

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

11th April, 2007 Meeting
6th Floor Conference Room, City Hall

Members Present: Bonnie Bona, Bob Johnson, Carol Kuhnke, 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), Ray Fullerton (Citizen's Advisory Council), Ethel Potts (Planning Commission), Alice Ralph (Design Guidelines Advisory Committee)

1) Update on Urban Design Guidelines Project

Staff noted that the latest A2D2 project update newsletter is available on the City's A2D2 website. Staff then shared an update on the Urban Design Guidelines project; to date, an RFQ and subsequently a RFP went out to firms, interviews were then conducted by members of the DGAC, the Steering Committee, and staff, and the consultants selected are the team of RACESTUDIO with Winter & Co. Staff added that their contract has been finalized and noted that a conference call with members of the DGAC was scheduled for the following day. The consultants will lead a public workshop on the 30th of May, prompting citizens to consider whether the downtown has character areas. This will result in a draft framework plan, which will go before City Council on the 18th of June.

Staff noted that this meeting would review areas of overlap with the DGAC, and committee members would determine whether they wanted to set some of these topics, or if they'd prefer to wait for the DGAC and/or their consultant for guidance. Staff added that Mr. Vaughn would be staying on as a consultant for the DGAC, while Ms. Rampson would handle day-to-day work for the committee.

2) Format and Objectives for Public Meetings

Staff directed committee member's attention to the agenda, which lists the dates, times, and locations for the two upcoming public meetings:

- Wednesday, May 2nd, 7:00 pm, Conor O'Neill's Celtic Room
- Friday, May 4th, Noon, DDA Office

Staff invited committee members to share any ideas for how best to present zoning information to the public.

3) Preferred Zoning Elements for Scenarios

Affordable Housing. One committee member questioned why there was a floor on the AMI for affordable housing (60-80% AMI), and suggested just saying up to 80% AMI. The member added that if someone wanted to develop affordable housing at 40% AMI, they shouldn't be prevented from getting the additional FAR for the premium. A member noted that currently everything is built right at 80% AMI, so you don't ever see anything getting built at 60% AMI, and suggested that perhaps a sliding scale should be used. Another member suggested that if the Affordable Housing Trust Fund was used, and a developer could access funds, they might be willing to build at 40% AMI. Staff clarified that this suggestion was for on-site affordable housing, that the developer could get a subsidy as well as additional FAR. One member disagreed with giving the same premium for 60% as 80% AMI, and other members disagreed with getting a subsidy as well as additional FAR.

Staff shared that the Housing Trust Fund is targeted at projects with 60% AMI or below, and addressed the challenge that it is just more expensive to construct downtown, whether the project includes affordable housing or not. One committee member felt that the higher cost per square foot of building downtown as compared to a greenfield site is offset by the higher density. Committee members returned to the suggestion of having a tiered premium, 60% AMI and below and 80% AMI and below, and while some members felt a tiered system would be effective, others felt that everything would be built right at 60% and 80% AMI. Staff added that the results of the housing study would aid this discussion, and noted that Planning & Development staff had expressed a desire to not make the premium system too complicated.

FAR Limits. Committee members reviewed the suggestions in the Calthorpe Report, which suggested 660% FAR by right, additional 100-300% premiums (based on area) and height restrictions. Staff noted that there are a couple of buildings in the core, which are around 800-900% FAR. Committee members requested exact FAR information for those buildings, and expressed a desire to see other examples around downtown in terms of FAR. One member preferred starting with 400% FAR by right, as there are a number of things the committee wants, so premiums could be used to get more – more FAR for the developer and more amenities for the community.

A member asked for the opinions of the audience in order to gain additional viewpoints regarding FAR and premiums. Ms. Potts noted that premiums were of real interest to her, and noted that having premiums assumes the community will get what they want. Ms. Potts was not in favor of residential premiums, in her opinion developers already want to build it, so they should not get a premium for doing what they were already going to do. She felt strongly that the open space premium should be kept, in order to not continue getting large block buildings without any open space.

Ms. Crockett noted that the DGAC is talking about requiring every building to include green space. Ms. Crockett added that a brick oven city is undesirable, and expressed concern regarding the Zaragon proposal which does not have enough natural light or ventilation. She noted that it is necessary to fine-tune premiums to ensure the community gets what it really wants. Ms. Crockett added that there isn't a need to encourage developers to build housing, there is a need to encourage building *good* residential projects.

Ms. Ralph felt that the suggestion to start at 400% FAR and then give premiums was a good one, and would allow the City to adapt more to market forces. Mr. Dettler agreed with that comment and was a little concerned with the current Core and Interface depictions in terms of the potential height impact on historic areas.

- Members agreed that there was support to start at 400% FAR by right.

Energy/Green Building. Staff noted that the Steering Committee was not in favor of using a green/sustainable requirement as mandatory to get access to other premiums. One member questioned how anyone could think that we don't have energy issues, and noted that they would like to mandate energy efficiency, but since that is not legal, the member did not want to give it up as a premium.

- Members agreed that the focus should be on green building, rather than just energy efficiency, and felt that the burden of certification should be outside, rather than on City staff

A member noted that it isn't possible to get LEED certification until the building is built, so a fining mechanism would be necessary if certification wasn't achieved. Another noted that a performance bond could be required. Ms. Ralph noted that to get certification it is necessary to have registered the project with LEED from the beginning, which requires a certain level of commitment. A member suggested creating a list of LEED points that are important to the City, and just requiring that projects meet a certain number of those to get the premium. Staff noted that the question then becomes who confirms that, as it needs to be done at the planning stage, rather than at construction. One member noted that it seems more a matter of education, that if developers and others learn about this early on, it shouldn't be a problem. One member questioned if this would be perceived as

a barrier to development, and other members noted that time and unpredictability of the current system were really seen as the barriers to development. One member noted that in some cities, LEED projects get expedited permitting.

Transfer of Development Rights (TDR). Members discussed having the Core be both a sending and receiving zone, while the Interface is just a sending zone. One member clarified that even with the use of a TDR, one still could not go over the maximum FAR, and that it would be possible to get to the maximum FAR without even using a TDR.

On-site Parking. Staff noted that there are two paths the City can follow. The first would be a move to encourage on-site parking, and the second would be to stick with the current goal of public shared parking. Staff shared that the Steering Committee, as well as the parking consultants, were concerned about moving towards on-site parking requirements. Staff explained that in the 1960's, the City moved to public parking because developers were tearing down buildings to create surface lots, so the City committed to public parking structures, in order to provide for a need, as well as save the land for a better use. Some members felt that having private parking does not preclude public parking, and that it might relieve some of the pressure on the public parking system, and questioned what the harm in on-site parking was. One member clarified that rather than having one private parking space used for 20 hours a week, it would be better for it to be a public space so it could be used multiple times. Staff noted that private parking also is a challenge to alternative transportation, as more available private on-site parking reduces the likelihood of people trying alternative forms of transportation. One member agreed that there needs to be public parking, and cited the unbundling of parking spaces as the problem. The member referenced the future Village Green project and expressed a desire for similar partnerships in the future, where the parking structure will be managed by the DDA, as there aren't a lot of other sites for parking garages. Another felt premiums should be limited to below-grade parking.

Staff questioned whether members wanted maximum FAR to be 660% with premiums and 800% with affordable housing. One member felt that 660% wasn't enough, as it was just status quo, and suggested 700% with premiums and 900% with affordable housing. One member clarified that the Interface area is a step-down between the Core and the surrounding area, rather than a protected, don't touch area.

4) Public Comment

Mr. Detter noted that all people who move downtown will need parking (even though we're trying to move away from that), so it does seem that the concept of new developments bringing their own parking is a good idea, especially since there is not space downtown for new structures. Mr. Detter added that if the parking is above ground it should be subject to design review.

Ms. Ralph noted that as market forces drive affordable housing, they will also drive parking. If high-end developments are built, they will also need to build parking.

Ms. Crockett noted that private parking is good for residential, as it reduces the number of people parked in public spaces that don't move around, which takes other spaces away that should be used for retail. Ms. Crockett added that the Park & Ride lots are not being used as effectively as they could be.

5) Next Meeting

The committee's next meeting will be Wednesday, April 25th at 4:30 in the 6th floor conference room, City Hall.

Prepared by Lindsay-Jean Hard