



MEMORANDUM

To: City of Ann Arbor Planning Commission
From: Megan A. Masson-Minock, AICP, Principal
Subject: Downtown Premium Zoning Ordinance Amendments
Date: February 6, 2016

Based on the input from your previous meeting and in conjunction with staff, we are recommending that the premiums be limited to four discrete choices, offering two levels of FAR incentives. The first level are items that have been achieved in Ann Arbor or similar cities. The second level are items that have not been achieved with premiums previously but are integral to achieving community goals.

We feel this approach balances the stated city goals of a sustainable downtown and increased density in areas of with existing utilities and transportation networks with the community desire to strengthen the premium requirements to incentivize unmet needs of environmentally sustainability, energy efficiency and workforce housing. Planning and Development staff and legal counsel have reviewed and contributed to the attached amendments.

The premium prerequisite would be a performance standard of 50% less fossil fuel, green-housing gas-emitting, energy consumption per the 2030 AIA Challenge, as proposed in previous amendments.

Applicants would be able to select one of the following to receive premium FAR:

| Item Provided | Premium FAR | |
|---|-------------|-----|
| | D1 | D2 |
| Residential premium 0.75 to 1.0 foot residential use* 40% improvement over ASHRAE 90.1-2007 | 150 | 100 |
| In a building with 25% residential use, workforce housing accounts for 10% of floor area. Up to 100% of the units may be replaced with an in-lieu fee. LEED version 4 Gold or Platinum** | 300 | 200 |

* The residential premium is kept at a lower level to maintain the goal of dense, sustainable downtown with a population large enough to support day to day retail.

** We recommend keeping LEED for the second level of green building incentives because it is a known entity with lenders and developers. The LEED Version 4 Gold certification is proposed because less than 10 buildings have achieved that level in the categories designated while over a dozen have received gold certification.

We also recommend the following:

- The parking provisions not be changed at this time.
- Design rules for the D1 and D2 districts are attached to this group of amendments. We need your input on what those should be and how extensive.
- The maximum front setback for a primary street be changed to 5 feet to provide for more room at the street level.
- The current premiums offered for pedestrian amenities, public parking and historic preservation be eliminated.
- The current City Council resolution for housing contribution in lieu of units of \$90,000 per unit be updated based on national best practices.

Revised draft amendments are attached. We will be at your meeting on February 9 to answer any questions.