total affordable units (included above): approximately 145
  - Approximately 40% Affordable
# PRE-ENTITLEMENT PROJECT SCHEDULE + NEXT STEPS

<table>
<thead>
<tr>
<th>TASKS</th>
<th>DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submit DRB Application</td>
<td>September 9, 2020</td>
</tr>
<tr>
<td>DRB Meeting</td>
<td>October 14, 2020</td>
</tr>
<tr>
<td>Citizen Participation Cards Mailed</td>
<td>May</td>
</tr>
<tr>
<td>Citizen Participation Meeting</td>
<td>June 14</td>
</tr>
<tr>
<td>Rezoning and Area Plan Pre-Submission Meeting</td>
<td>July</td>
</tr>
<tr>
<td>Submit Application</td>
<td>July</td>
</tr>
<tr>
<td>All comments successfully addressed</td>
<td>August</td>
</tr>
<tr>
<td>Planning Commission Meeting</td>
<td>September</td>
</tr>
<tr>
<td>City Council - First Reading</td>
<td>October</td>
</tr>
<tr>
<td>City Council - Second Reading</td>
<td>November</td>
</tr>
</tbody>
</table>
PUBLIC ENGAGEMENT - DOWNTOWN SITES

- **PHASE 1: WINTER-SPRING 2020 (PUBLIC ENGAGEMENT COMPLETE)**
  - 350 S. Fifth (Former Y Lot)
  - 415 W. Washington

- **PHASE 2: FALL 2020 (CURRENT PUBLIC ENGAGEMENT)**
  - 121 E. Catherine (4th & Catherine)
  - 353 S. Main (Main & William)
  - 721 N. Main
  - 309 S. Ashley (Kline’s Lot)

- **FUTURE PUBLIC ENGAGEMENT**
  - 404-406 N. Ashley
3 months of engagement during Fall/Winter 2020

Project website

Mobile Friendly Online survey 650 responses

16 Stakeholder meetings

3 Live Virtual Engagement Sessions

6,000 Mailers
ENGAGEMENT OVERVIEW

ATTEMPT TO TARGET THOSE INDIVIDUALS WHO CAN’T AFFORD TO LIVE IN ANN ARBOR

Targeted emails to social services agencies

Targeted social media campaign to 35 and under demographic

Mobile-friendly survey

Stakeholder conversations with UofM Design Justice Corps, First Baptist, AAHC, HHSAB

Essential workers don’t earn enough money to live in Ann Arbor.

Source: Center for Academic Innovation and Ginsberg Center
**SURVEY DEMOGRAPHICS (600+ RESPONSES)**

### PREVIOUS ENGAGEMENT
415 W WASH AND FORMER Y LOT

<table>
<thead>
<tr>
<th>Site</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>121 E. Catherine (4th and Catherine parking lot)</td>
<td>97</td>
</tr>
<tr>
<td>353 S. Main (Main &amp; William parking lot)</td>
<td>112</td>
</tr>
<tr>
<td>309 S. Ashley (Ashley &amp; William parking lot)</td>
<td>105</td>
</tr>
<tr>
<td>721 N. Main</td>
<td>81</td>
</tr>
</tbody>
</table>

### AGE

- under 15 years: 1%
- 15-19 years: 18%
- 20-29 years: 24%
- 30-39 years: 18%
- 40-49 years: 17%
- 50-59 years: 13%
- 60-69 years: 9%
- 70 years or older: 1%

### NEIGHBORING RESIDENTS AND WORKERS

<table>
<thead>
<tr>
<th>Site</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>121 E. Catherine (4th and Catherine parking lot)</td>
<td>97</td>
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<td>353 S. Main (Main &amp; William parking lot)</td>
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<td>105</td>
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<tr>
<td>721 N. Main</td>
<td>81</td>
</tr>
</tbody>
</table>

### RACE AND ETHNICITY

<table>
<thead>
<tr>
<th>Value</th>
<th>Survey Response</th>
<th>Ann Arbor ACS 2019 5yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Indian or Alaskan Native</td>
<td>0.9%</td>
<td>0%</td>
</tr>
<tr>
<td>Asian</td>
<td>3.9%</td>
<td>17%</td>
</tr>
<tr>
<td>Black or African-American</td>
<td>2.3%</td>
<td>7%</td>
</tr>
<tr>
<td>White</td>
<td>88.3%</td>
<td>68%</td>
</tr>
<tr>
<td>Middle Eastern or North African</td>
<td>1.1%</td>
<td>n/a</td>
</tr>
<tr>
<td>Hispanic or Latinx</td>
<td>3.4%</td>
<td>5%</td>
</tr>
<tr>
<td>Other - Write In</td>
<td>5.0%</td>
<td>102</td>
</tr>
</tbody>
</table>

### HOMEOWNERSHIP

<table>
<thead>
<tr>
<th>Value</th>
<th>Survey Response</th>
<th>Ann Arbor ACS 2019 5yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>29.0%</td>
<td>25.3%</td>
</tr>
<tr>
<td>Own</td>
<td>67.4%</td>
<td>69.9%</td>
</tr>
<tr>
<td>Other - Write In</td>
<td>3.6%</td>
<td></td>
</tr>
</tbody>
</table>
There is a significant need for affordable housing as shown by the demand breakdown:

- Demand for 1,346-1,407 units at < 30% AMI
- Demand for 782-856 units at 31% to 60% AMI
- Demand for 371-491 units at 61% to 100% AMI

Without the city getting involved and building affordable housing at or below 60% AMI, private developers will continue to build downtown residential at market rate. Therefore, the market will drive growth in higher-income households.

While most downtown renter household growth is projected to occur among higher income households, low-income households comprise the largest share of renter households.

One way to close the gap is for the city to take an active role in building affordable housing downtown.

Based on this analysis, all seven sites are marketable for affordable residential development.
### Objectives

<table>
<thead>
<tr>
<th>Item</th>
<th>Overall Rank</th>
<th>Rank Distribution</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>Maximize affordable housing units for 60% Area Median Income (AMI)</td>
<td>1</td>
<td><img src="image" alt="Distribution" /></td>
<td>1,666</td>
</tr>
<tr>
<td>households on site</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activate the ground floor for public benefit</td>
<td>2</td>
<td><img src="image" alt="Distribution" /></td>
<td>1,359</td>
</tr>
<tr>
<td>Develop a mix of housing unit types and prices</td>
<td>3</td>
<td><img src="image" alt="Distribution" /></td>
<td>1,189</td>
</tr>
<tr>
<td>Maintain some city ownership/control</td>
<td>4</td>
<td><img src="image" alt="Distribution" /></td>
<td>1,040</td>
</tr>
<tr>
<td>Provide parking on site</td>
<td>5</td>
<td><img src="image" alt="Distribution" /></td>
<td>997</td>
</tr>
<tr>
<td>Maximize market rate residential</td>
<td>6</td>
<td><img src="image" alt="Distribution" /></td>
<td>694</td>
</tr>
</tbody>
</table>

Lowest  Highest
OPTION 1: 4-STORY
- +/- 50-60 units
- FAR: 239%

OPTION 2: 5-STORY
- +/- 70-80 units
- FAR: 309%

OPTION 3: 6-STORY
- +/- 85-95 units
- FAR: 400%

*Building design should consider step back to respect adjacent heights*
**121 E CATHERINE**

**PARKING OPTIONS**

**OPTION 1:**
- Active Ground Floor: No
- Maximizes surface parking (~40 spaces)

**OPTION 2:**
- Active Ground Floor: Potential
- Retains some surface parking (~24 spaces)

**OPTION 3:**
- Active Ground Floor: Yes
- Assumes underground parking (~90 spaces, parking alone ~$8 Million)

*Building design does not consider retail/commercial but will activate the 4th and Catherine streetscapes at the ground level and adapt to future ground floor uses.*
121 E CATHERINE
RECOMMENDED NEXT STEPS

- Proceed with the development of 121 E Catherine for affordable housing
- Supported by City Council Resolution 19-514 to develop 121 E Catherine (11/18/19)
- Pursue a development that is up to 400% FAR, 5-6 stories in height and maximizes street level parking while still creating and reinforcing an active and attractive ground floor streetscape on 4th and Catherine
- AAHC hires development team, starts site plan approval process and secures financing
HOUSING ABOVE PARKING

2188 S Highland Drive
Salt Lake City, Utah

Sierra Bonita Apartments
West Hollywood, California
4TH & CATHERINE PARKING CONSIDERATIONS

- Maintain as many public, surface-level parking spaces as possible while still creating an active and beautiful street experience at 4th and Catherine.

- Address the area’s distinct parking challenges and opportunities, mitigate challenge of lost capacity during construction.

- Potential opportunities include:
  - Market Day Vendor Parking strategies
  - Ann/Ashley Garage strategies and incentives
  - Expand private shared parking
  - Seek additional drop-off/pick-up areas
  - Increased information and wayfinding efforts

- Downtown parking study is in progress, delayed to address COVID challenges for new data collection.
MILLER/CATHERINE PROJECT

SUPPORTING AFFORDABLE HOUSING PROJECTS

- Watermain extension / upsizing
- Streetscape restoration
- Bikeway connectivity
- Alleyway restoration

Watermain upsizing

121 Catherine

Streetscape Restoration

Miller/Catherine Bikeway
353 S MAIN
MAIN & WILLIAM PARKING LOT
## 353 S MAIN

### OBJECTIVE

<table>
<thead>
<tr>
<th>Item</th>
<th>Overall Rank</th>
<th>Rank Distribution</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>Maximize affordable housing units for 60% Area Median Income (AMI) households on site</td>
<td>1</td>
<td></td>
<td>1,474</td>
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<tr>
<td>Activate the ground floor for public benefit</td>
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<td>1,294</td>
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<tr>
<td>Contribute to Main Street character</td>
<td>3</td>
<td></td>
<td>1,092</td>
</tr>
<tr>
<td>Develop a mix of housing unit types and prices</td>
<td>4</td>
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<td>1,071</td>
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<tr>
<td>Maintain some city ownership/control</td>
<td>5</td>
<td></td>
<td>936</td>
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<tr>
<td>Provide parking on site</td>
<td>6</td>
<td></td>
<td>679</td>
</tr>
<tr>
<td>Maximize market rate residential</td>
<td>7</td>
<td></td>
<td>624</td>
</tr>
</tbody>
</table>

Legend:
- **Lowest**
- **Highest**
353 S MAIN
MASSING OPTIONS

OPTION 1: 10-STORY
▪ +/- 90 units
▪ 900% FAR

OPTION 2: 6-STORY
▪ +/- 50 units
▪ 550% FAR

*Building massing will depend on financing and market conditions

I am opposed to this option because
I support this option with minor modifications
I support this option
I prefer this option
353 S MAIN

**RECOMMENDED NEXT STEPS**

- City Council approved AAHC to proceed with the development of 353 S Main for affordable housing (4/19)
- Pursue a development that is up to 900% FAR, up to 10 stories in height and activates the ground floor at an important corner in downtown Ann Arbor
- Designate Ann Arbor Housing Commission as developer
- AAHC hires development team, starts site plan approval process and secures development financing
FEMA grant restricts development of the floodway
## Objectives

<table>
<thead>
<tr>
<th>Item</th>
<th>Overall Rank</th>
<th>Rank Distribution</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximize affordable housing units for 60% Area Median Income (AMI) households on site</td>
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<td></td>
<td>1,421</td>
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<tr>
<td>Engage the Treeline Trail</td>
<td>2</td>
<td></td>
<td>1,365</td>
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<tr>
<td>Develop a mix of housing unit types and prices</td>
<td>3</td>
<td></td>
<td>1,065</td>
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<tr>
<td>Sell the property and use proceeds for affordable housing on another city-owned property</td>
<td>4</td>
<td></td>
<td>897</td>
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<tr>
<td>Maintain some city ownership/control</td>
<td>5</td>
<td></td>
<td>861</td>
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<tr>
<td>Fit in with existing adjacent building heights and scales</td>
<td>6</td>
<td></td>
<td>857</td>
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<tr>
<td>Provide parking on site</td>
<td>7</td>
<td></td>
<td>735</td>
</tr>
<tr>
<td>Maximize market rate residential</td>
<td>8</td>
<td></td>
<td>715</td>
</tr>
</tbody>
</table>
**123 W SUMMIT**

**MASSING OPTIONS**

**OPTION 1: APARTMENTS**
- # of Units: 14

**OPTION 2: APARTMENTS**
- # of Units: 19

**OPTION 3: TOWNHOMES**
- # of Units: 7

---

I am opposed to this option because

I support this option with minor modifications

I support this option

I prefer this option
City Council approved (4/19) to divide the property between the floodway/floodplain and a 14,520 SF Summit Street facing portion that is not in the floodway/floodplain and designate the AAHC as the developer of the property that is not in the floodway/floodplain.

Target a 3-story development with walk-up units along Summit.

Designate Ann Arbor Housing Commission as developer.

AAHC hires development team, starts site plan approval process and secures development financing.

Proposed Zoning District: C1
New Lot Area: 14,520 SF
FAR: 100%
Max. Building Height: 35’ (3 stories)
## Objectives

<table>
<thead>
<tr>
<th>Item</th>
<th>Overall Rank</th>
<th>Rank Distribution</th>
<th>Score</th>
</tr>
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<tbody>
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<td>Maximize affordable housing units for 60% Area Median Income (AMI) households on site</td>
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<td>1,376</td>
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<tr>
<td>Activate the ground floor for public benefit</td>
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<td></td>
<td>1,149</td>
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<tr>
<td>Develop a mix of housing unit types and prices</td>
<td>3</td>
<td></td>
<td>1,089</td>
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<tr>
<td>Provide parking on site</td>
<td>4</td>
<td></td>
<td>877</td>
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<tr>
<td>Maintain some city ownership/control</td>
<td>5</td>
<td></td>
<td>868</td>
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<tr>
<td>Appropriately scale down to the west and/or Main Street</td>
<td>6</td>
<td></td>
<td>813</td>
</tr>
<tr>
<td>Maximize market rate residential</td>
<td>7</td>
<td></td>
<td>626</td>
</tr>
</tbody>
</table>
309 S ASHLEY
MASSING OPTIONS: A KEY FUTURE DOWNTOWN PARKING SITE

OPTION 1A: 900% FAR

OPTION 1B: 320% FAR

I am opposed to this option because
I support this option with minor modifications
I support this option
I prefer this option

Option 1A: 54.5%
Option 1B: 40.6%
OPTION 2A: 900% FAR

I am opposed to this option because
I support this option with minor modifications
I support this option
I prefer this option

OPTION 2B: 320% FAR

I am opposed to this option because
I support this option with minor modifications
I support this option
I prefer this option

Option 2A: 65.8%
Option 2B: 43.7%
The consultant team, in coordination with the DDA will finalize the downtown parking assessment that is currently underway but is difficult to complete until post-COVID normalization.

Continue discussions with the DDA and downtown businesses about long-term downtown parking solutions related to development of this site.
RESOLUTIONS AND NEXT STEPS—SUMMARY

**121 E. CATHERINE**
FOURTH & CATHERINE PARKING LOT

- Proceed with the development of 121 E Catherine for affordable housing
- Supported by City Council Resolution 19-514 to develop 121 E Catherine (11/18/19)
- AAHC hires development team, starts site plan approval process and secures financing

**353 S. MAIN**
MAIN & WILLIAM PARKING LOT

- City Council approved to proceed with the development of 353 S Main for affordable housing
- Designate Ann Arbor Housing Commission as developer
- AAHC hires development team, starts site plan approval process and secures financing

**721 N. MAIN**
PROPOSED PARCEL: 123 N. SUMMIT

- City Council approved to divide the property between the floodway/floodplain and a 14,520 SF Summit Street facing portion that is not in the floodway/floodplain
- Designate Ann Arbor Housing Commission as developer

**309 S. ASHLEY**
KLINE’S LOT

- The consultant team, in coordination with the DDA will finalize the downtown parking assessment that is currently underway but is difficult to complete until post-COVID normalization. Continue discussions with the DDA and downtown businesses about long-term downtown parking solutions related to development of this site.
THANK YOU!

2020-21 PUBLIC ENGAGEMENT RECOMMENDATIONS

www.community-engagement-annarbor.com