

## MEMORANDUM

TO: Mayor and Council

FROM: Jayne Miller, Community Services Administrator

DATE: February 21, 2006

SUBJECT: Resolution to Approve Downtown Development Strategies Final Report Implementation Plan

Attached is a resolution requesting approval of the proposed Implementation Plan for the final report of the Downtown Development Strategies Project prepared by Calthorpe Associates. Action steps of the Implementation Plan have been identified by topic area: Urban Design, Office/Industrial/Retail, Housing, Public Space and Mobility. Each action step identifies the approximate timeframe, as well as who will take the lead and who will provide support.

In addition, the resolution is also requesting approval of the identified Implementation Plan priorities. The three priorities are:

- Create special overlay zoning for the downtown that identifies areas of similar character.
- Streamline the development proposal process (process mapping and technology improvements).
- Work with Historic District Commission to clarify criteria for development.
- Pursue a comprehensive parking strategy for Downtown.

The priorities identified are ones that have been consistently identified by the community, staff and Calthorpe Associates as key areas for improvement. Specifically, the creation of special overlay zoning for the downtown is fundamental to begin to reshape development within the downtown. Additionally, the work already underway to streamline the development proposal process needs to continue to allow development to occur in as transparent, efficient, and consistent manner as possible. A great deal of work has been completed over the past 18 months to complete process mapping and institute operational changes, however, technology improvements need to be completed to implement a comprehensive workflow management system. This workflow management system will dramatically improve access to information, efficiency, transparency, and customer service. Finally, the fact that the City has 13 historic districts each with different guidelines creates challenges in understanding and administering the criteria. By creating common criteria, clarity and efficiencies will result while allowing for and encouraging the preservation of valuable historic properties. Another reason for identifying this particular task as a priority is that work is currently underway to hire a Coordinator of the City's Historic Preservation Activities to

coordinate revisions of the Historic Preservation Ordinances to create a uniform code and standards and to develop policies with regard to zoning, land use and re-use of sites within historic districts. As interest in development in Downtown continues to grow and as significant projects continue to be proposed in the Downtown area, parking has become a major issue needing to be addressed. It is important to provide a parking strategy as soon as possible in order to minimize the potential for impacting consideration of current projects. In addition, it is essential that we establish a long-term strategy to address future parking demands in the Downtown.

Additionally, staff is recommending that Council direct staff to provide 6-month status reports to Council regarding the Implementation Plan throughout the completion of this plan. As part of these status reports, staff will be recommending and asking for approval to implement next steps of this plan.

In the attached appendix, there are a number of action steps recommending the use of a consultant as the lead. In these instances it is intended that the consultant will provide the majority of work product with additional support as noted. In other instances where estimated costs are noted and staff is the lead, it is expected that staff would provide the majority of the work with specialized support provided by consultants as needed.

There are reserve funds available in our current contract with Calthorpe Associates. It is intended that the City will continue to work with Calthorpe Associates over the next several months to maintain a consistent and coordinated approach to this matter as we initiate the implementation strategy.

Finally, funds are currently available to complete the Historic District work and a substantial amount of funds are currently available to implement technology improvements. To supplement these existing funds, \$250,000 is in the Administrators FY06-07 budget to provide additional funding for this work. Staff will be requesting City Council approval of the \$250,000 as part of the FY06-07 budget approval process.

Prepared By: Laurie Foondle, Management Assistant  
Reviewed By: Mark Lloyd, Planning and Development Services Manager  
Jayne Miller, Community Services Administrator  
Approved By: Roger W. Fraser, City Administrator  
Attachments: Proposed Resolution

RESOLUTION TO APPROVE  
DOWNTOWN DEVELOPMENT STRATEGIES FINAL REPORT  
IMPLEMENTATION PLAN

Whereas, On October 7, 2003, City Council approved Resolution R-433-10-03, "Resolution Establishing a City Taskforce to Foster New Downtown Residential Development," and directed this task force to spend six months exploring possible barriers to downtown residential development and to provide recommendations for addressing those barriers;

Whereas, On June 7, 2004, the task force, following completion of its work, provided its final report to City Council and, on July 19, 2004, City Council accepted the final report;

Whereas, A joint work session between City Council and the City Planning Commission was held on November 15, 2004 to discuss the recommendations of the task force;

Whereas, In December 2004, City Council passed a resolution directing the Downtown Development Authority, Planning Commission, Environmental Commission and City staff to pursue action items supporting the work of the Downtown Residential Task Force;

Whereas, On February 7, 2005, a resolution was approved by City Council establishing an Ad Hoc Steering Committee to review and make recommendations to Council regarding the selection of a planning consultant to provide strategies to encourage downtown residential and commercial development;

Whereas, In May 2005, based on the recommendation of the Ad Hoc Steering Committee, Council authorized the hiring of Calthorpe Associates to provide land planning, urban design and implementation strategies for the downtown development strategies project;

Whereas, On December 5, 2005, Council accepted the Downtown Development Strategies Final Report, which included direction to City staff to identify a strategy to implement the recommendations contained in the final report;

Whereas, Staff will be recommending in the FY06-07 General Fund budget that \$250,000 be allocated for the Downtown Development Strategies Implementation Plan; and

Whereas, Staff will be requesting additional financial resources from the Downtown Development Authority and the University of Michigan to assist in the Downtown Development Strategies Implementation Plan;

RESOLVED, That City Council adopts the elements of the Downtown Development Strategies Final Report Implementation Plan, as specified in Appendix A;

RESOLVED, That City Council direct staff to begin work on the following prioritized elements of the Implementation Plan:

- Create special overlay zoning for the downtown that identifies areas of similar character
- Streamline the development proposal process (process mapping and technology improvements)
- Work with Historic District Commission to clarify criteria for development
- Pursue a comprehensive parking strategy for Downtown; and

RESOLVED, That City Council direct staff to provide six-month status reports to City Council throughout the completion of this Implementation Plan.

Submitted by: Community Services

Date: February 21, 2006

## APPENDIX A IMPLEMENTATION PLAN

### **Urban Design**

*Create special overlay zoning for the downtown that identifies areas of similar character.*

Lead: Consultant  
Support: Planning and Development Services  
Estimated Cost: \$75,000 - \$150,000  
Timing: 1 to 2 years

*Establish incentives for community amenities.*

Lead: Planning and Development Services  
Support: Downtown Development Authority  
Estimated Cost: N/A  
Timing: 1 to 2 years

*Administer development fees for affordable housing and open space on all new developments and adjust fees appropriately.*

Lead: Community Development, Parks and Recreation  
Support: Planning and Development Services  
Estimated Cost: N/A  
Timing: Ongoing

*Set consistent meetings between City and University planners to coordinate development timing.*

Lead: Planning and Development Services  
Support: Downtown Development Authority, Systems Planning,  
University of Michigan  
Estimated Cost: N/A  
Timing: Ongoing

*Streamline the development proposal process (process mapping and technology improvements).*

Lead: Planning and Development Services  
Support: ITSD  
Estimated Cost: \$800,000  
Timing: 1 to 2 years

*Rewrite Zoning Ordinance to incorporate special overlay zone, incentives, design guidelines, fee schedule and development review process.*

Lead: Consultant  
Support: Planning and Development Services  
Estimated Cost: \$150,000  
Timing: 2 to 5 years

*Update Downtown Master Plan (comprehensive).*

Lead: Consultant  
Support: Downtown Development Authority, Planning & Development Services, Systems Planning  
Estimated Cost: \$250,000  
Timing: 2 to 5 years

*Incorporate a set of essential design guidelines.*

Lead: Planning and Development Services  
Estimated Cost: \$75,000  
Timing: 1 to 2 years

*Prepare a downtown streetscape improvement program that integrates capital improvement projects.*

Lead: Downtown Development Authority  
Support: Planning and Development Services, Systems Planning  
Estimated Cost: \$75,000 - \$125,000  
Timing: 1 to 2 years

*Update the adaptive reuse ordinance to reduce the time necessary to obtain a building permit.*

Lead: Planning and Development Services  
Estimated Cost: N/A  
Timing: 1 to 2 years

*Work with Historic District Commission to clarify criteria for development.*

Lead: Planning and Development Services  
Estimated Cost: \$50,000  
Timing: 1 to 2 years

*Institute a process to work with owners/developers to implement streetscape/building façade improvements.*

Lead: Downtown Development Authority  
Support: Chamber of Commerce  
Planning and Development Services  
Estimated Cost: N/A  
Timing: 1 to 2 years

**Office/Industrial/Retail**

*Enhance the competitive advantages of downtown retailers.*

Lead: Downtown Development Authority  
Support: SPARK, Smart Zone  
Estimated Cost: N/A  
Timing: Ongoing

*Increase capacity of existing businesses in the downtown to ensure that businesses can remain viable and take advantage of opportunities for future growth.*

Lead: Downtown Development Authority  
Support: SPARK, Smart Zone  
Estimated Cost: N/A  
Timing: 1 to 2 years

*Attract a variety of new businesses to downtown Ann Arbor.*

Lead: Downtown Development Authority  
Support: SPARK, Smart Zone  
Estimated Cost: N/A  
Timing: Ongoing

### **Housing**

*Encourage a diversity of new housing opportunities in downtown.*

Lead: Downtown Development Authority  
Support: Community Development, Planning and Development Services, University of Michigan, Ann Arbor Public Schools, SPARK  
Estimated Cost: \$100,000  
Timing: 2 to 5 years

*Pursue an affordable housing policy that aims to match income distribution in downtown to Ann Arbor as a whole.*

Lead: Community Development  
Support: Downtown Development Authority, Planning and Development Services, University of Michigan  
Estimated Cost: \$100,000  
Timing: 2-5 years

*Create series of economic and other incentives aimed at encouraging new development in the downtown.*

Lead: Downtown Development Authority  
Support: SPARK, Smart Zone  
Estimated Cost: \$75,000  
Timing: 1 to 5 years

### **Public Space**

*Development storm water retention and detention strategy for downtown.*

Lead: Systems Planning  
Support: Downtown Development Authority, Planning & Development Services  
Estimated Cost: N/A  
Timing: 1 to 2 years

*Encourage the creation of new public spaces within the downtown and rehabilitation of existing spaces.*

Lead: Parks and Recreation  
Support: Downtown Development Authority, Planning & Development Services  
Estimated Cost: N/A  
Timing: 1 to 5 years

*Reconsider the parkland-per-capita calculation for downtown.*

Lead: Parks and Recreation  
Support: Downtown Development Authority, Planning & Development Services  
Estimated Cost: N/A  
Timing: 1 to 2 years

*Encourage sensitive edge development along new open space acquisitions and developments.*

Lead: Planning and Development Services  
Support: Downtown Development Authority, Parks and Recreation  
Estimated Cost: \$125,000  
Timing: 2 to 5 years

### **Mobility**

*Improve transit service within the downtown connecting existing and regional transit facilities.*

Lead: Systems Planning  
Support: AATA, Downtown Development Authority, Planning and Development Services, University of Michigan  
Estimated Cost: \$250,000  
Timing: 2 to 5 years

*Continue to implement current program to provide bicycle racks and other amenities.*

Lead: Downtown Development Authority  
Support: Planning and Development Services, Systems Planning  
Estimated Cost: N/A  
Timing: Ongoing

*Pursue a comprehensive parking strategy for Downtown.*

Lead: Downtown Development Authority  
Support: Planning and Development Services, Systems Planning  
Estimated Cost: N/A  
Timing: 1 to 2 years