



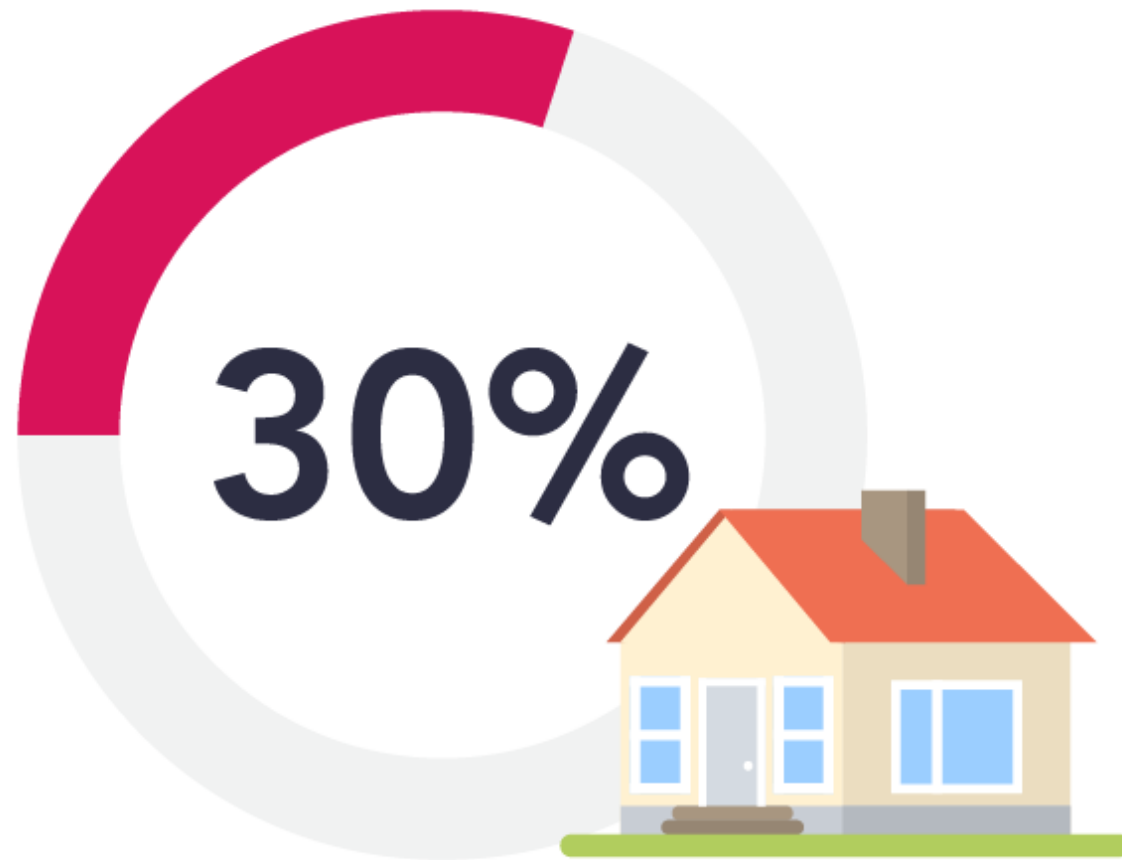
HOUSING + AFFORDABILITY IN ANN ARBOR

2020-21 PUBLIC ENGAGEMENT RECOMMENDATIONS

www.community-engagement-annarbor.com



SMITHGROUP



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

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

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

1 

2 

3 

4 

5 

60% AREA
MEDIAN INCOME

\$44,800

\$51,200

\$57,600

\$63,900

\$69,100

AFFORDABLE
MONTHLY
HOUSING COSTS

\$1,120

\$1,280

\$1,440

\$1,598

\$1,728

2021 Average Apartment Cost

1 Bedroom

2 Bedroom

\$1,199/month

\$1,333/month

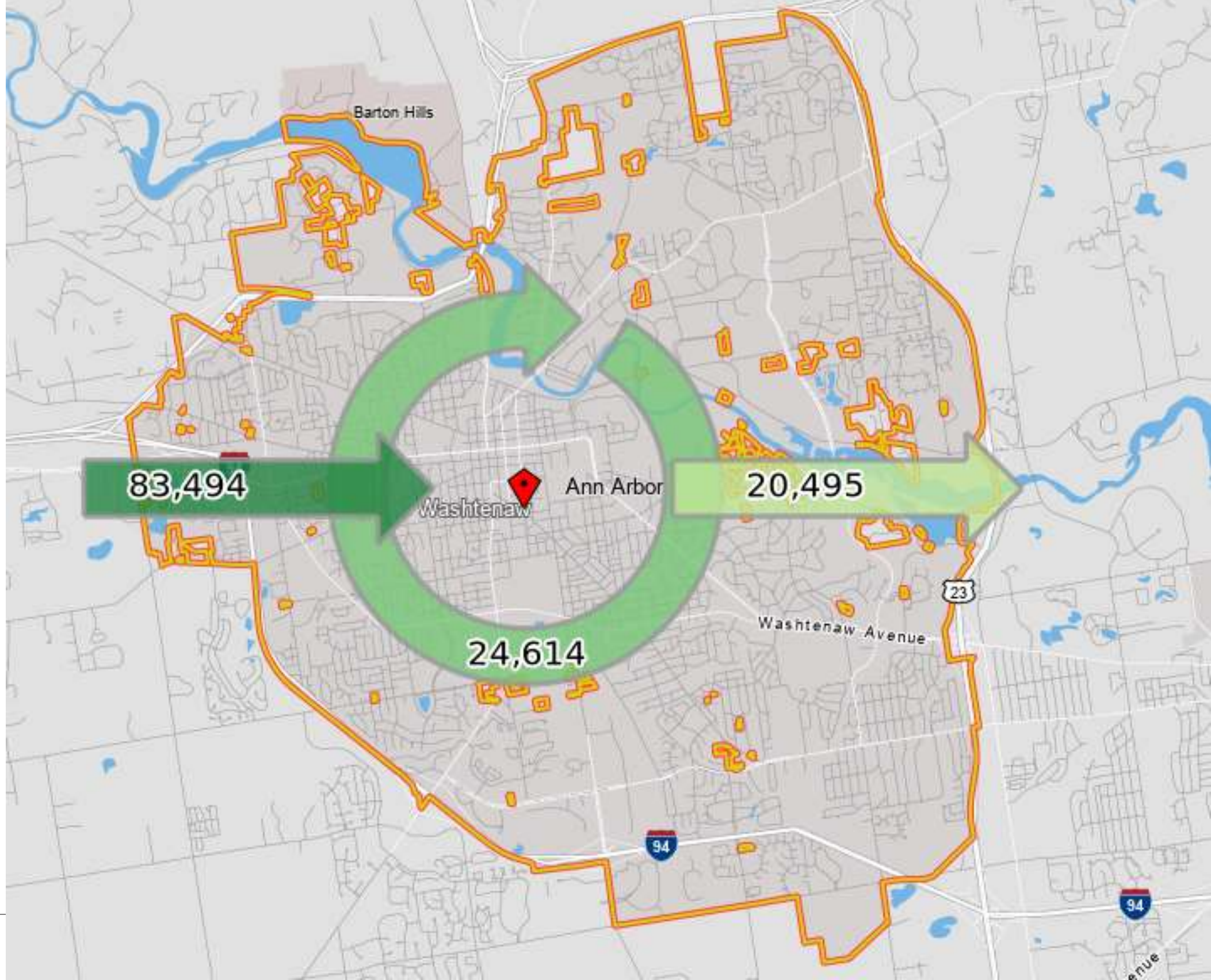
source: Apartments.com

COMMUTING PATTERNS

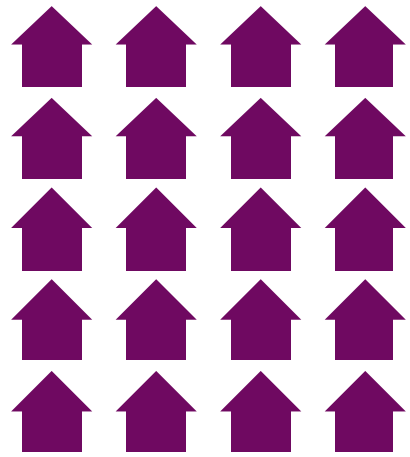
83,494 COMMUTE IN FOR JOBS

24,614 LIVE AND WORK IN ANN ARBOR

20,495 COMMUTE OUT FOR JOBS



Source: On the Map 2017



**2,800 UNITS
OVER 20 YEARS**

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.



**FUNDING FOR OVER
1,500 UNITS**

The millage that recently passed is estimated to provide enough funding for 1,500+ new affordable housing units.



350 S FIFTH FORMER Y LOT PRE-ENTITLEMENT




SMITHGROUP

INITIAL PUBLIC ENGAGEMENT: 350 S 5TH PREFERRED OPTION

OPTION 3B

SOUTHEAST CORNER ORIENTATION :: Maximum



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.*

DESCRIPTION	TRADE-OFFS	Min	Max	Total housing units: 418 units
D1 zoning, by-right with density bonuses 900% FAR.	Provide Affordable Housing Units	■ ■ ■ ■ ■	■ ■ ■ ■ ■	# affordable units: 130 units (31%)
Does not develop over the Transit center but still provides additional transit bay.	Provide Market Rate Housing Units	■ ■ ■ ■ ■	■ ■ ■ ■ ■	# market rate units: 288 units
East and west building, with east building stepped back from William Street.				
	Density of buildings	■ ■ ■ ■ ■	■ ■ ■ ■ ■	Floor-Area-Ratio: 744% 865%
	Height of buildings	■ ■ ■ ■ ■	■ ■ ■ ■ ■	Height Feet (floors): 150' (13) 200' (18)
	Scales down to William Street	■ ■ ■ ■ ■	■ ■ ■ ■ ■	Larger tower but set back from William St
	Potential active ground floor	■ ■ ■ ■ ■	■ ■ ■ ■ ■	Ground Floor GSF: 7,350 19,795
	Support expansion of transit	■ ■ ■ ■ ■	■ ■ ■ ■ ■	Transit lane provided along north edge
	Financial complexity/risk	■ ■ ■ ■ ■	■ ■ ■ ■ ■	Total Development Cost: ~\$72 Million Potential Tax Revenue: ~\$1.5 - 2 Million Ground Lease Revenue: ~\$0.5 - 1 Million
	Financial revenue	■ ■ ■ ■ ■	■ ■ ■ ■ ■	

ASSUMPTIONS

- * Parcel split into an "east" and "west" building.
- * Allows room for expanded transit, but doesn't utilize transit center parcel 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)

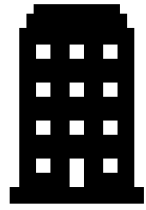
PREFERRED OPTION SUMMARY

- 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

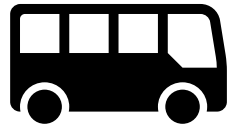


DESIGN CONSIDERATIONS

INITIAL ENGAGEMENT



MAXIMIZE AFFORDABLE HOUSING

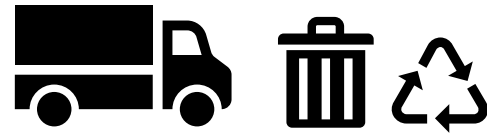


IMPROVED OPERATIONS BLAKE TRANSIT CENTER

PRE-ENTITLEMENT REFINEMENT CONSIDERATIONS



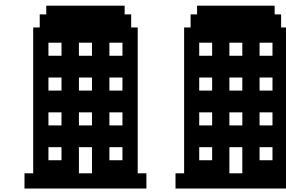
DTE EASEMENT



DEDICATED SERVICE/LOADING LANE



IDLING BUS EMISSION CONSIDERATIONS



PHASED PROJECT



TRANSIT ORIENTED BEST PRACTICES



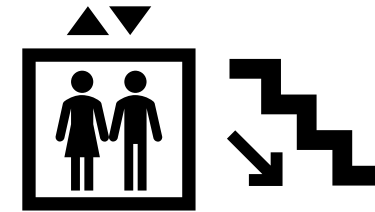
UNDERGROUND PARKING POTENTIAL FEASIBILITY



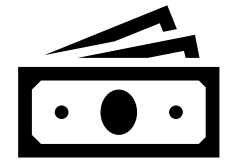
DEDICATED 30 FT BUS LANE (4 BUS BAYS, SAW-TOOTH)



FUTURE ON-STREET TRANSIT EXPANSION



VERTICAL CIRCULATION/EGRESS REQ.



LAND COST

DDA PEOPLE FRIENDLY STREETS

4TH AVENUE FEEDBACK (MARCH 9-11)

- 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

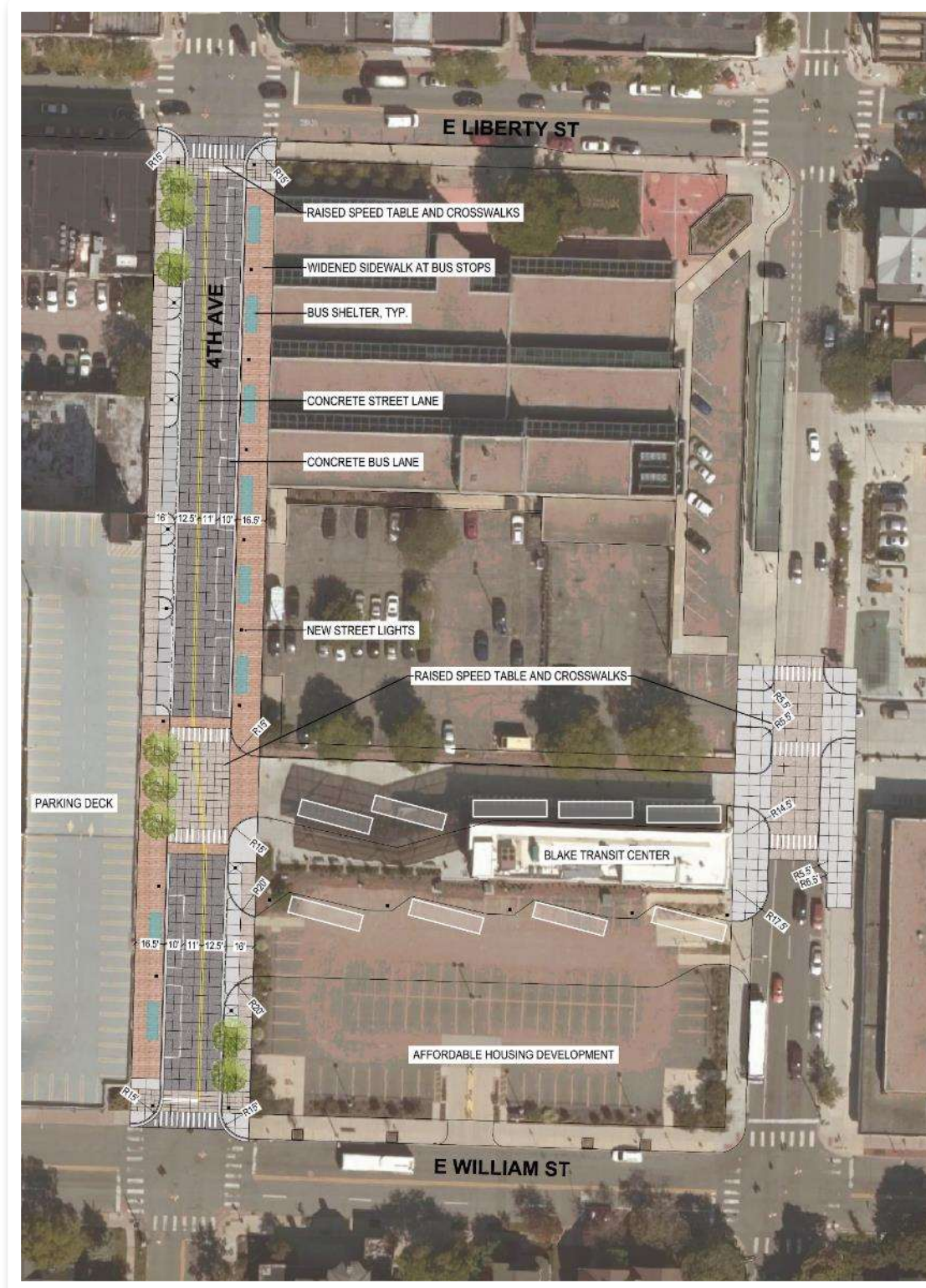


4TH AVE PROJECT

WILLIAM TO LIBERTY

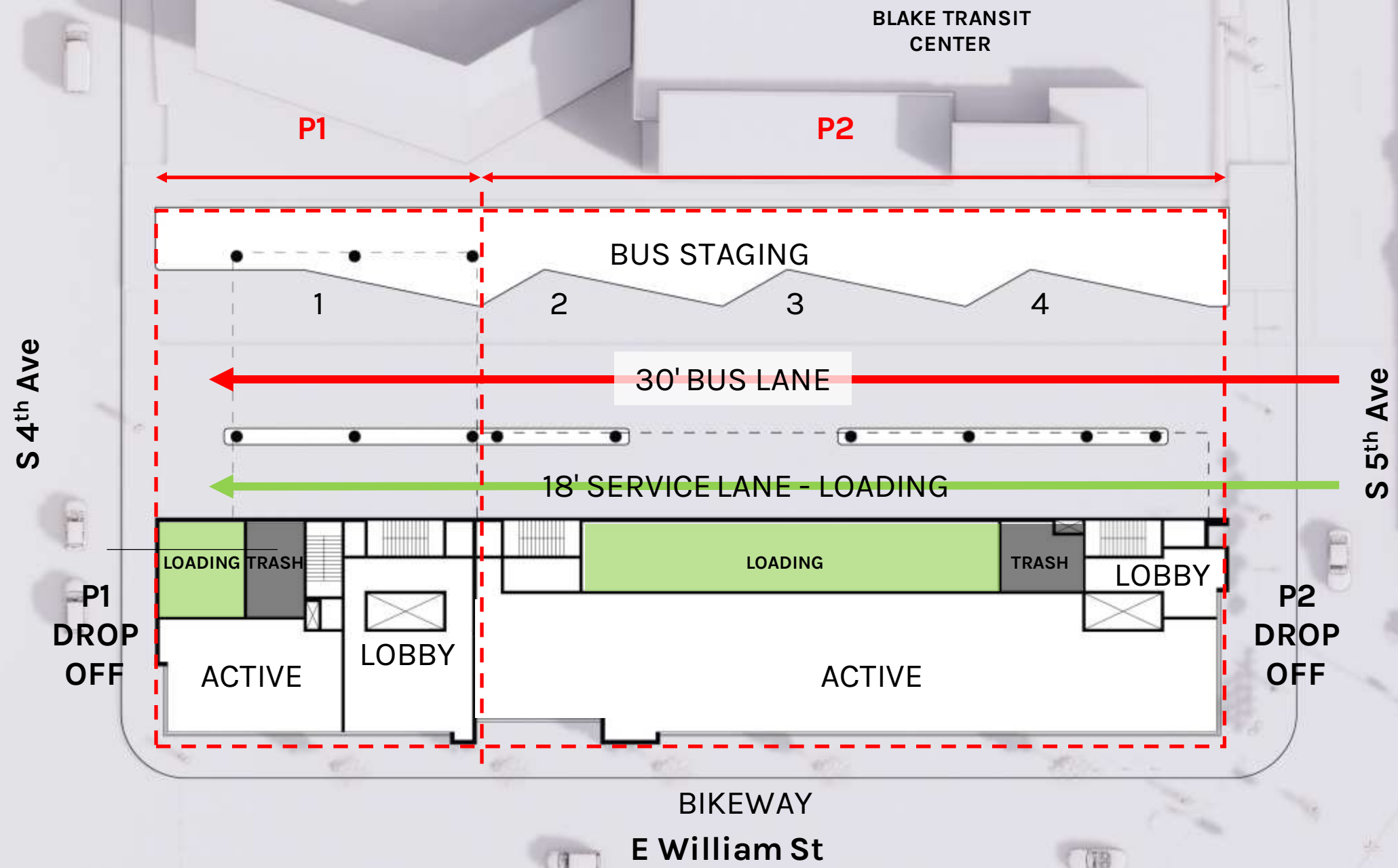
PROJECT EXTENT & SCOPE

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

SITE PLAN



NORTH



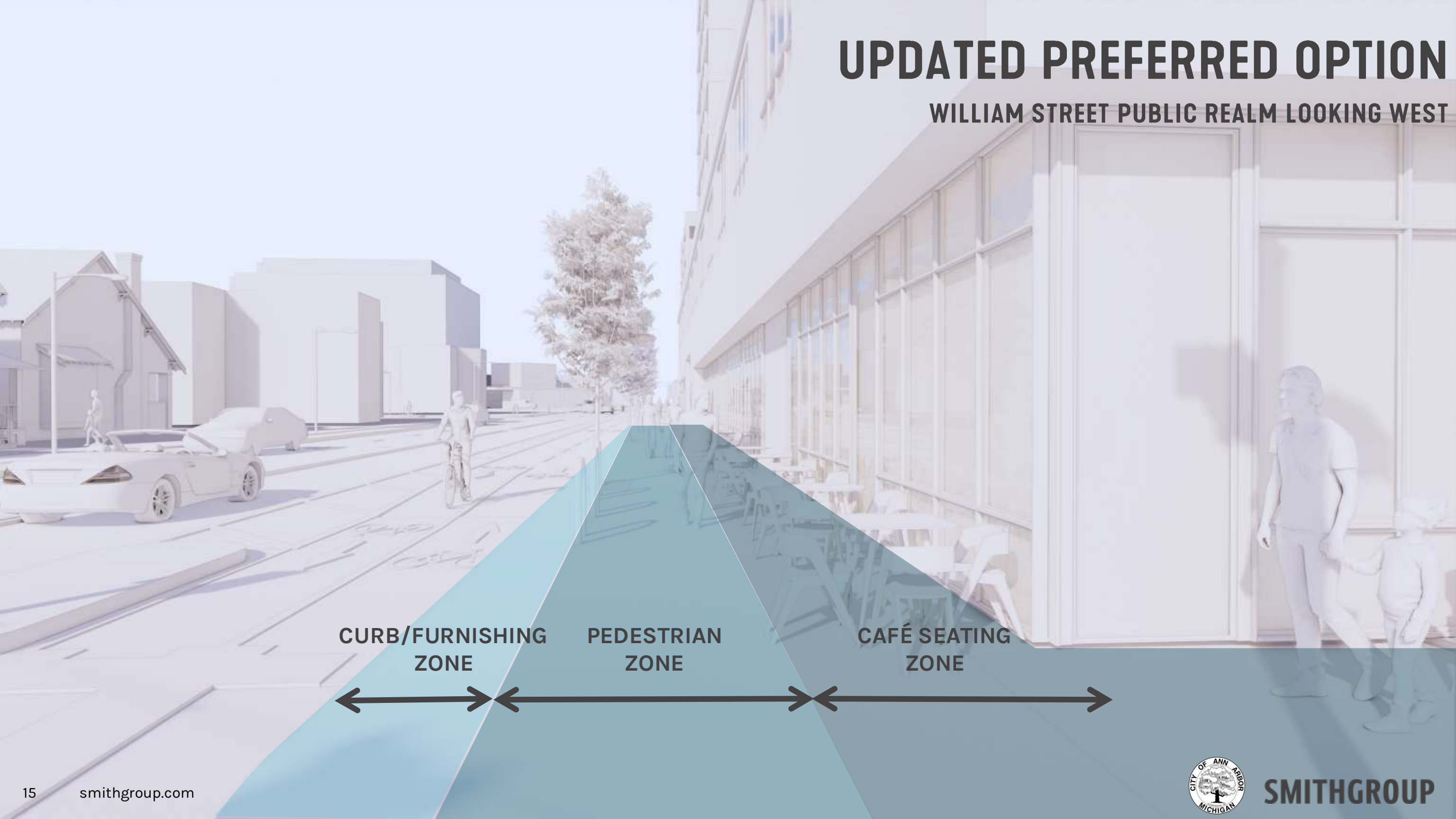
UPDATED PREFERRED OPTION

WILLIAM STREET LOOKING WEST



UPDATED PREFERRED OPTION

WILLIAM STREET PUBLIC REALM LOOKING WEST



**CURB/FURNISHING
ZONE**

**PEDESTRIAN
ZONE**

**CAFÉ SEATING
ZONE**

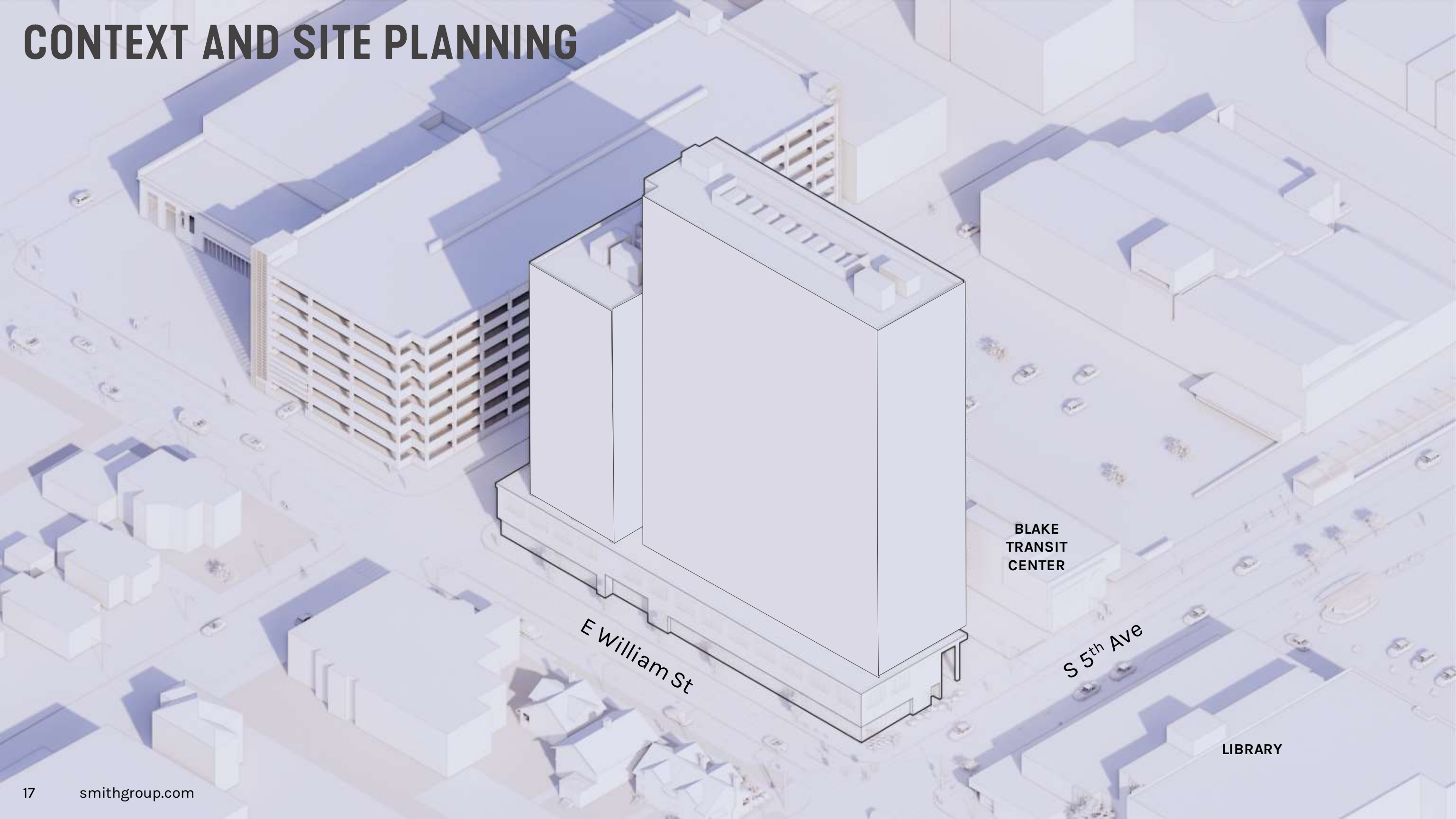


UPDATED PREFERRED OPTION

WILLIAM STREET & MAIN LOOKING EAST



CONTEXT AND SITE PLANNING



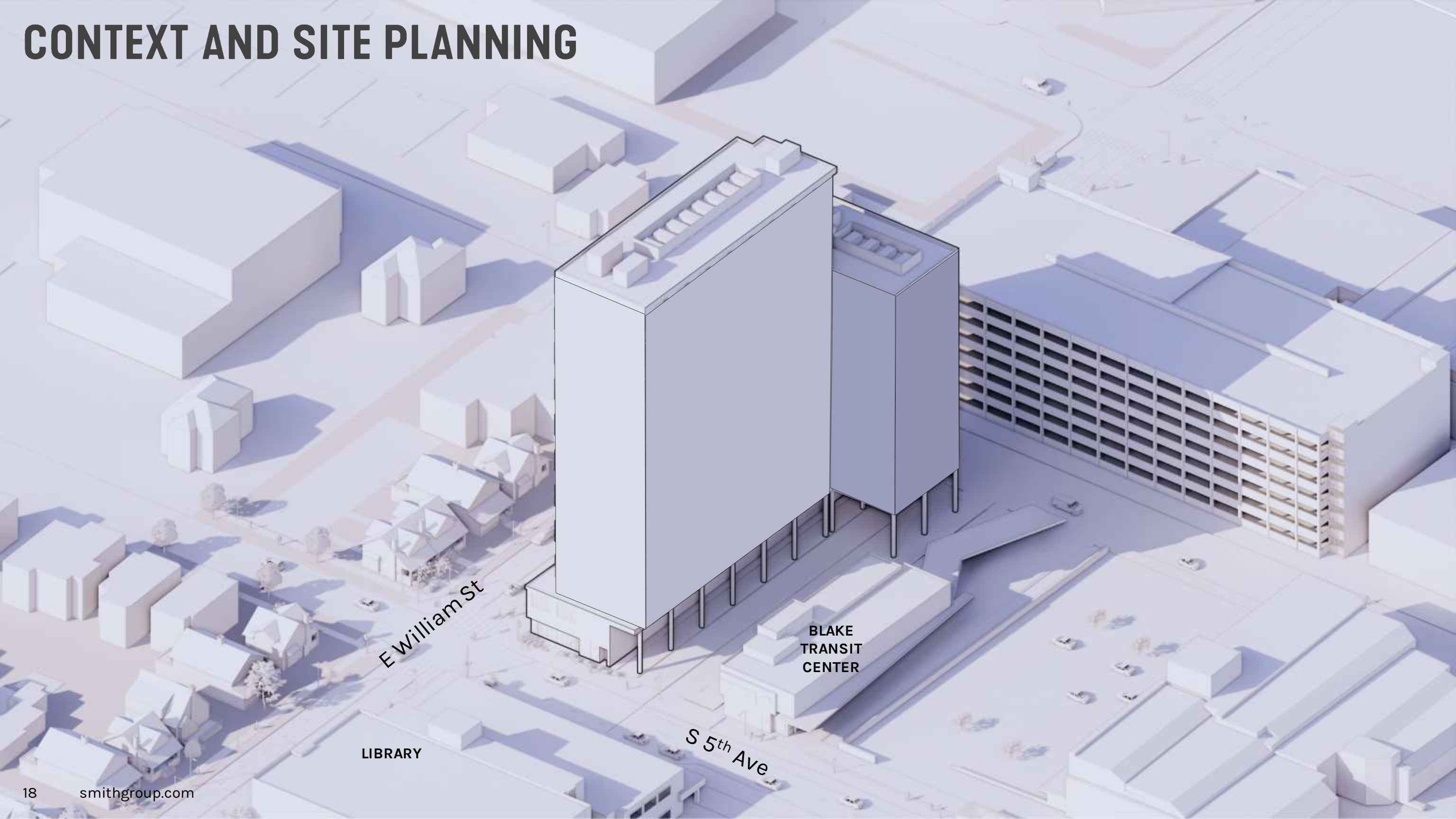
E William St

BLAKE
TRANSIT
CENTER

S 5th Ave

LIBRARY

CONTEXT AND SITE PLANNING



UPDATED PREFERRED OPTION

BUILDING MASSING + UNITS

■ P1

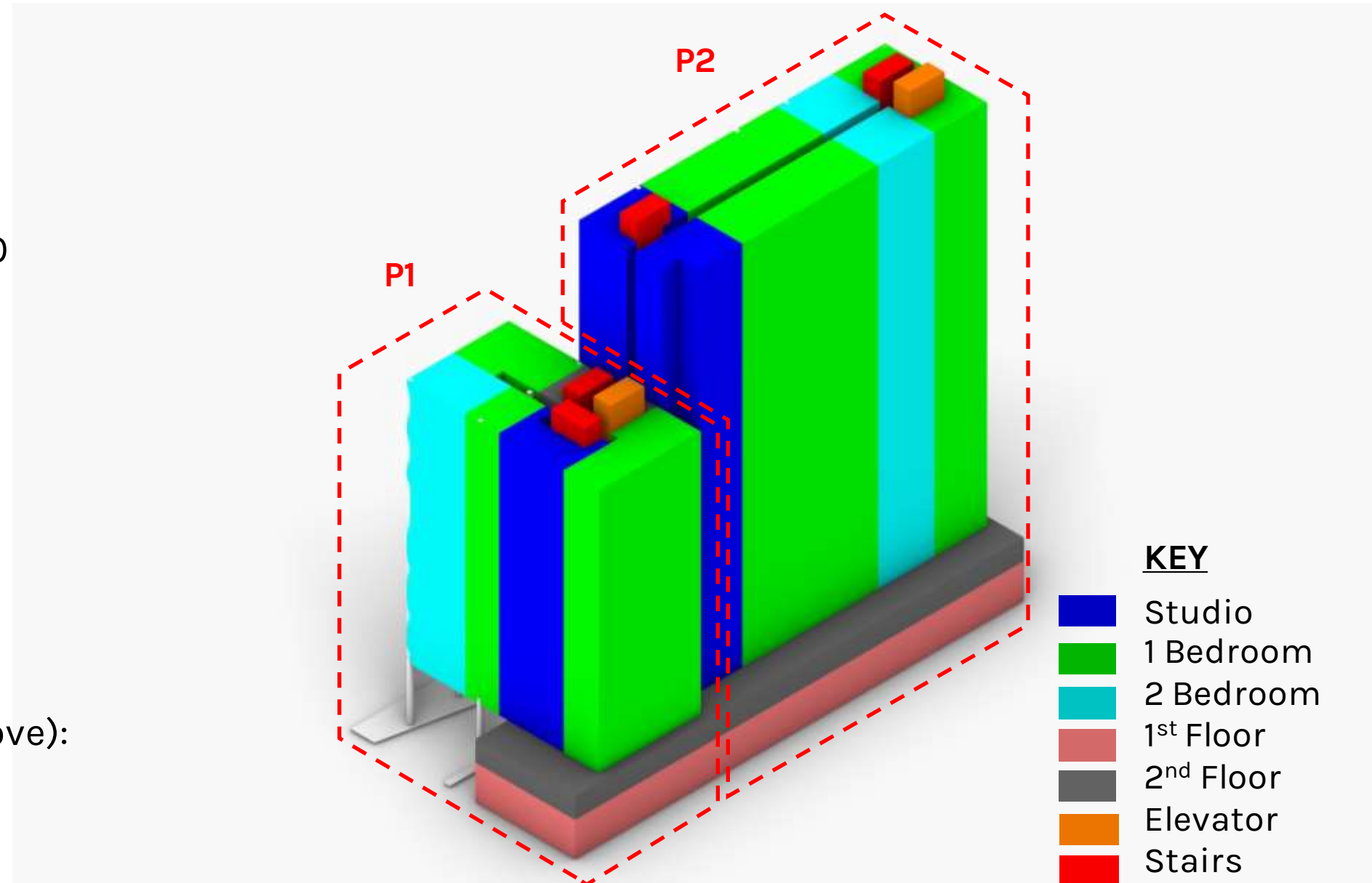
- Height: Up to 14 stories
- FAR: Less than 900%
- Units: Approximately 90
- Affordable (100%): Approximately 90

■ 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

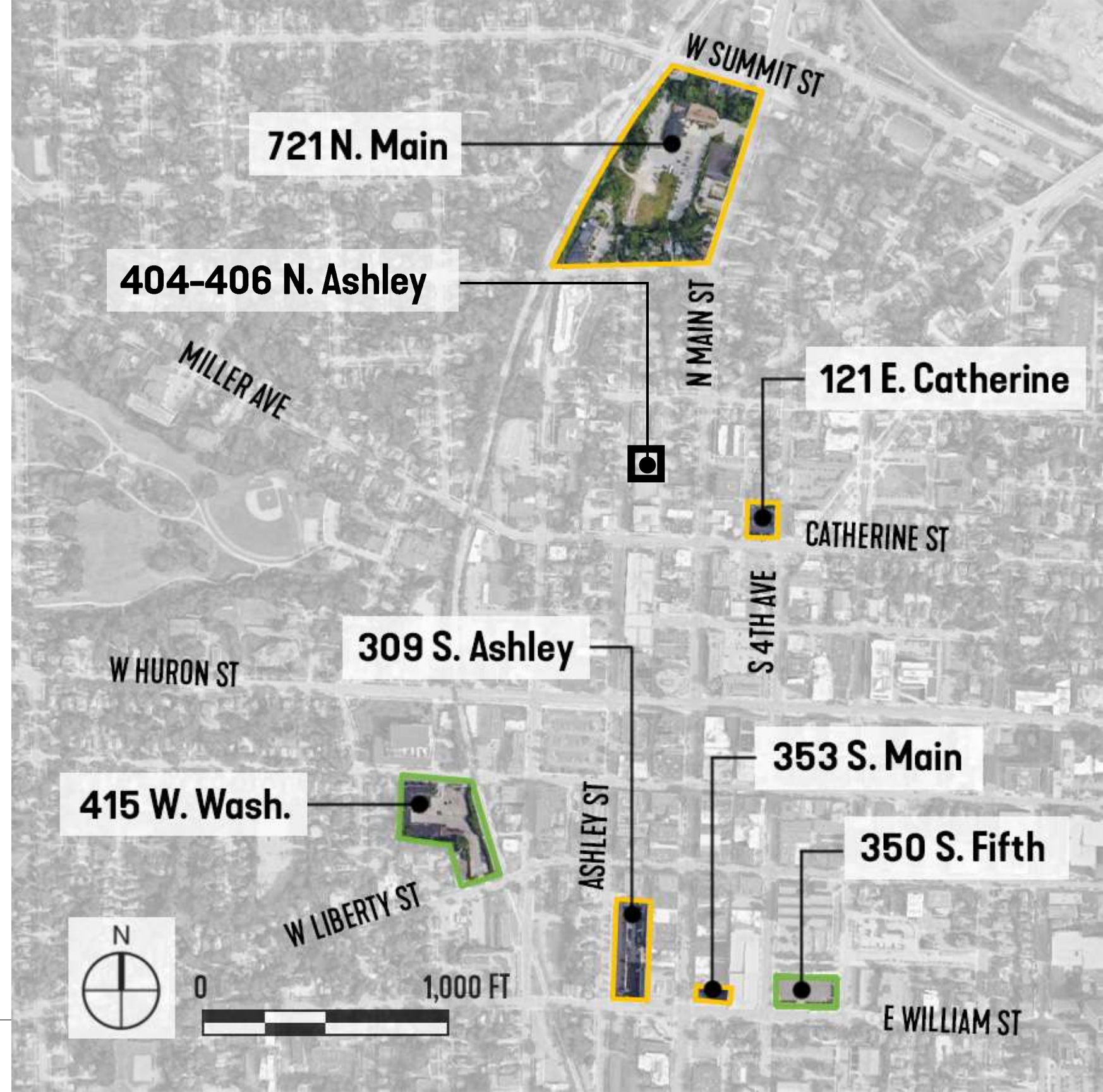


PRE-ENTITLEMENT PROJECT SCHEDULE + NEXT STEPS

TASKS	DATES
Submit DRB Application	September 9, 2020
DRB Meeting	October 14, 2020
Citizen Participation Cards Mailed	May
Citizen Participation Meeting	June 14
Rezoning and Area Plan Pre-Submission Meeting	July
Submit Application	July
All comments successfully addressed	August
Planning Commission Meeting	September
City Council - First Reading	October
City Council - Second Reading	November

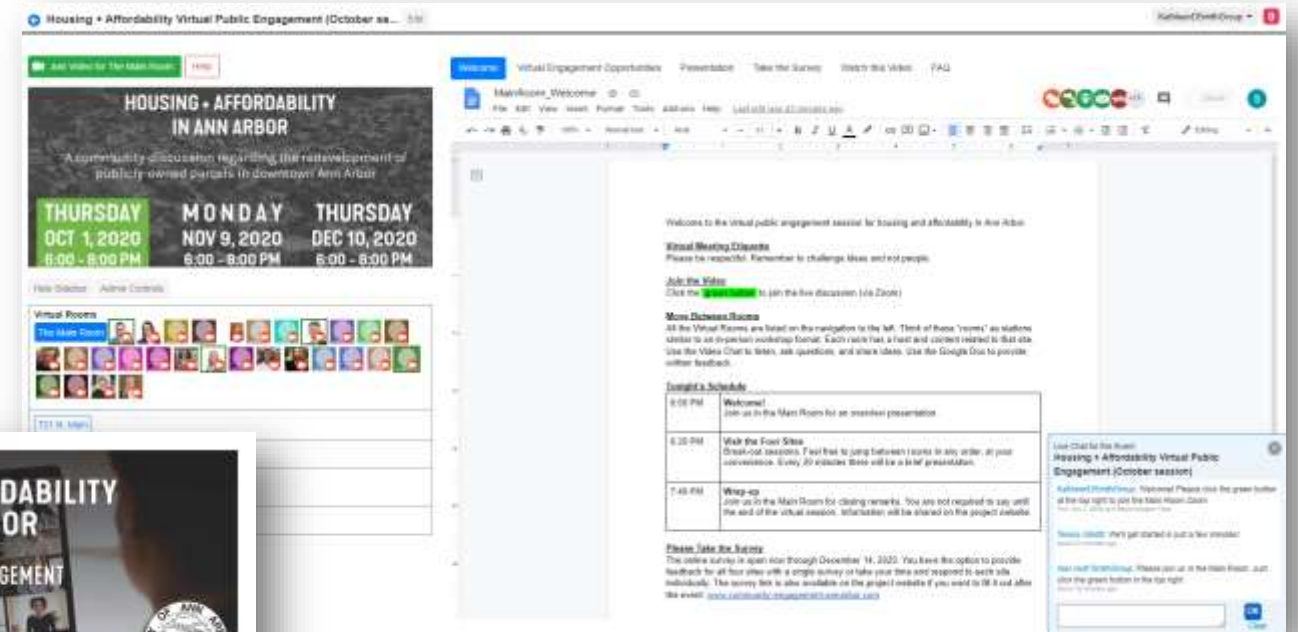
PUBLIC ENGAGEMENT-DOWNTOWN SITES

- **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



ENGAGEMENT OVERVIEW

- 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

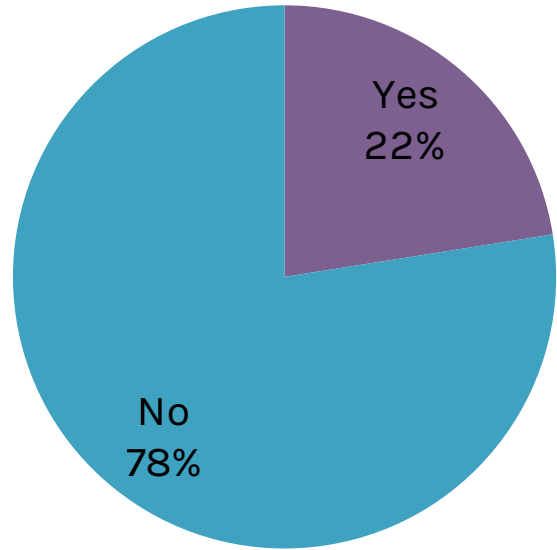


Essential workers don't earn enough money to live in Ann Arbor.

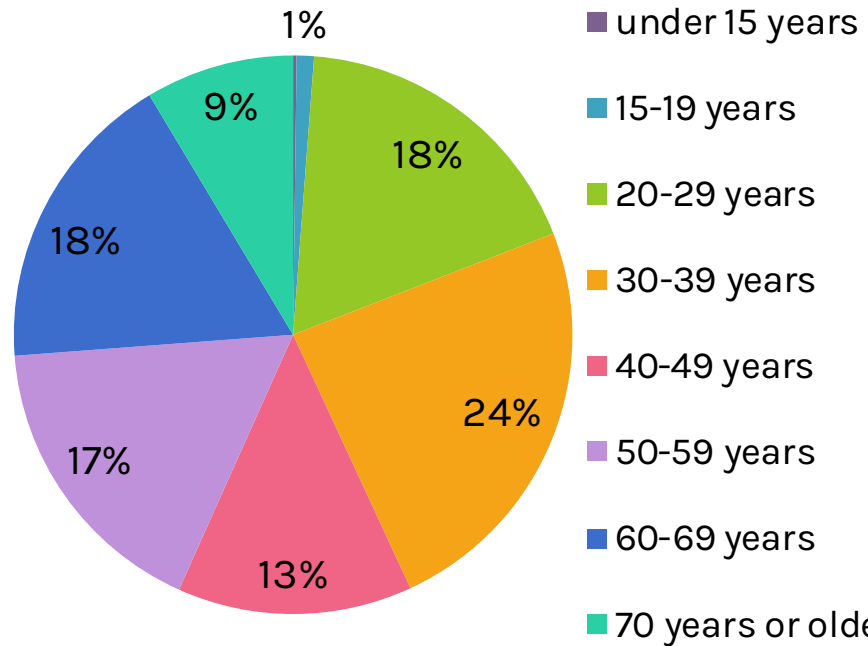


SURVEY DEMOGRAPHICS (600+ RESPONSES)

PREVIOUS ENGAGEMENT 415 W WASH AND FORMER Y LOT



AGE



NEIGHBORING RESIDENTS AND WORKERS

Site	Count
121 E. Catherine (4th and Catherine parking lot)	97
353 S. Main (Main & William parking lot)	112
309 S. Ashley (Ashley & William parking lot)	105
721 N. Main	81

RACE AND ETHNICITY

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

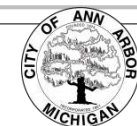
RESPONDENTS WHO LIVE IN ANN ARBOR

85%



HOMEOWNERSHIP

Value	Survey Response	Ann Arbor ACS 2019 5yr
Rent	29.0%	25.3%
Own	67.4%	69.9%
Other - Write In	3.6%	

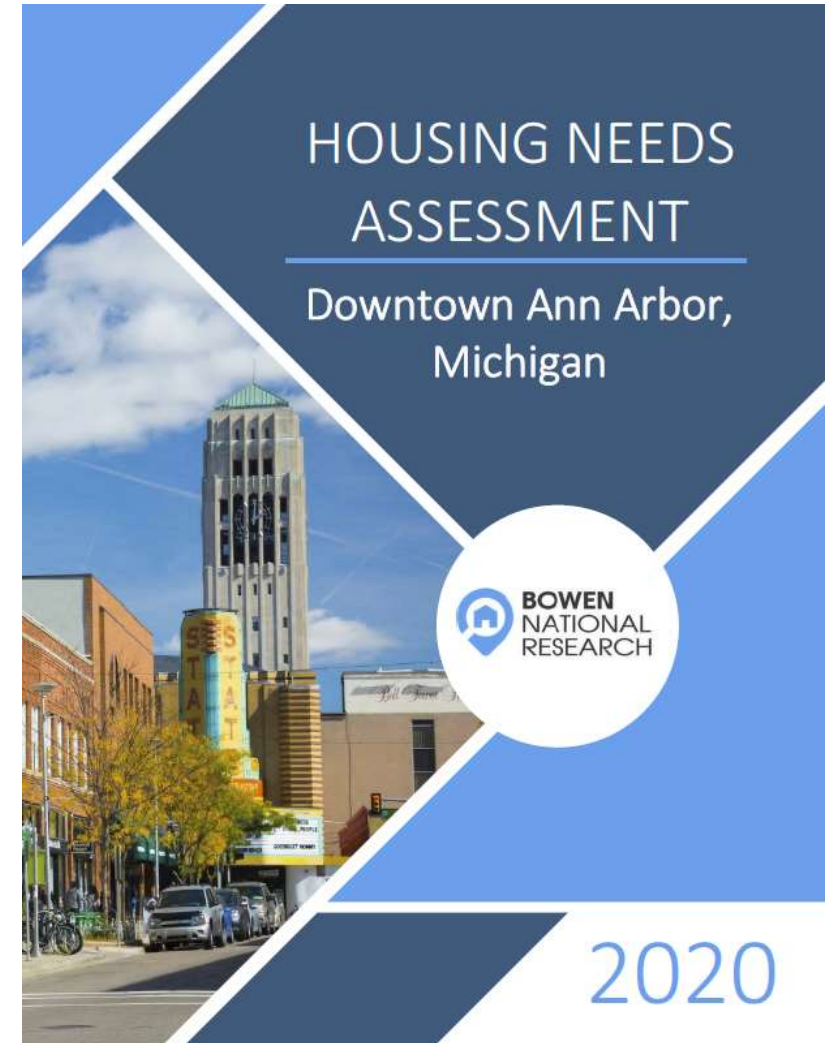


HOUSING NEEDS ASSESSMENT

- There is a significant need for affordable housing as shown by the demand break-down:
 - 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.**

Housing Affordability Remains a Challenge for Many Area Renters

A total of 1,893 (55.5%) of all Downtown renters are considered “housing cost burdened,” meaning they pay over 30% of their income toward housing.





121 E CATHERINE

FOURTH & CATHERINE PARKING LOT

121 E CATHERINE

OBJECTIVES

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

Lowest Highest



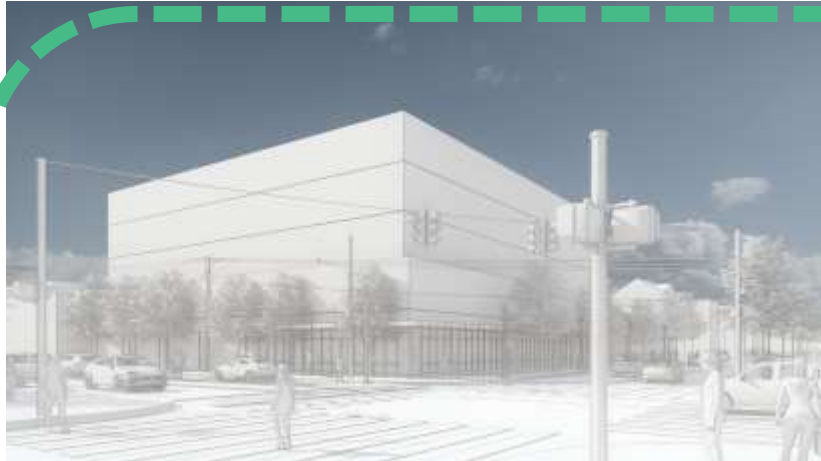
121 E CATHERINE

MASSING OPTIONS



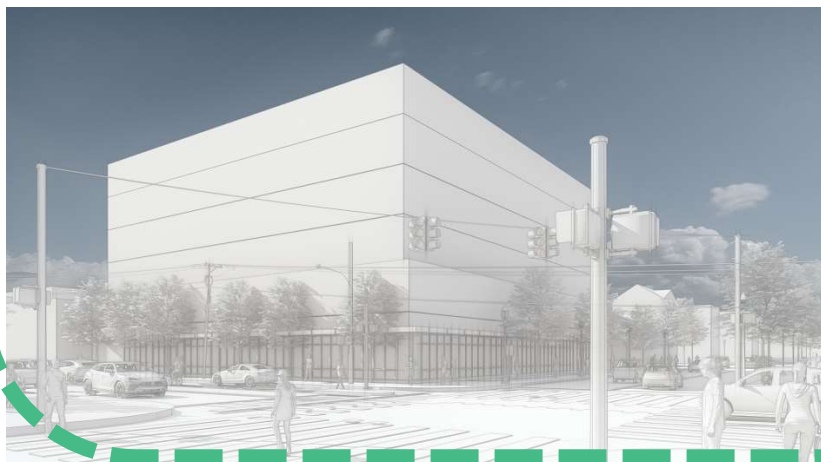
OPTION 1: 4-STORY

- +/- 50-60 units
- FAR: 239%



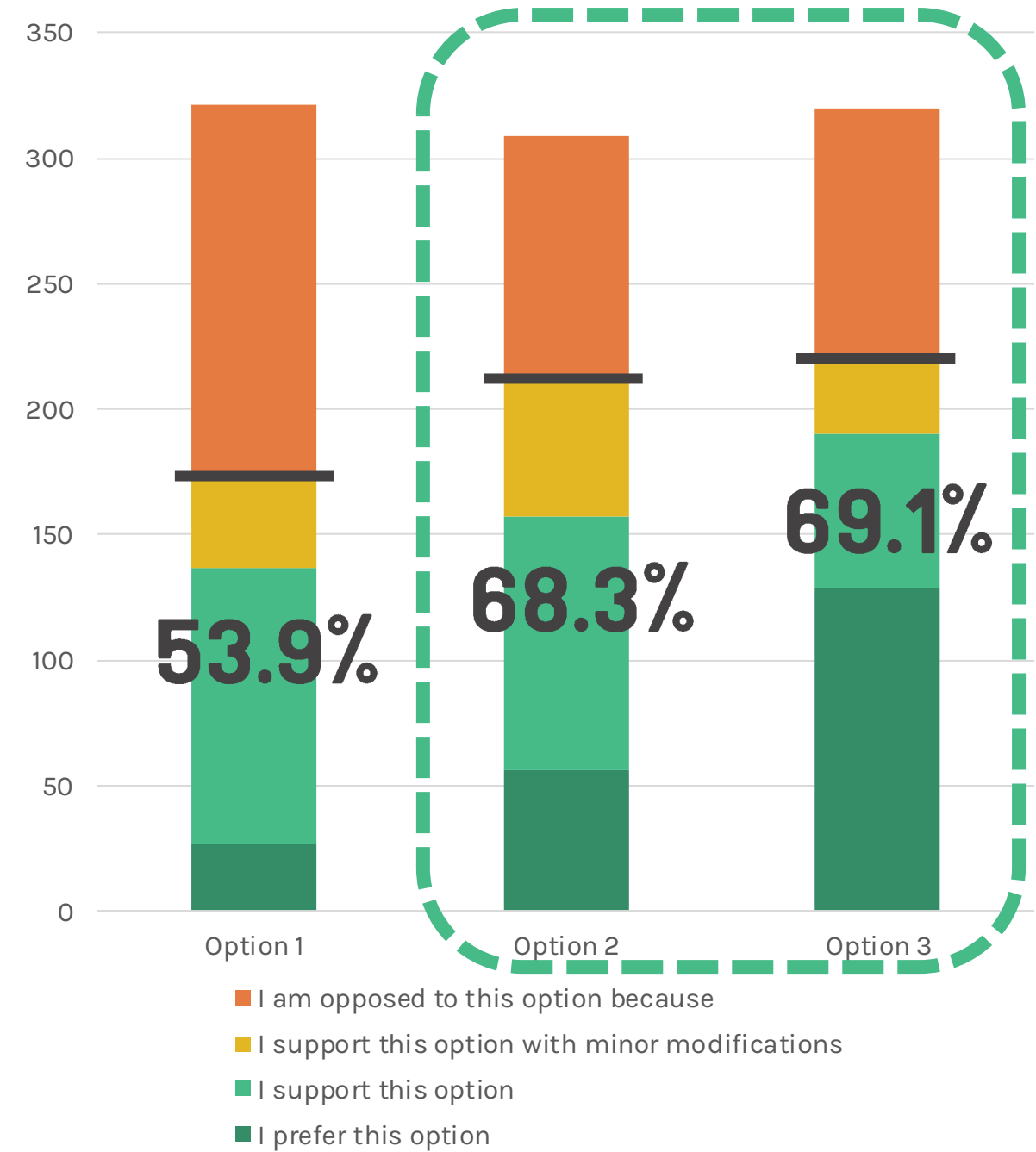
OPTION 2: 5-STORY

- +/- 70-80 units
- FAR: 309%



OPTION 3: 6-STORY

- +/- 85-95 units
- FAR: 400%



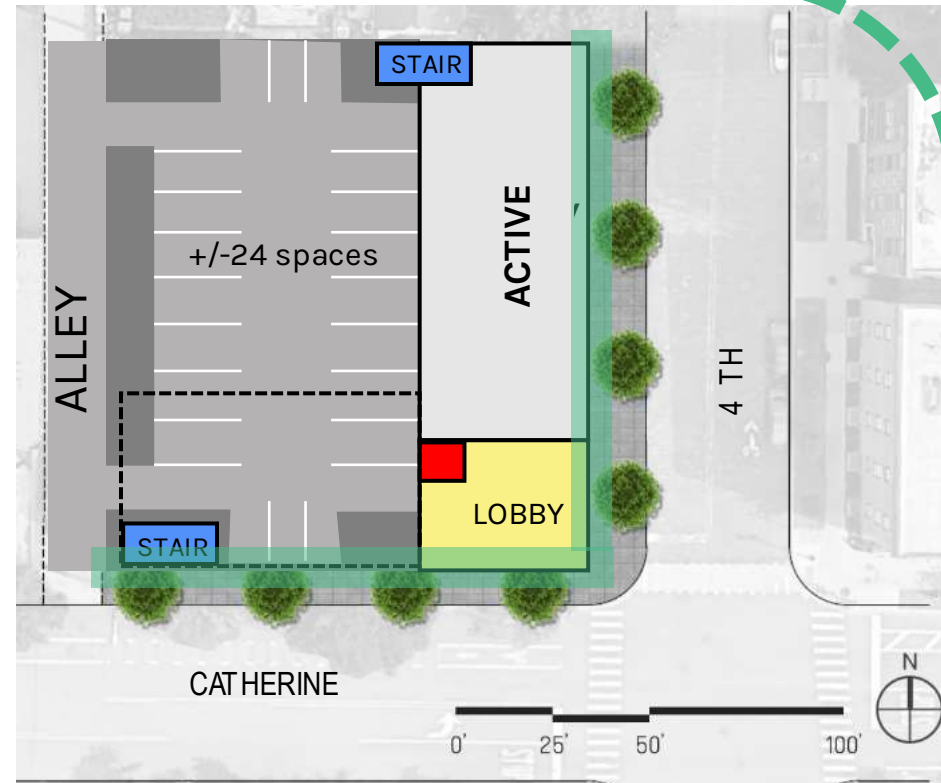
121 E CATHERINE

PARKING OPTIONS



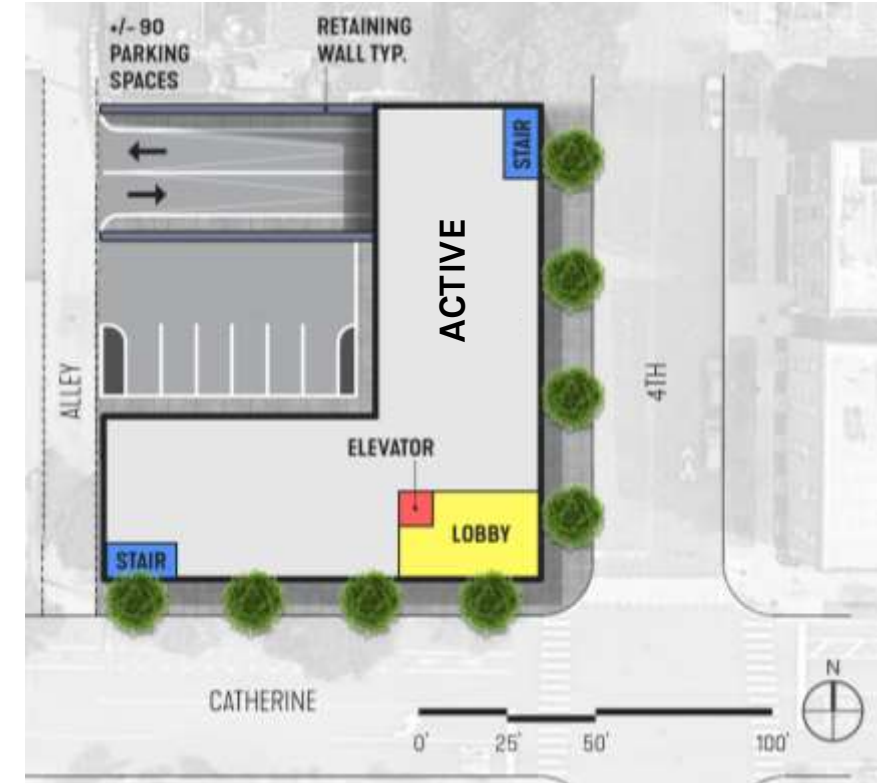
OPTION 1:

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



OPTION 2:

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



OPTION 3:

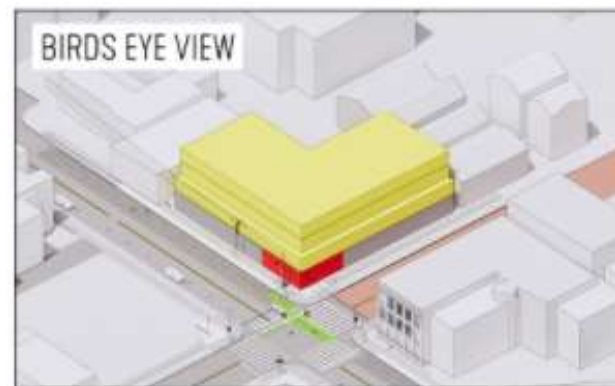
- Active Ground Floor: Yes
- Assumes underground parking (~90 spaces, parking alone ~\$8 Million)

*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

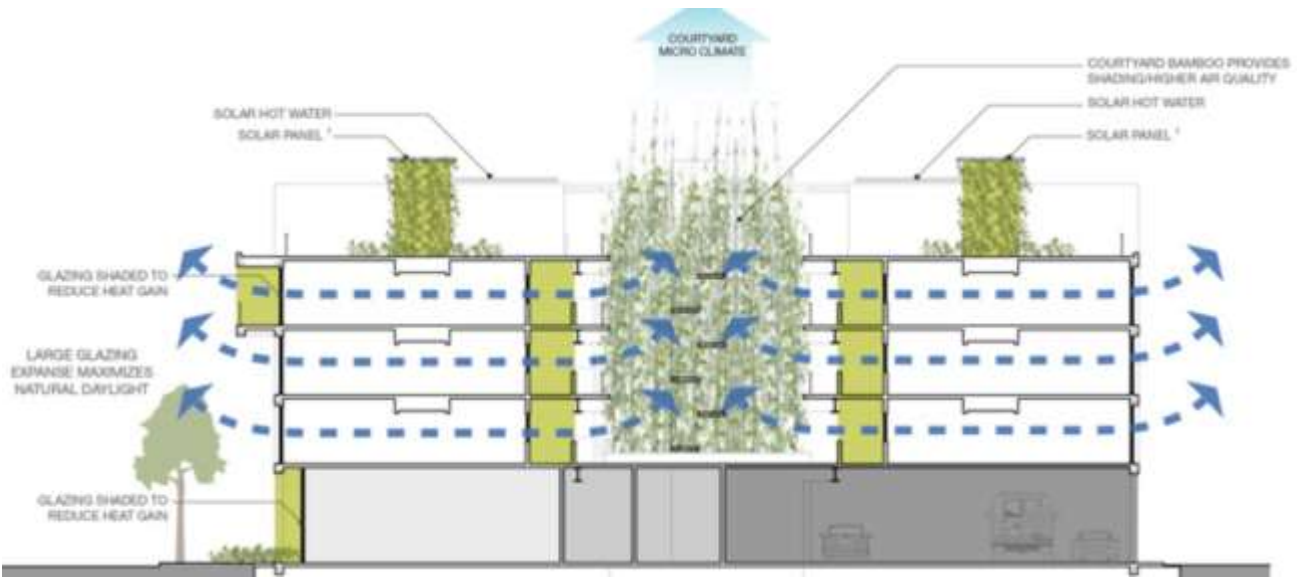
- Proceed with the development of 121 E Catherine for affordable housing
- Supported by City Council Resolution 19-514 to develop 121 E Catherine (11/18/19)
- Pursue a development that is up to 400% FAR, 5-6 stories in height and maximizes street level parking while still creating and reinforcing an 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

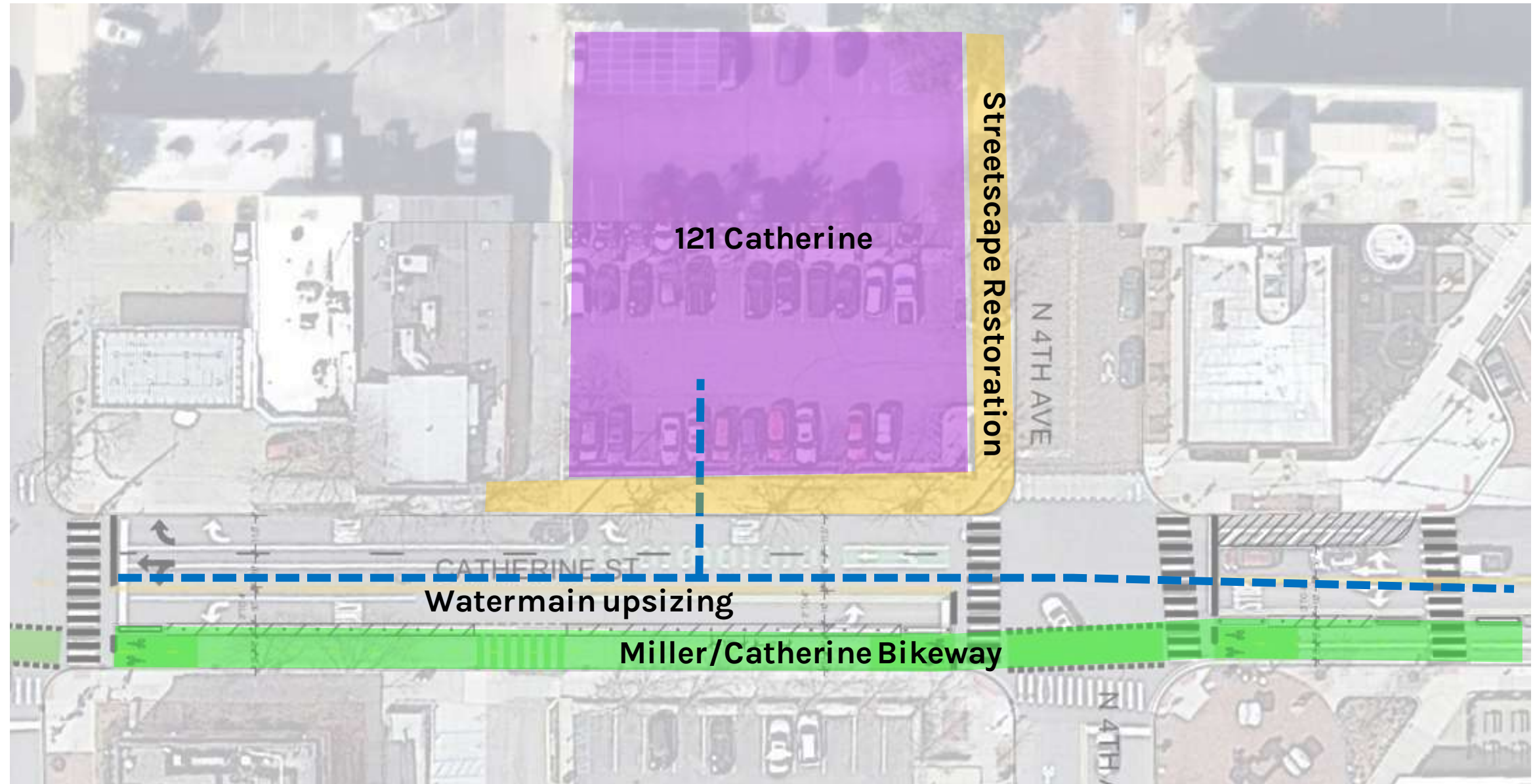
- Maintain as many public, surface-level parking spaces as possible while still creating an active and beautiful street experience at 4th and Catherine.
- Address the area's distinct parking challenges and opportunities, mitigate challenge of lost capacity during construction.
- Potential opportunities 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





353 S MAIN
MAIN & WILLIAM PARKING LOT

353 S MAIN

OBJECTIVE

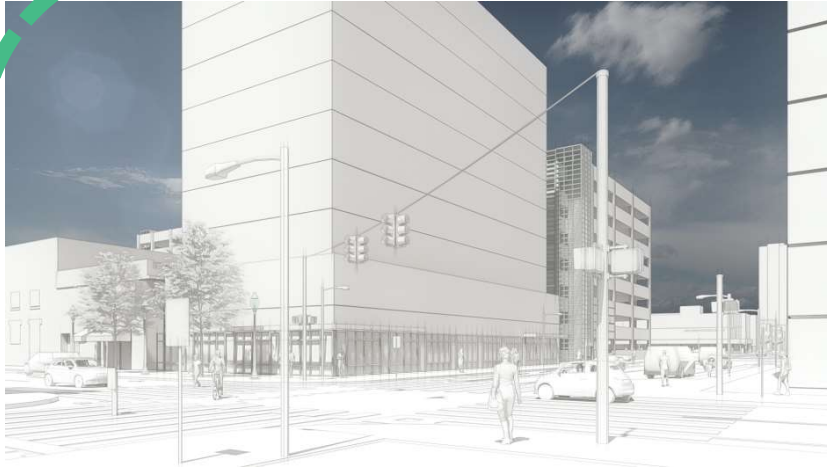
Item	Overall Rank	Rank Distribution	Score
Maximize affordable housing units for 60% Area Median Income (AMI) households on site	1		1,474
Activate the ground floor for public benefit	2		1,294
Contribute to Main Street character	3		1,092
Develop a mix of housing unit types and prices	4		1,071
Maintain some city ownership/control	5		936
Provide parking on site	6		679
Maximize market rate residential	7		624

Lowest Highest



353 S MAIN

MASSING OPTIONS



OPTION 1: 10-STORY

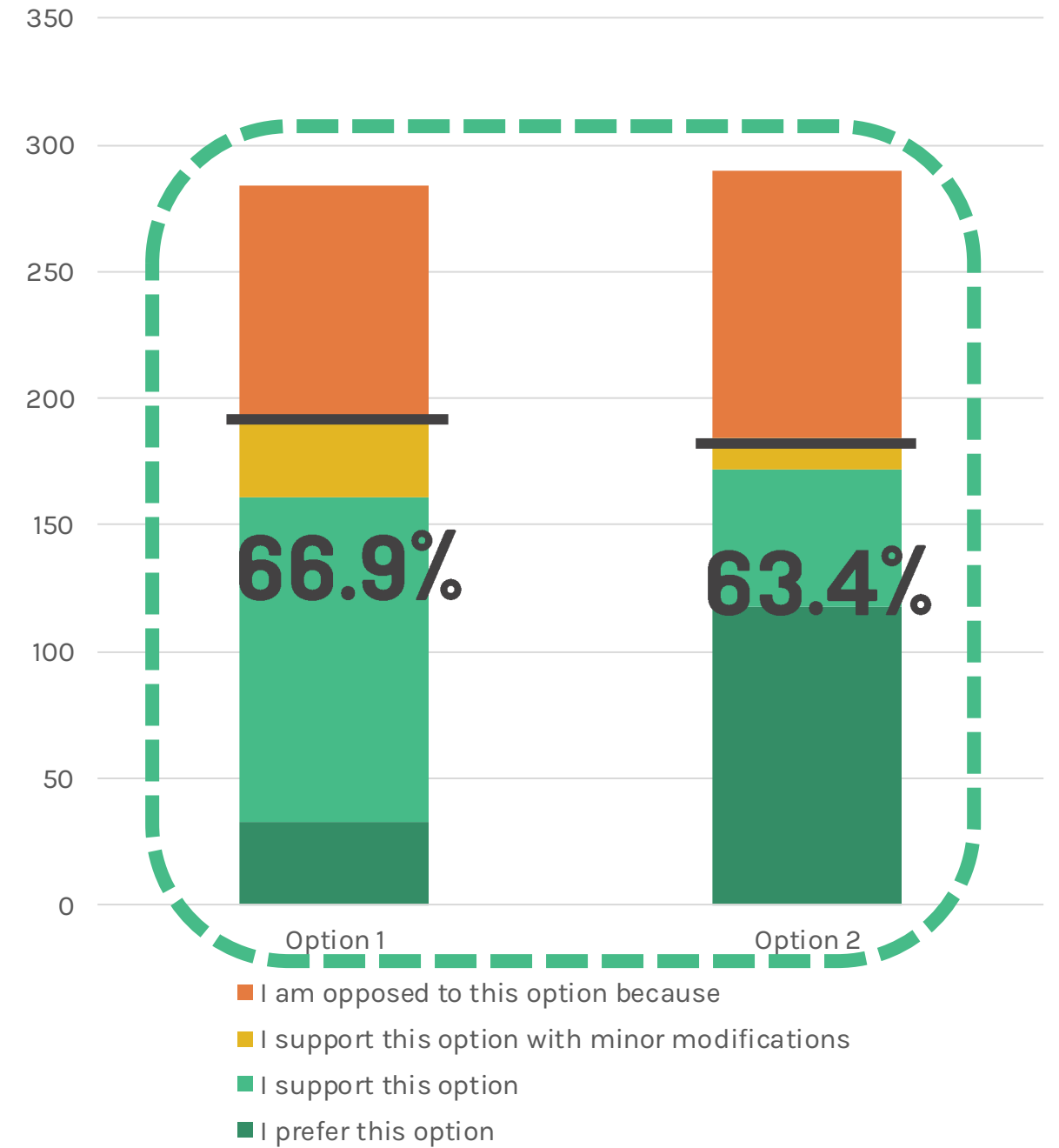
- +/- 90 units
- 900% FAR



OPTION 2: 6-STORY

- +/- 50 units
- 550% FAR

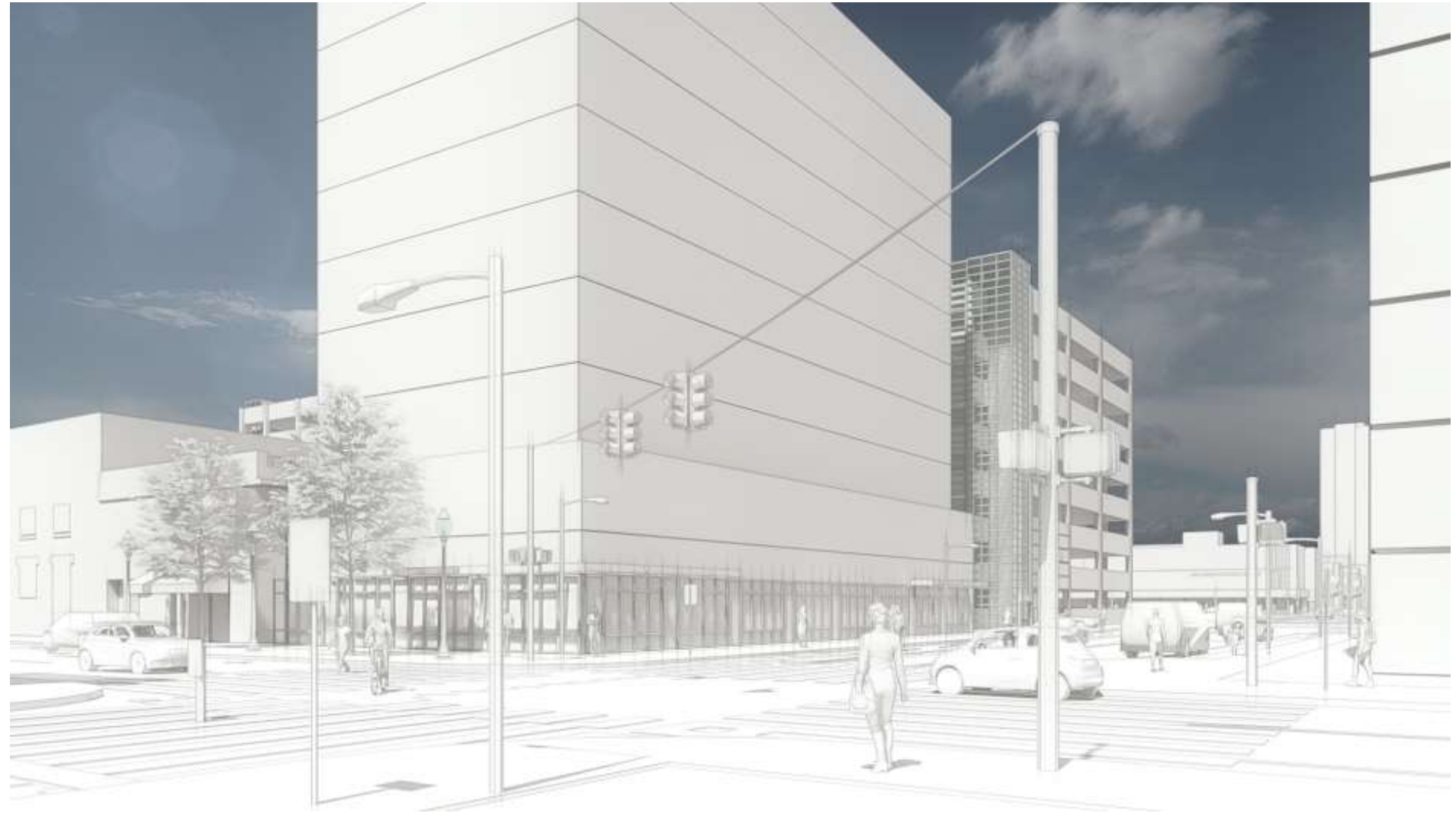
*Building massing will depend on financing and market conditions



353 S MAIN

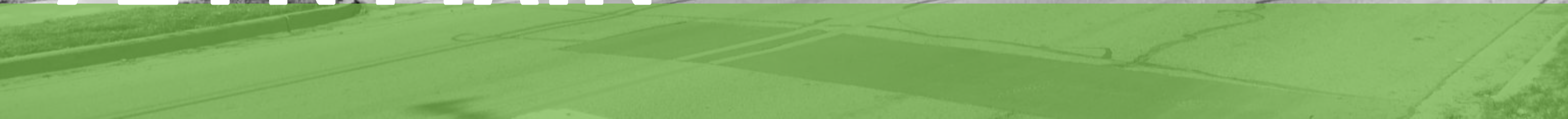
RECOMMENDED NEXT STEPS

- 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



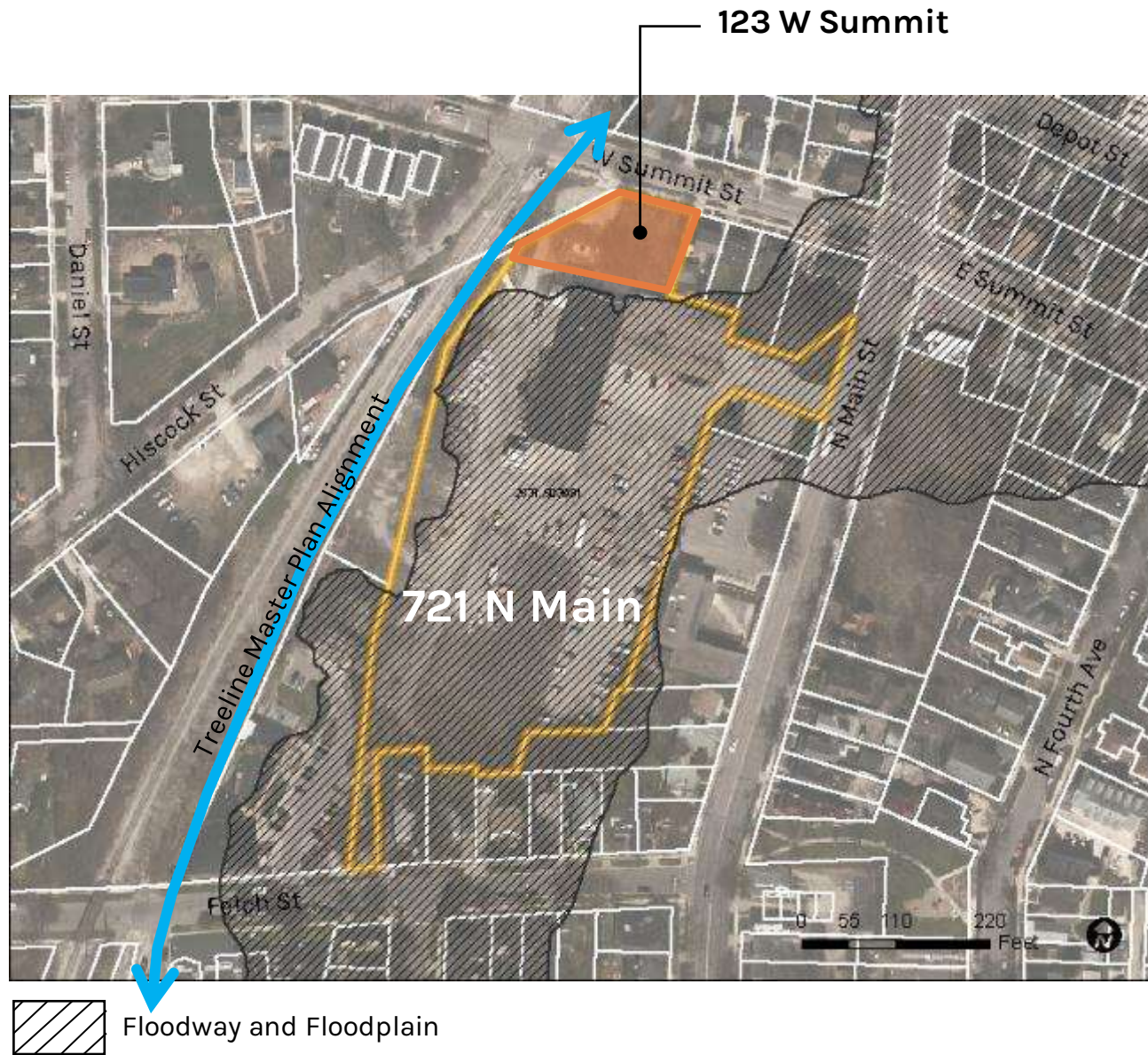


721 N MAIN



721 N MAIN

CONTEXT



*FEMA grant restricts development of the floodway

123 W SUMMIT

OBJECTIVES

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

Lowest Highest



123 W SUMMIT

MASSING OPTIONS



OPTION 1: APARTMENTS

- # of Units: 14



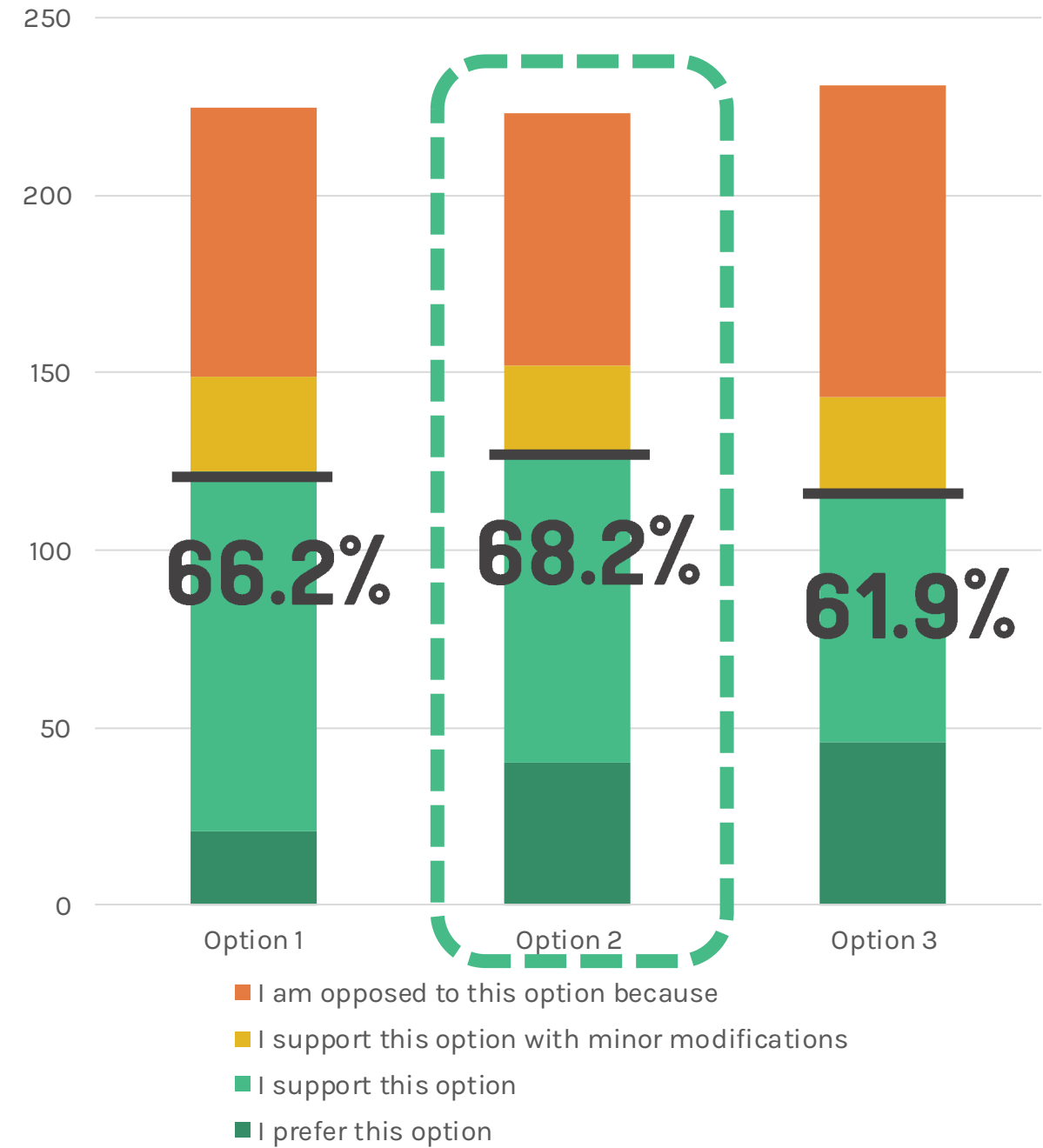
OPTION 2: APARTMENTS

- # of Units: 19



OPTION 3: TOWNHOMES

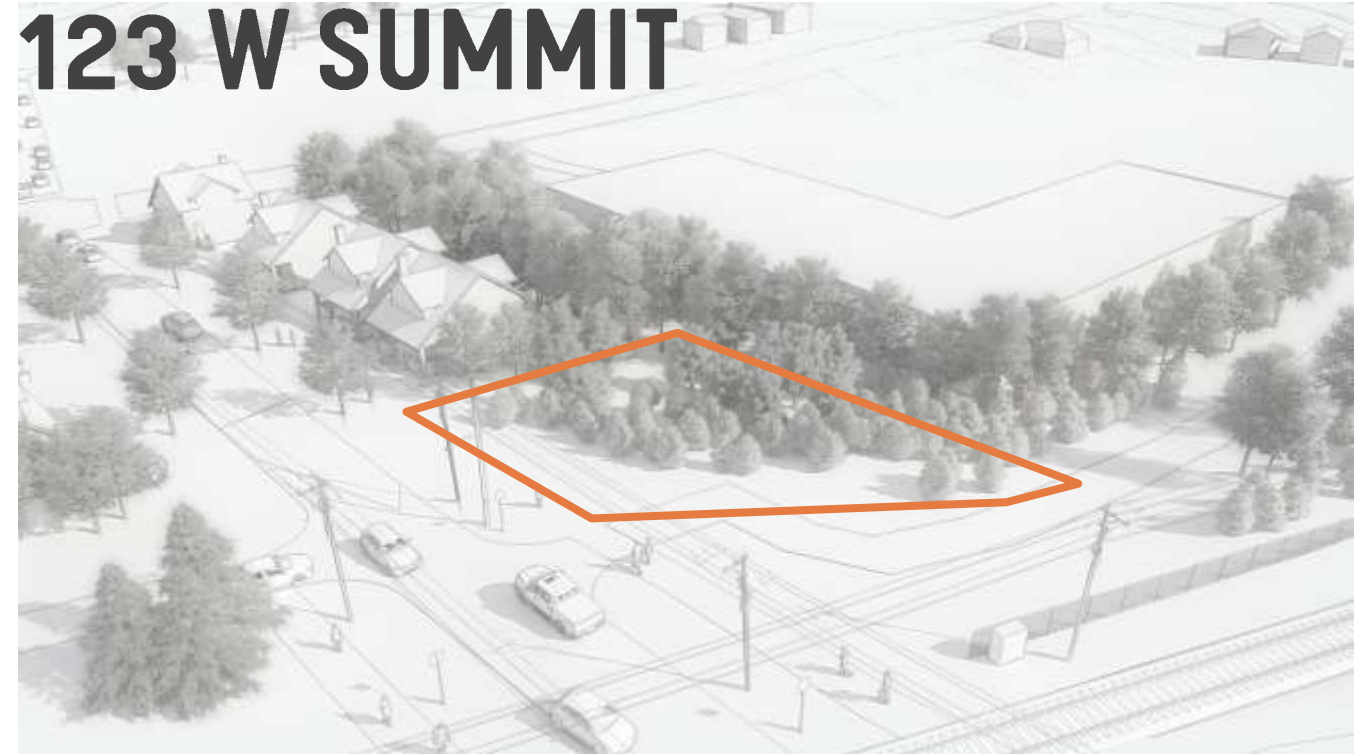
- # of Units: 7



721 N MAIN

RECOMMENDED NEXT STEPS

- 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



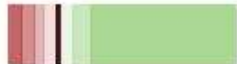






Proposed Zoning District: C1
New Lot Area: 14,520 SF
FAR: 100%
Max. Building Height: 35' (3 stories)




309 S ASHLEY
ASHLEY & WILLIAM PARKING LOT

309 S ASHLEY

OBJECTIVES

Item	Overall Rank	Rank Distribution	Score
Maximize affordable housing units for 60% Area Median Income (AMI) households on site	1		1,376
Activate the ground floor for public benefit	2		1,149
Develop a mix of housing unit types and prices	3		1,089
Provide parking on site	4		877
Maintain some city ownership/control	5		868
Appropriately scale down to the west and/or Main Street	6		813
Maximize market rate residential	7		626



 Lowest Highest



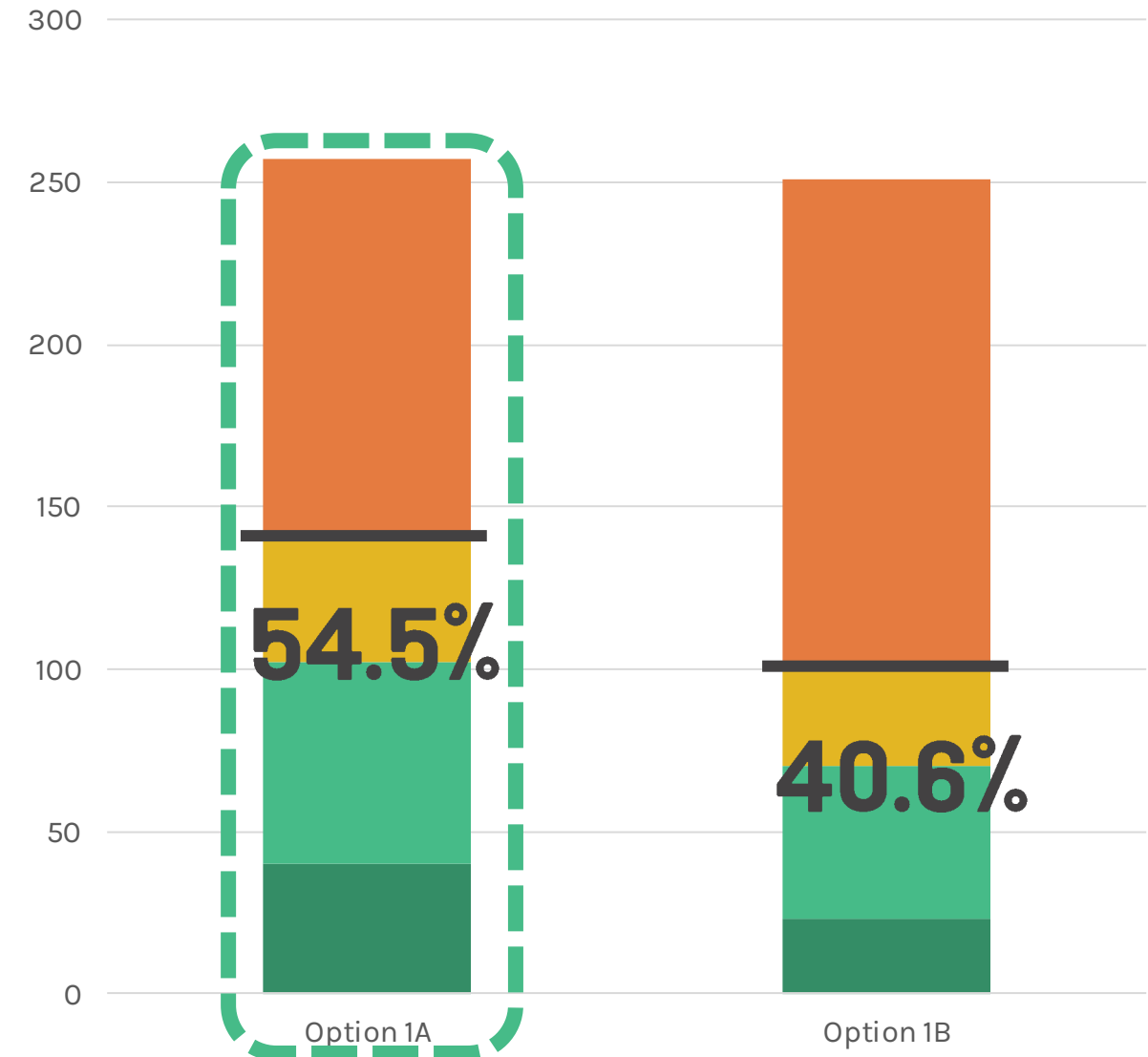
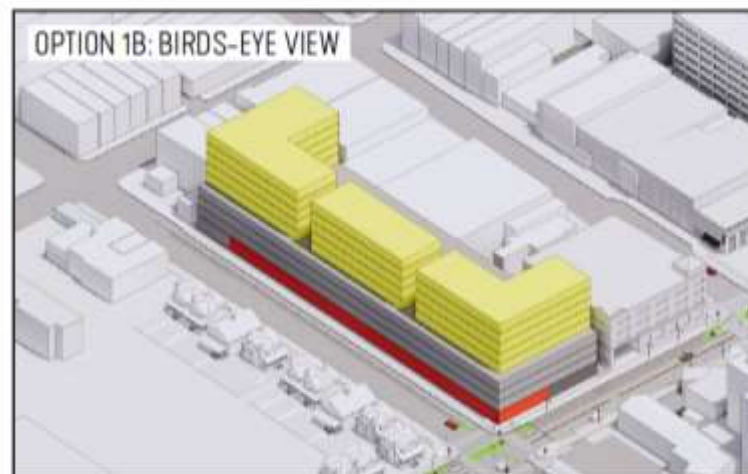
309 S ASHLEY

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

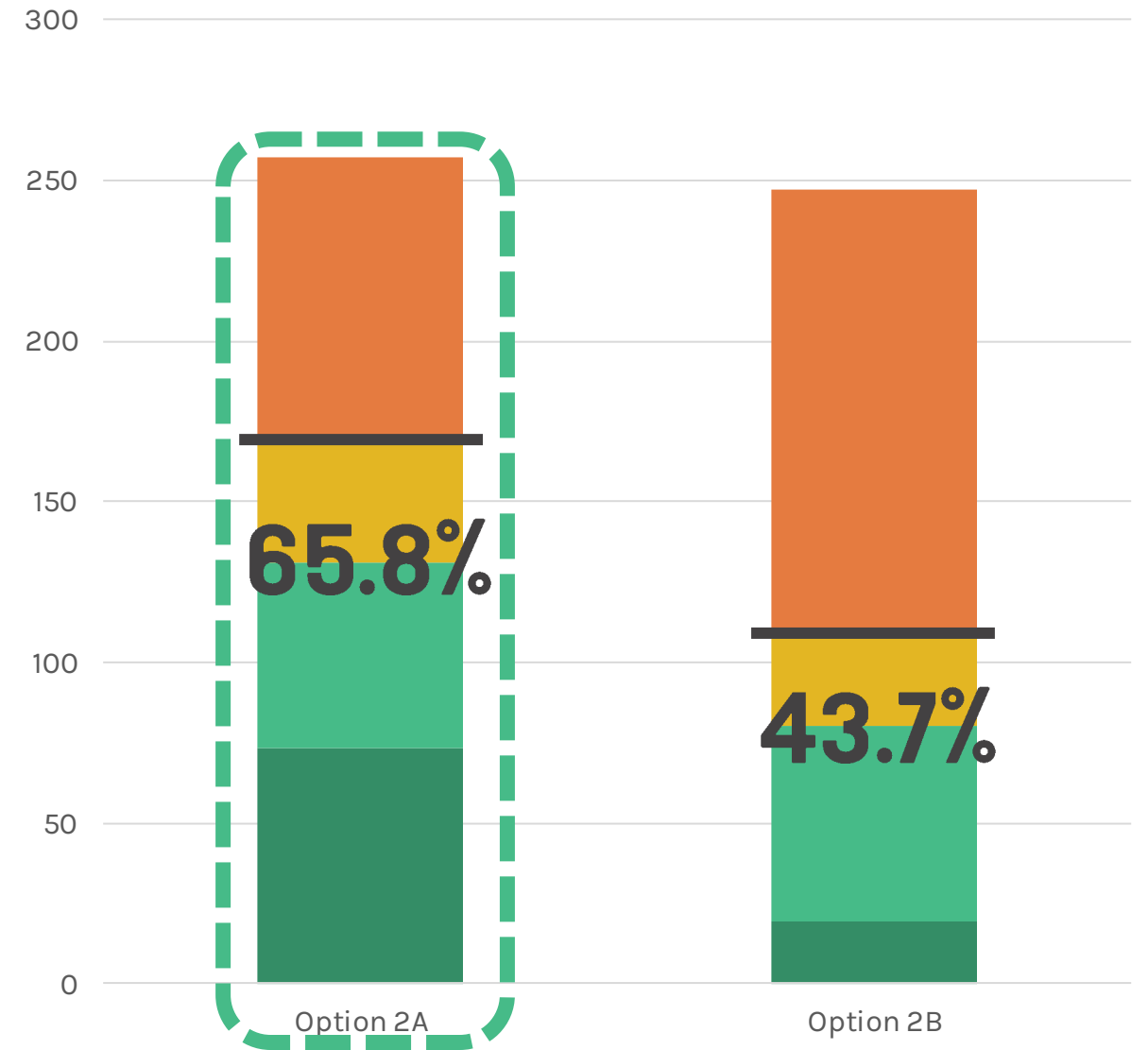
309 S ASHLEY

MASSING OPTIONS: NOT A KEY FUTURE DOWNTOWN PARKING SITE

OPTION 2A: 900% FAR



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



309 S ASHLEY

RECOMMENDED NEXT STEPS

- 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



SMITHGROUP