

Ann Arbor Comprehensive Plan

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Steering Committee Meeting
3.20.2024

AGENDA:

1. Update on engagement: survey and public events
2. Housing
3. Retail
4. Next Steps: additional public events

Team Introduction

Interface Studio - Team Lead, Planning & Urban Design, Engagement, Project Management



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Smith Group - Sustainability, Planning, and Engagement



Oliver Kiley



Kathleen Duffy



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Ninigret - Econ. Development & Housing



Kevin Hively

&Access - Retail & Entrepreneurial Ecosystem



Bobby Boone



Solomon McKenzie

Project Schedule

GETTING STARTED

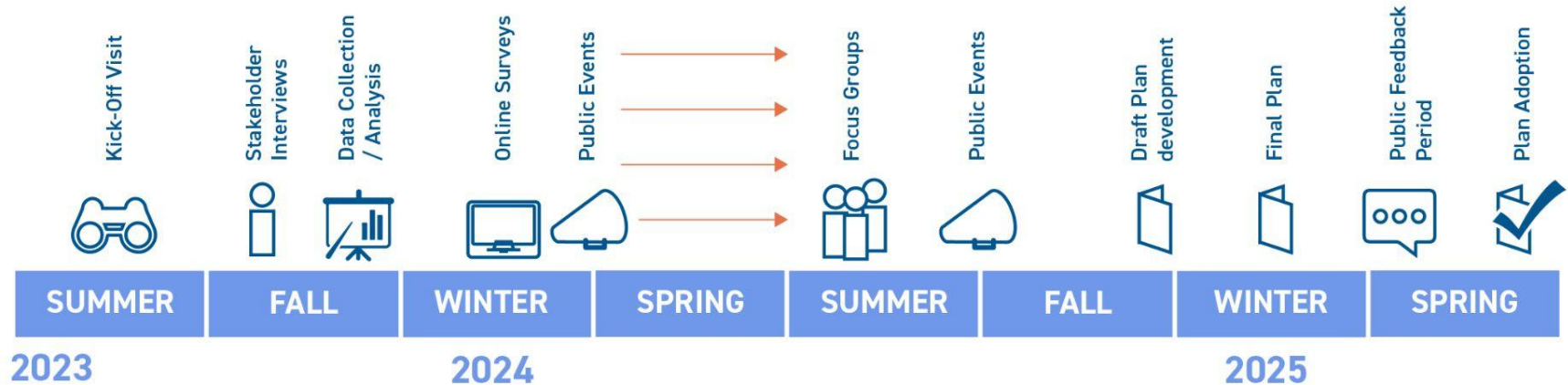
INVENTORY / OUTREACH

VISION / STRATEGIES

PLAN DEVELOPMENT

ADOPTION

We are here



UPDATE ON ENGAGEMENT

Downtown Public Workshop



By the Numbers:

4 events

Over 300 attendees

27 stakeholders in small group meetings

als in the Downtown

Key Takeaways

ave returned
levels

2

Since 2019, downtown shopping districts have seen a significant increase in visits, varying by season and day of the week



Increased beyond Pre-
pandemic levels for "Visitors" to the



actor in Employee visits post-
but an increase in Resident visits
within residential population

4

Walking, biking, and riding transit to get to work is a significant activity and well-above national trends

Streets show
red to their







Do you have ideas for WHERE you would like to see more of the following?

Icons

Place a sticker and place them on the map where you think they should go.

- Housing
- Retail & Shopping
- Recreation
- Events & Gatherings
- Jobs
- Entertainment



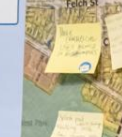
Are there other improvements you'd like to see in Downtown?

Place a sticker on the map.



A2 Downtown Area
C2 City Center
Zoning Category

- Residential
- Commercial
- Industrial
- Public Use



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A2 Downtown Area
C2 City Center
Zoning Category

- Residential
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- Industrial
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How do you envision building and development changing in the Downtown area?

Existing Zoning

D1 Downtown Core

D2 Downtown Core

D3 Downtown Core

D4 Downtown Core

D5 Downtown Core

D6 Downtown Core

D7 Downtown Core

D8 Downtown Core



Define Values in the context of Downtown:



Values

| How do you define Affordability, Equity, and Sustainability in the context of downtown?

INSTRUCTIONS Grab three sticky notes and write your definitions! Place each sticky in the corresponding column.



Affordability

Housing at many
different price
points

Investment in
local/small
businesses

Accessibility and
mobility



Equity

Downtown should
be for everyone

Public spaces for
all kinds of people



Sustainability

Better transit to
support
sustainability

Density to access
amenities and
reduce emissions

Open space
preservation



Vision for a future Downtown:

Desire for a downtown that has a mix of everything (jobs, housing, recreation, entertainment, and goods and services)

Need to encourage more residential development and options (housing types) to make this mix a reality

Some participants noted the importance of bringing new businesses downtown, especially if focused on everyday goods and services for residents and less on office workers



Vision for Downtown in 2050 | A Future Land Use Framework



In **2050**

what should the primary role of downtown be for Ann Arbor?

Downtown Ann Arbor has many different roles and different users. Downtown can and should be a place for all - students, workers, families, empty nesters, visitors and more.

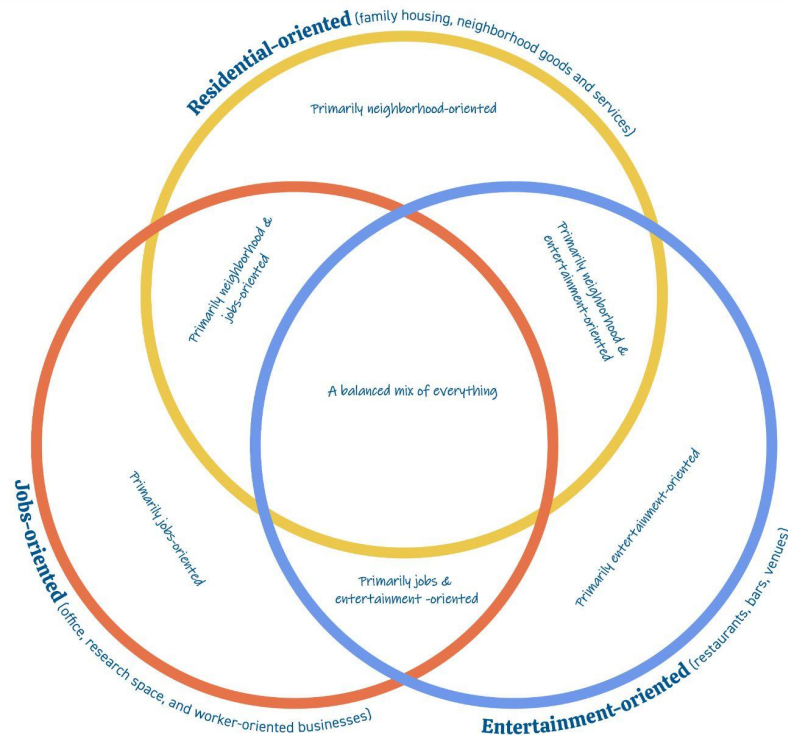
Defining the primary role of downtown compared to other existing and future commercial centers in the city will help determine what land uses and densities to focus on.



INSTRUCTIONS

First, think about what downtown should primarily be in 2050 by placing your sticker in the circle(s).

Then use a comment card to tell us how downtown could better serve different users.



20 minute neighborhood:

Preference for grocery stores and parks within a 10-minute walk

10-20-minute trip for entertainment, restaurants and bars, and services, either by walking, biking, or taking transit.

Many expressed the importance of having an alternative to walking or biking to access medical services – especially for seniors

Key themes: Creating a pleasant and accessible pedestrian experience, more street trees/greening, more balanced mix in retail and dining options (family-friendly sit-down restaurants, corner stores, etc).



What does a 20-minute neighborhood mean to you?



Being able to access key destinations easily within 20 minutes has a huge impact on quality of life, and also has an impact on affordability, equity and sustainability.

Today many Ann Arborites live within a 20-minute walk of most of their daily needs (like shopping, groceries, parks and schools). However people of color are more likely to live in neighborhoods with more limited access.

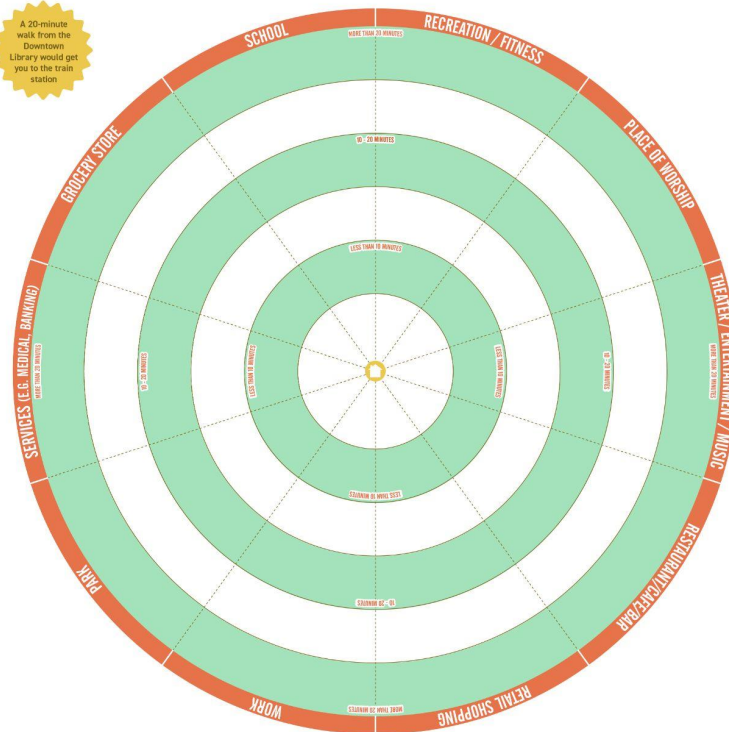
Bringing all residents and destinations closer together in 20-minute neighborhoods creates better access to goods and opportunities, lowers transportation costs, and reduces carbon emissions and air pollution.



INSTRUCTIONS

Imagine it's 2050 and the city has changed in exactly the ways you hope for. In your ideal scenario, how would get to destinations in the city and how long would it take?

Use a **RED** sticker for walking (including with a mobility device) and a **BLUE** sticker for biking (or scootering).



Vision for a future Downtown – Madlib

Ann Arbor is evolving
and we need your input to help shape the future of our city!



Turn the postcard to see the activity

A Vision for Downtown | Please help us complete the statements below:

I _____ in downtown Ann Arbor.

(live / work / study / visit / etc.)

Downtown would be better for _____

(type of user: families, workers, empty-nesters, etc.)

if it had _____

(type of amenity or activity)

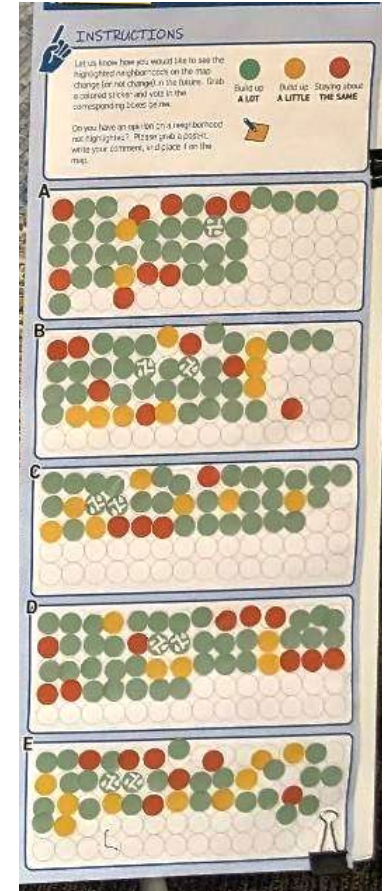
Downtown could be improved by _____

(physical improvement or amenity)

Downtown Development:

Over 75% of responses in favor of building up a lot (or a little) in downtown adjacent areas (majority said *build up a lot*)

People recognize the cost of housing is an issue and Downtown is a good place to address it.



Major Takeaways

1. Housing was the number one topic of conversation
2. People want Downtown to be for everyone
3. People would like to increase the mix of businesses in the Downtown district
4. People want Downtown to grow (physically), particularly to the south

Questions/Comments:

For those who attended the workshop, can you please share your thoughts/experience ?

How should we adjust/improve on the Downtown Workshop as we head into additional neighborhoods?

Online Engagement Ongoing

Online Survey Key Points

As of 3/19/24

Total responses: 2,735

- 83% live in A2, 67% work in A2, 6% college students
- 65% own their home
- 61% don't have children living in their house
- 25% of respondents interested in adding ADU or learning more
- 40% said too little housing being built, 35% say development is happening in the wrong places
- 60% said they want (or already have) a mix of uses in their neighborhood
- 55% of people that don't live in A2 said they would like to if they could find something that met their needs (cost is biggest factor)

Online Survey Key Points

As of 3/19/24

Total responses: 2,735

Underrepresented groups* responding based on the survey so far:

- College students
- Renters
- Newer residents
- Lower income residents
- Non-white

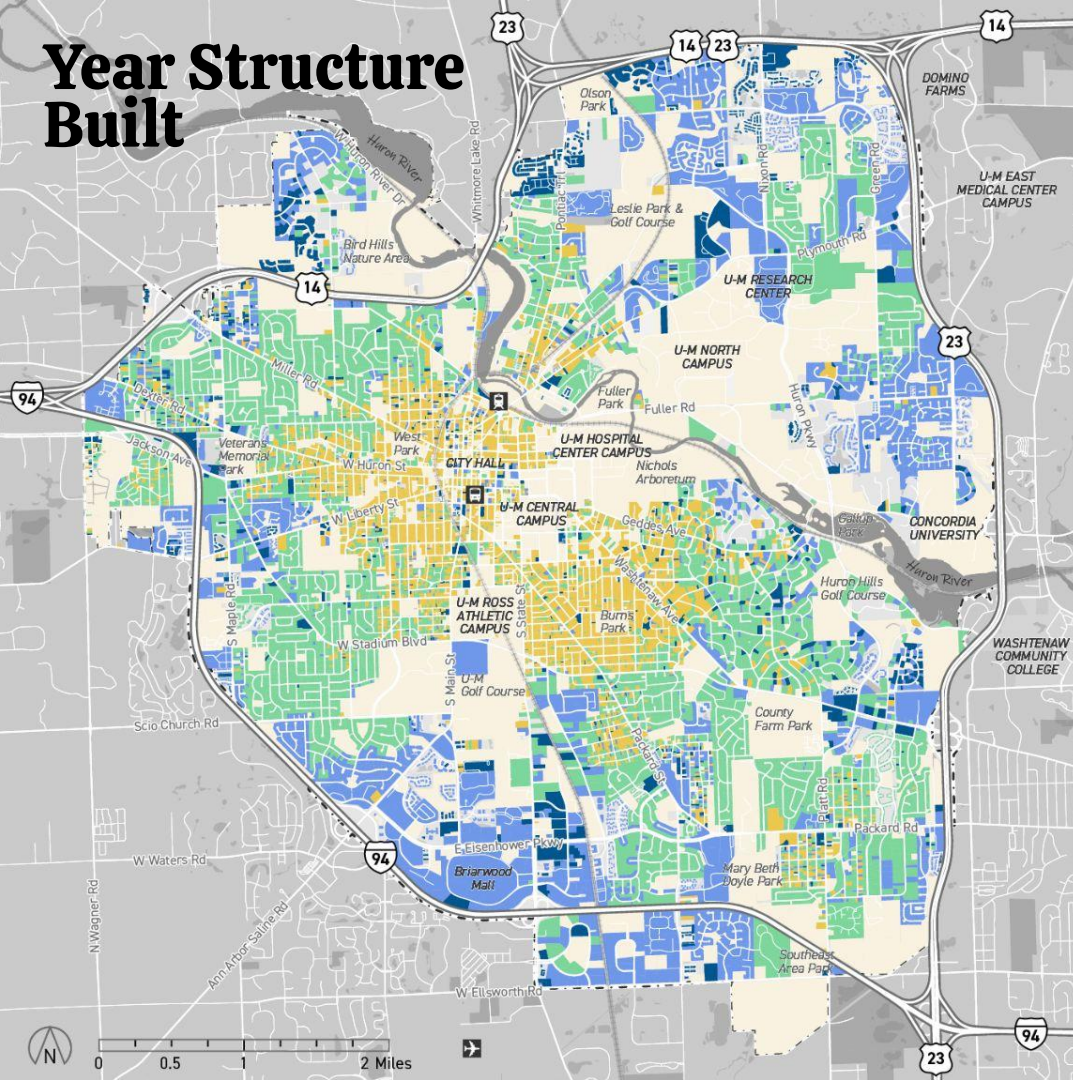
*When compared to the Census percentages

Question:

Do you have ideas on reaching a broader demographic through the survey?

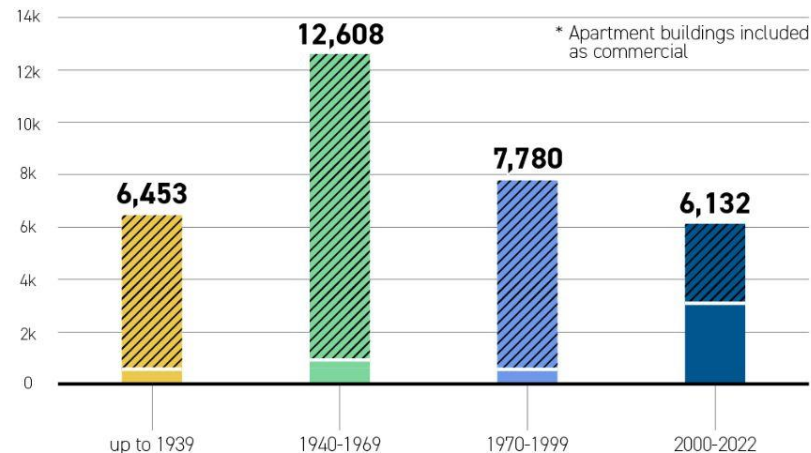
HOUSING

Year Structure Built



Housing is shifting from single family housing to large apartment building construction

Year Structure Built by Use (According to Assessor data)

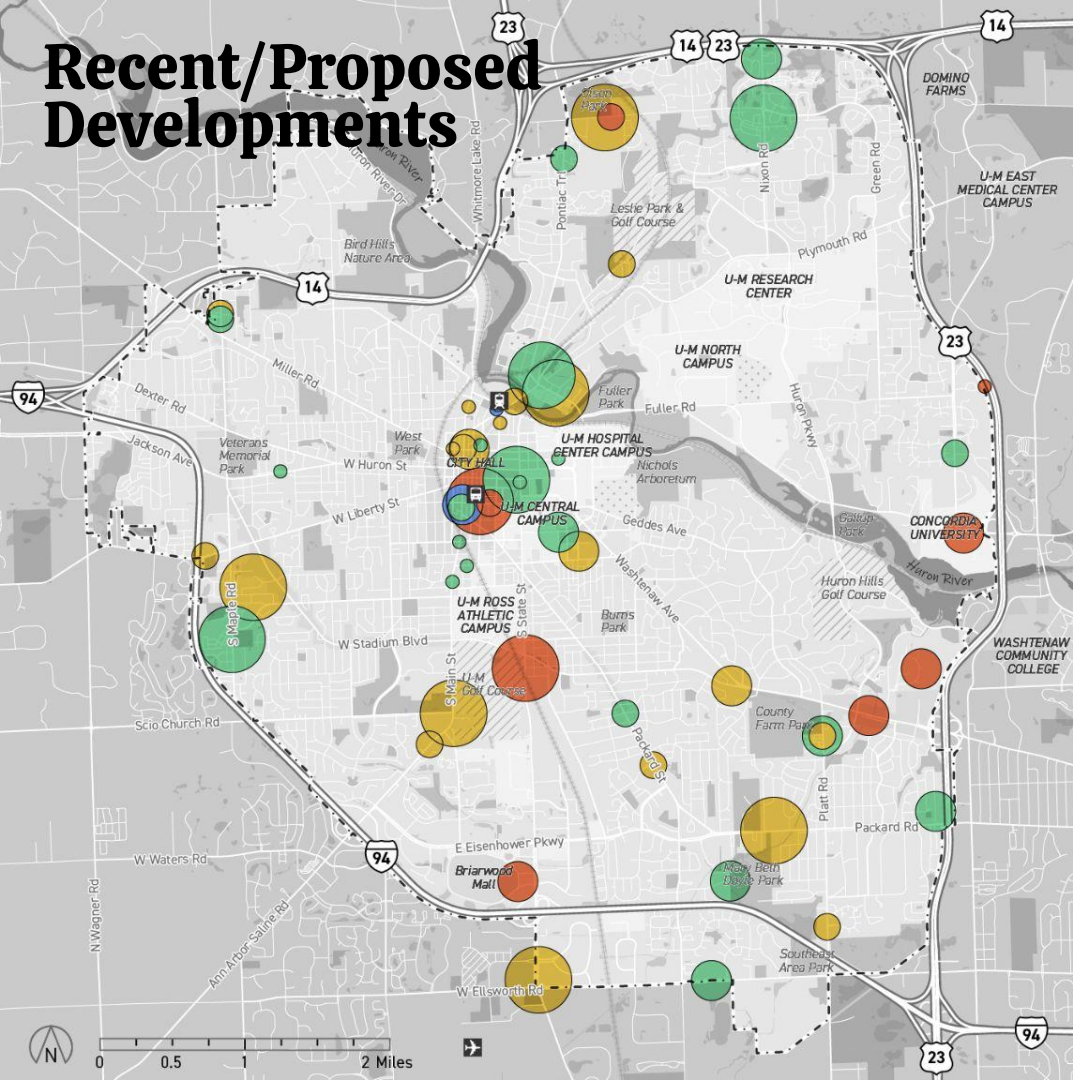


Legend

- N/A
- Up to 1939
- 1940-1969
- 1970-1999
- 2000-2022

▨ Residential ■ Commercial

Recent/Proposed Developments

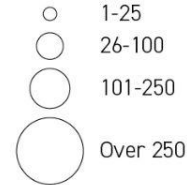


This is what the existing housing pipeline looks like

Total housing units: **7,670**
(minus units at 107 Valhalla, pending confirmation)

65% of the pipeline is not under construction.

**Dots Scaled by
Number of Residential Units**



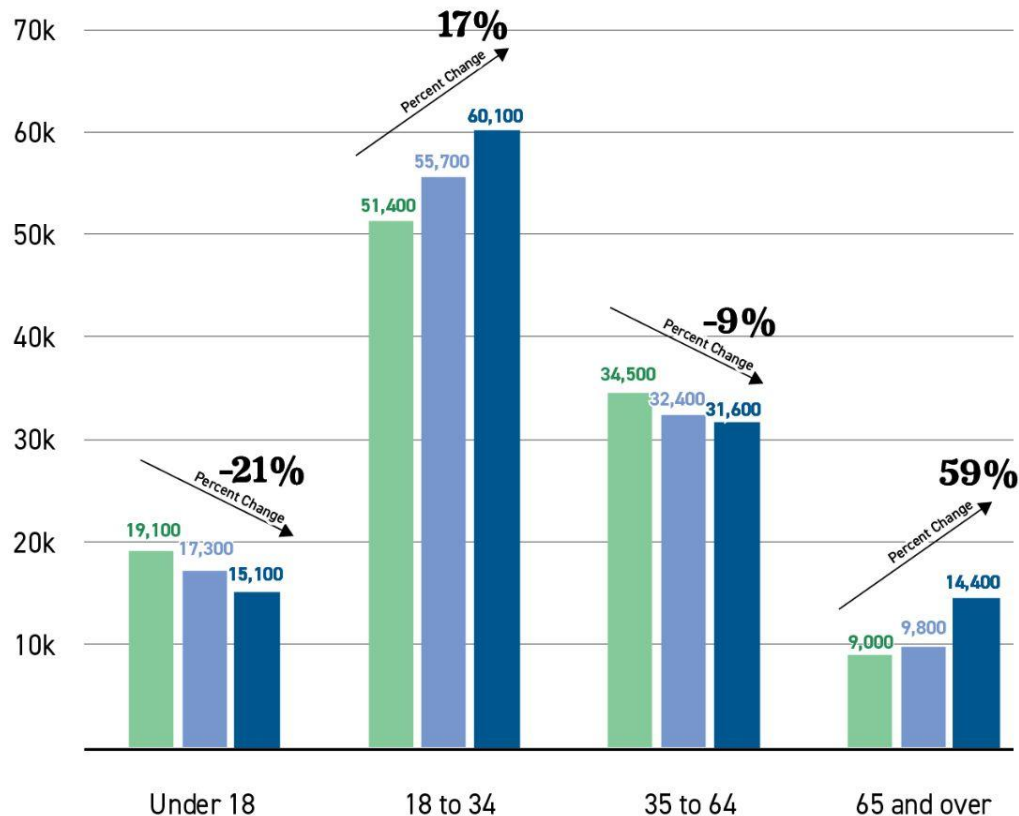
Submitted: 1,474
Approved: 3,542
Under Construction: 2,424
Completed: 230

Affordable housing units: 496

Legend

- Submitted
- Approved / Not Under Construction
- Approved / Under Construction
- Completed

Population Growth By Age Group (2000-2020)



What is being built is typically only serving a few markets - options for families are missing

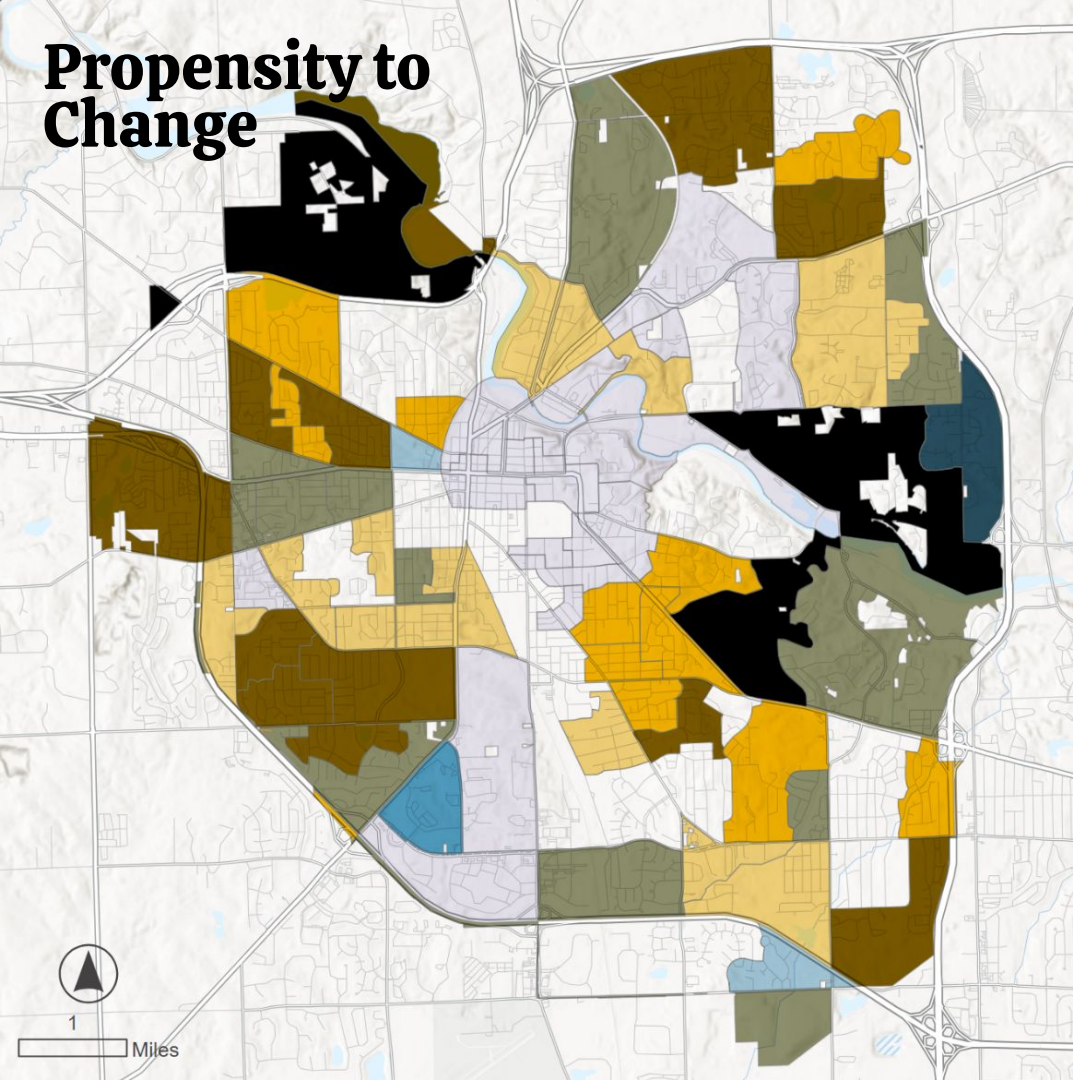
Families have declined as a share of the population and are a smaller share of the city's households compared with the region

Ann Arbor family households
43% share of total

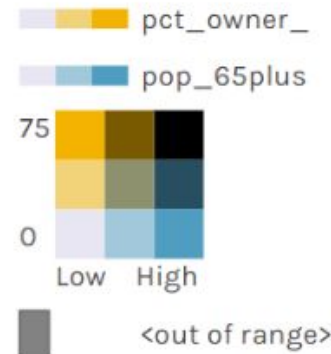
Ann Arbor Metro family households
56% share of total



Propensity to Change



Over the next 10-15 years several areas of Ann Arbor could see substantial household change - and it raises the question - how do we help these older households to age in Ann Arbor?



Defined as having owner occupancy above 30% and larger populations of older adults (65+).

Ann Arbor is unaffordable – but for whom?

Ann Arbor is more housing cost burdened than the region but most of those cost-burdened households are between 15 and 24 years

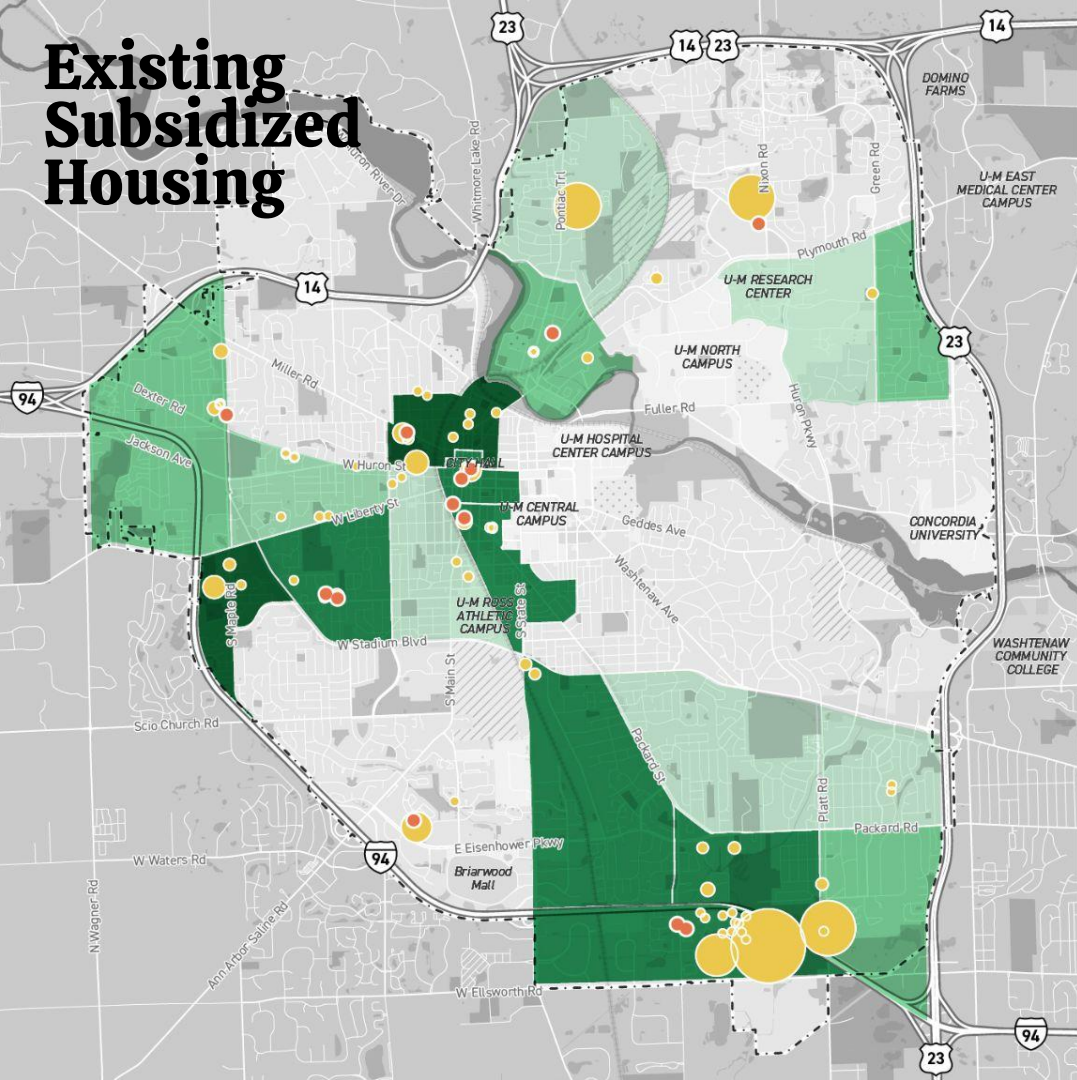
ALL HOUSEHOLDS

	A2 City	Ann Arbor Metro	Detroit Metro
Over 30% of Household Income on Housing	38%	31%	28%
Householder 15 to 24 yrs:	41%	24%	4%
Householder 25 to 34 yrs:	22%	20%	16%
Householder 35 to 64 yrs:	24%	35%	48%
Householder 65 yrs +:	12%	21%	31%

RENTERS

	A2 City	Ann Arbor Metro	Detroit Metro
Over 30% of Household Income on Housing	53%	50%	46%
Householder 15 to 24 yrs:	51%	36%	8%
Householder 25 to 34 yrs:	26%	27%	22%
Householder 35 to 64 yrs:	17%	26%	46%
Householder 65 years +:	6%	11%	24%

Existing Subsidized Housing



How can we create more affordable housing in Ann Arbor?

Legend

Ann Arbor Housing Commission (scaled by number of units)

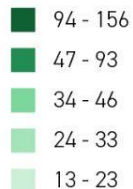


Type	Units	Structures
AHC	3,460	75
LIHTC	1,194	15
HCV	1,093	n/a

Low Income Housing Tax Credits (LIHTC)



Housing Choice Vouchers (number of units)



How can we create more affordable housing?

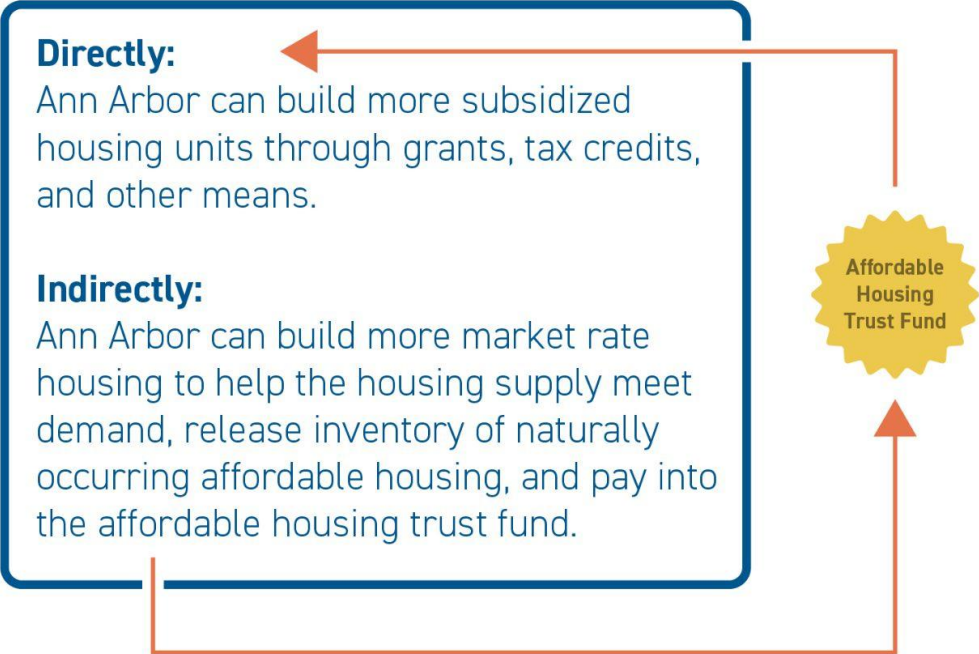
Directly:

Ann Arbor can build more subsidized housing units through grants, tax credits, and other means.

Indirectly:

Ann Arbor can build more market rate housing to help the housing supply meet demand, release inventory of naturally occurring affordable housing, and pay into the affordable housing trust fund.

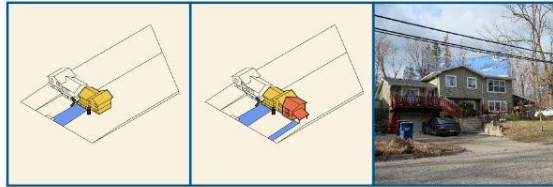
Affordable
Housing
Trust Fund



How Ann Arbor is already adding density

Attached ADU

Increase in units: +1



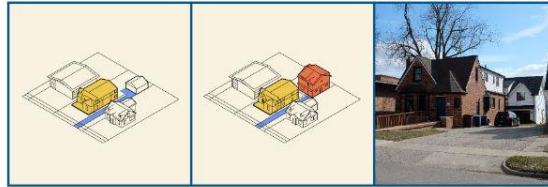
Previous:
1 Single Family Home

Existing:
1 Single Family Home + 1 ADU

Address:
1643 Traver Road

Detached ADU in Rear

Increase in units: +1



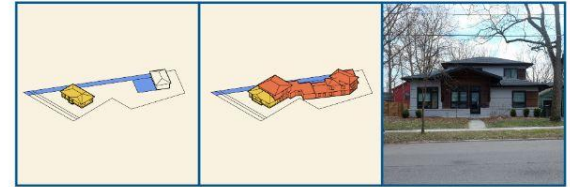
Previous:
1 Single Family Home

Existing:
1 Single Family Home + 1 ADU*

Address:
309 Potter Avenue

Attached New Home in Rear

Increase in units: +1



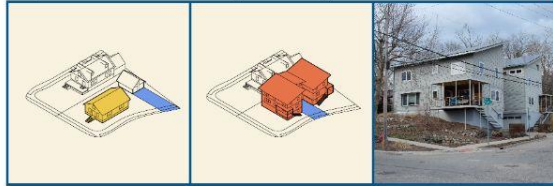
Previous:
1 Single Family Home

Existing:
2 Single Family Homes

Address:
613 & 615 Felch Street

Duplex on a Former Single Family Lot

Increase in units: +1



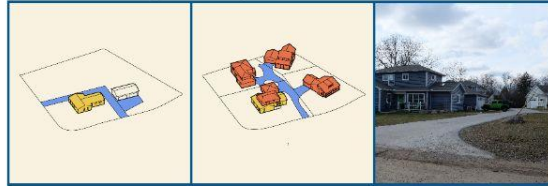
Previous:
1 Single Family Home

Existing:
1 Duplex

Address:
801 & 803 Wildt Street

Subdivided Single Family Lot

Increase in units: +3



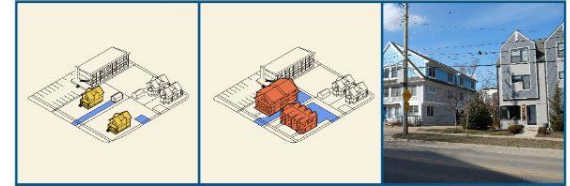
Previous:
1 Single Family Home

Existing:
4 Single Family Homes

Address:
609-15 Ironwood Drive

Triplex & Quadplex

Increase in units: +5



Previous:
2 Single Family Homes

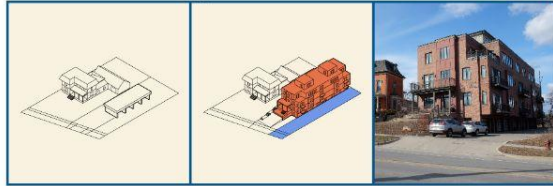
Existing:
1 Triplex & 1 Quadplex

Address:
133, 139-45 Hill Street

How Ann Arbor is already adding density

Small Condo Building

Increase in units: **+7**



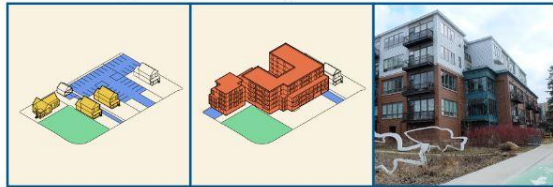
Previous:
Former Car Wash

Existing:
7 Condo Units

Address:
318 W Liberty Street

Small & Large Condo Buildings

Increase in units: **+24**



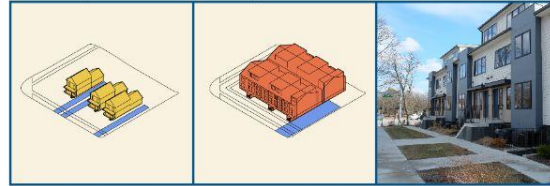
Previous:
3 Single Family Homes

Existing:
3 unit condo building
24 unit condo building

Address:
211-15 W Kingsley Street &
410 N 1st Street

Small Apartment Building

Increase in units: **+9**



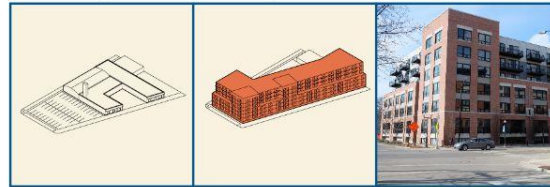
Previous:
3 Single Family Homes

Existing:
12 Apartments (63 beds)

Address:
830 Henry Street

Midrise Apartment Building

Increase in units: **+164**



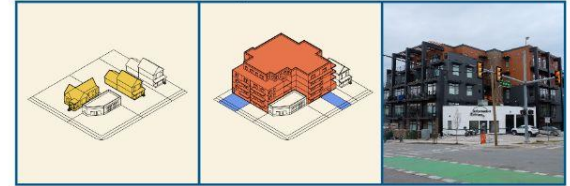
Previous:
2 Commercial Buildings & Parking

Existing:
164 Apartments

Address:
615 S Main Street

Medium Condo Building

Increase in units: **+15**



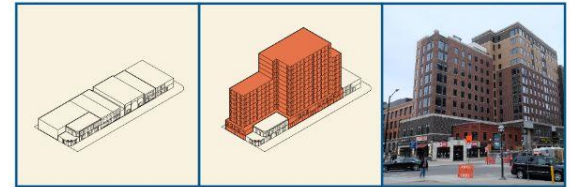
Previous:
2 Single Family Homes

Existing:
17 Condo Units

Address:
309 N Ashley Street

Highrise Student Apartments

Increase in units: **+55 (243 beds)**

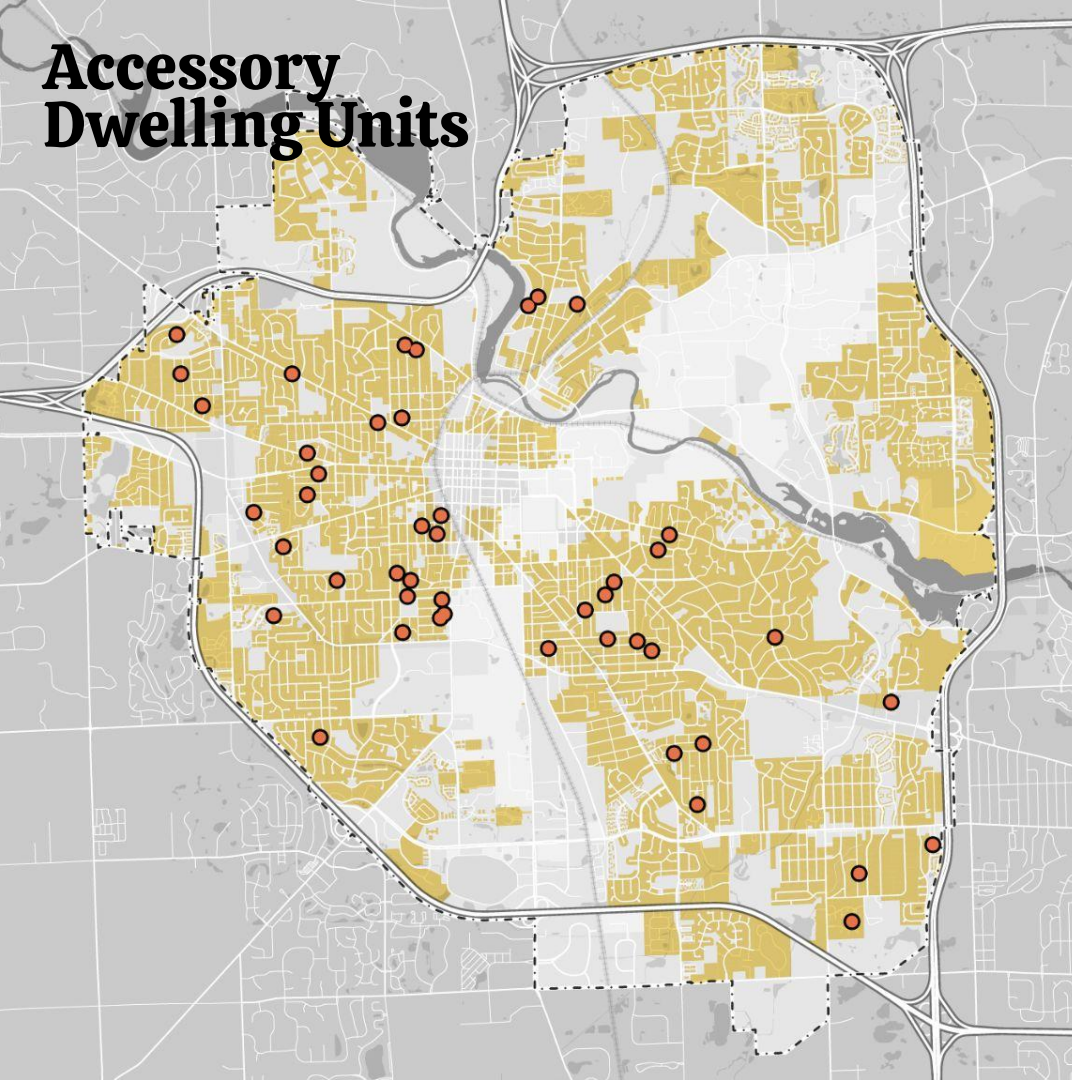


Previous:
3 Commercial Buildings

Existing:
55 Apartments (243 beds)

Address:
1107 S University Avenue

Accessory Dwelling Units



Other measures to provide new housing

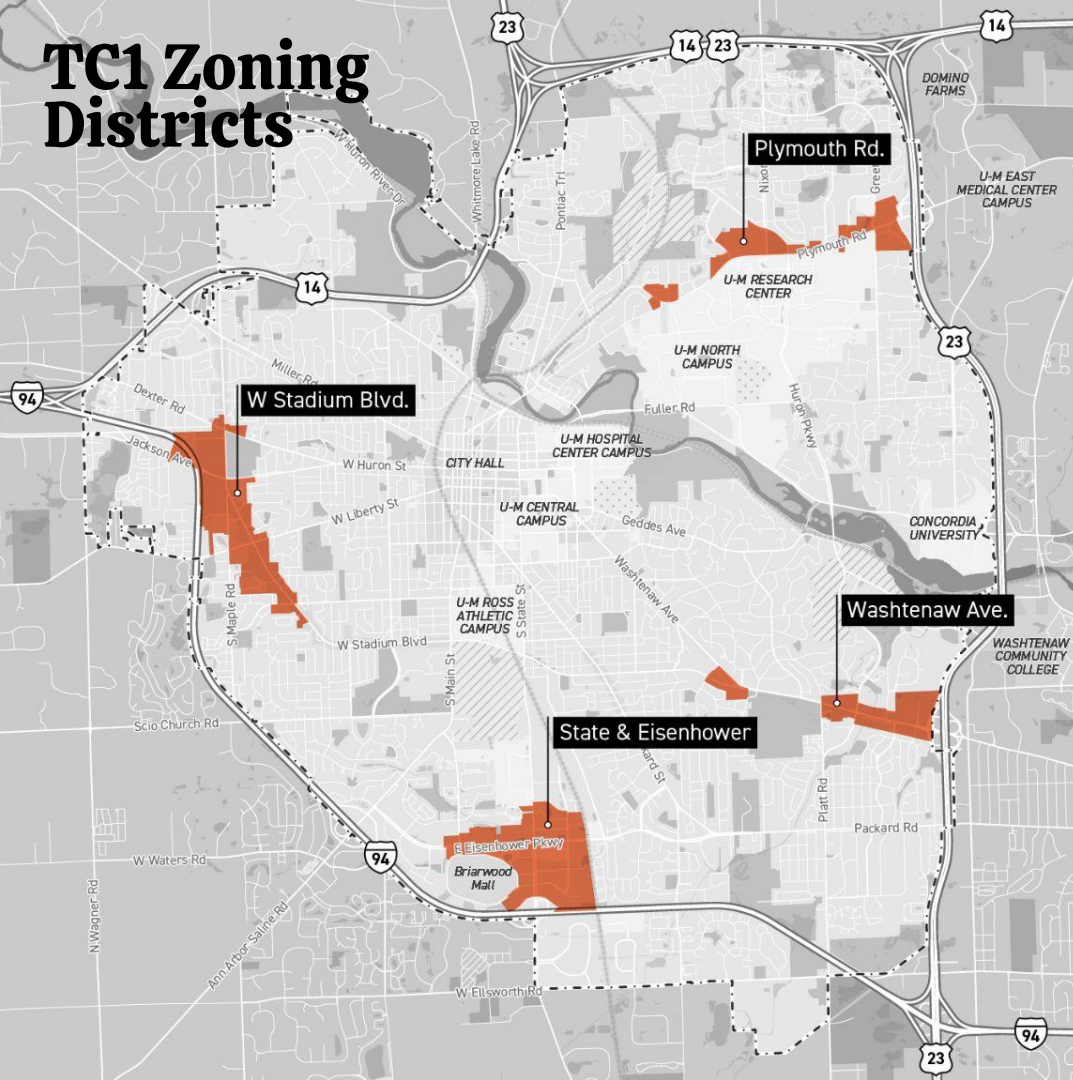
Ann Arbor's ADU legislation was first passed in 2016, and updated in 2021. Since the initial legislation there have been **46 ADU's** created.

There are approximately 30,000 properties within the city that have the proper zoning designation to build an ADU. If only **5%** of eligible property owners created an ADU, that would result in **1,500** new units in the city.

Legend

- Existing ADU's
- Parcels with appropriate zoning designation

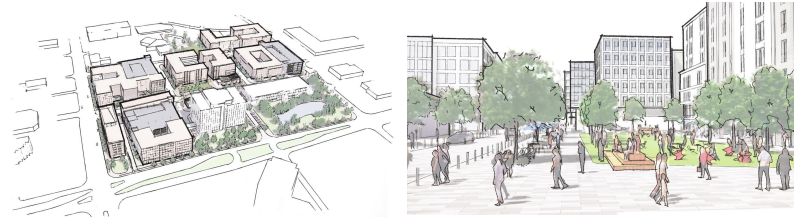
TC1 Zoning Districts



Other measures to provide new housing

Arbor South Proposal

- 1,000 residential units
- 76,000 sf of ground-floor commercial space
- Three parking garages
- Hotel
- Multiple public spaces

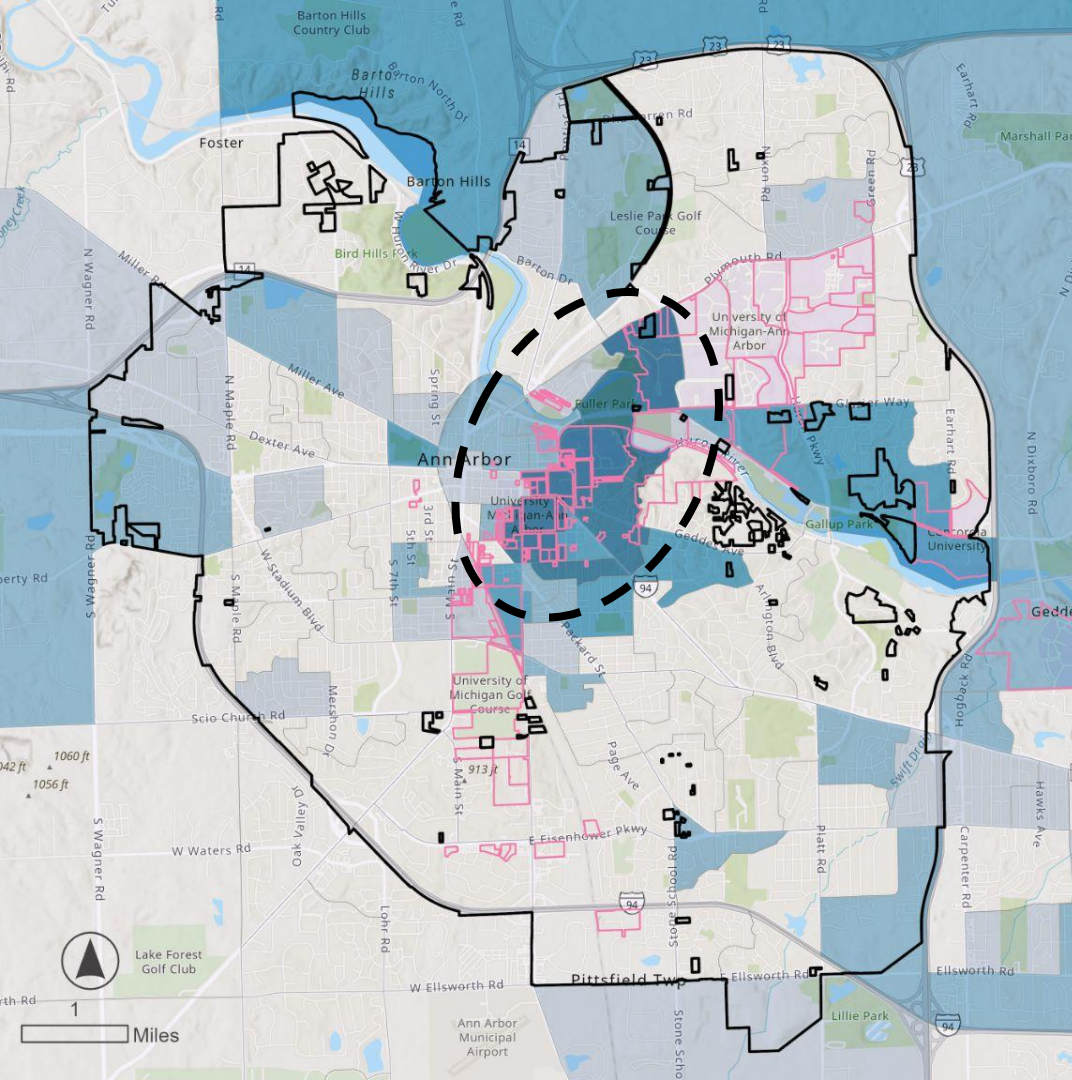


Legend

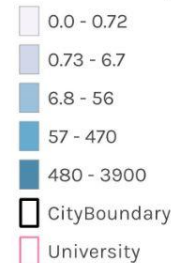
■ Transit Corridor Zoning (TC1)

Housing around the university has more people than zoning would imply because it's in the "student influence zone"

What if we acknowledged through the code what is actually happening on the ground?



Non Institutionalized Group Population



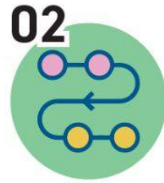
Why is housing so expensive to build?

The components of new housing construction



LAND

Example:
Cost per acre
translated to cost per
unit



SOFT COSTS & REGULATIONS

Example:
Permitting & design,
length of process &
amount of changes,
developer fees



CONSTRUCTION

Example:
Land prep,
infrastructure,
materials,
labor



COST OF CAPITAL

Example:
Loan costs,
Equity costs,
Subsidies



PROFIT

Example:
Return
requirements,
Risk / Effort

Comprehensive approach to housing policy can address parts of these components

Pause for questions

RETAIL

Ann Arbor's retail serves the region.

Visitors and residents originating outside of Ann Arbor contributes the the viability of retail space. Changes in market conditions and new developments outside of the city can easily disrupt this balance.

Residential Demand	Total
Est. Current Retail Sq.Ft.	8.2 mil
Total Calculated Residential Demand	2.35 mil
Net - Surplus of Retail Space	(5.85 mil)

Briarwood Mall
983k square feet

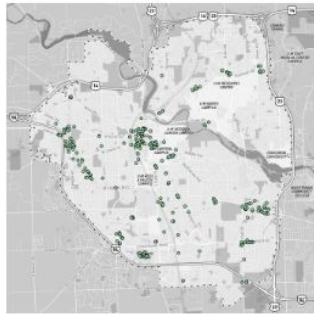


In Ann Arbor, retail is clustered along corridors and in shopping centers and districts.

Places like Briarwood Mall and restaurants cater to the region, but some neighborhoods are missing locally serving establishments.

NG&S

Neighborhood Goods & Services



Types of businesses

- grocery stores
- drugstores
- florists
- bakeries
- specialty food stores
- dry cleaner/laundromats
- hair and nail salons
- printers
- pet salons
- machine repair shop
- and similar uses

This category includes establishments that heavily depend on the patronage of residents.

373
Businesses

F&B

Food & Beverage



Types of businesses

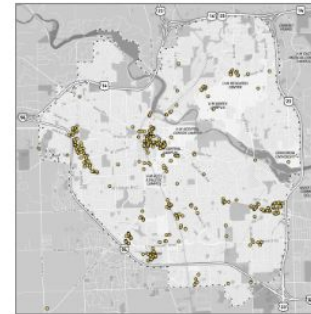
- sit-down restaurants
- cafes
- bars
- coffee shops
- sandwich shops
- ice cream shops
- "quick-bite" establishments
- fast-food restaurants
- and similar uses

This category includes establishments that serve food and/or alcohol consumed on-premises, serving a range of customers and trip purposes.

646
Businesses

GAFO

General Merchandise, Apparel, Furniture & Other



Types of businesses

- clothing stores
- furniture stores
- bookstores
- jewelry stores
- gift boutiques
- pet stores
- sporting goods stores
- home goods stores
- craft stores
- antique shops
- electronics stores
- auto parts stores
- similar uses.

Customers are often comparison shoppers in this category, seeking best quality, price, or overall value to meet their need.

493
Businesses

Retail is supported a range of customers with different needs.



Retail across categories co-locate to serve **FAMILIES** needs with greater concentration in the NG&S and F&B categories



COLLEGE STUDENTS generally demand F&B uses, as limited budgets and meal plans decrease NG&S and GAFO expenditures.



OFFICE WORKERS demand quick and nearby retail uses in the NG&S and F&B categories, which are diminishing in employment centers.

Household expenditures bolster occupancy across categories.

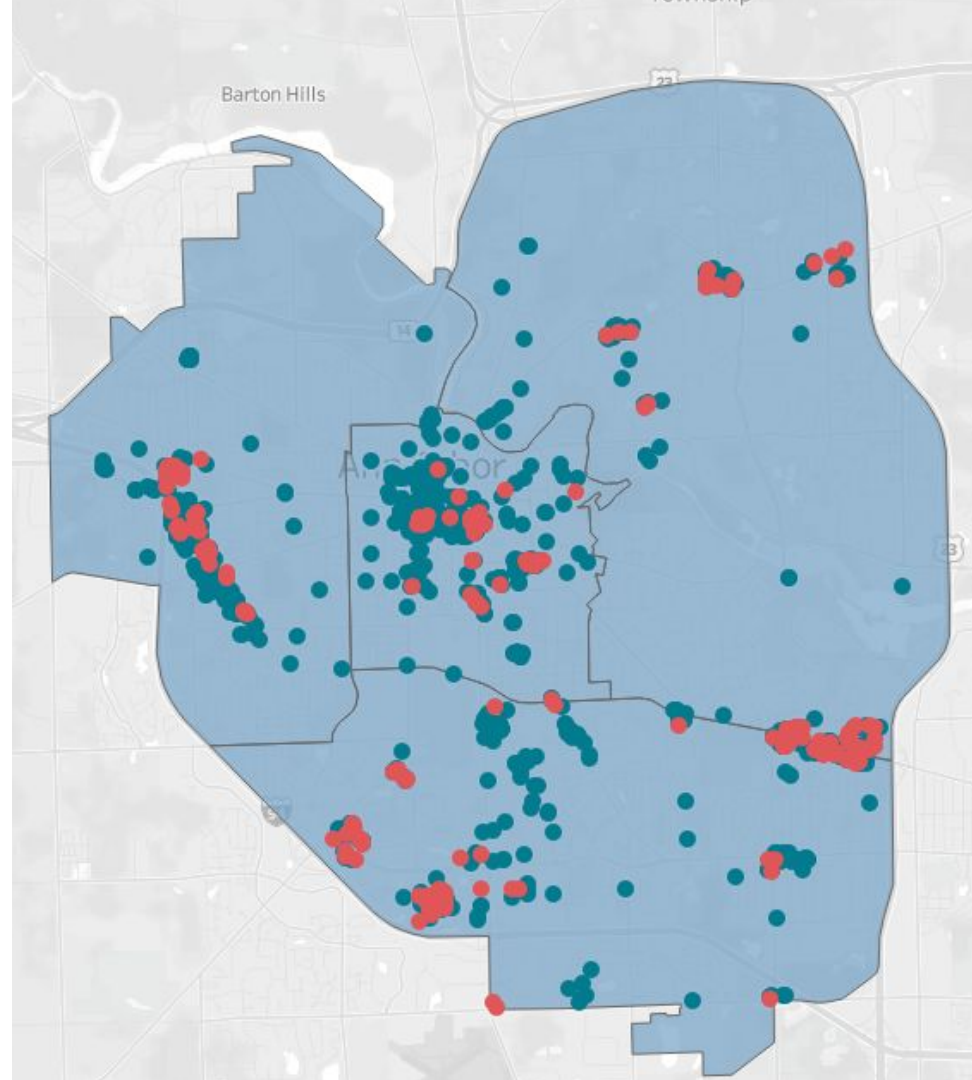
	Retail Expenditures per Household	Total Household Expenditures	Count of Businesses	Est. Average Size (sq.ft.)
Neighborhood Goods & Services (NG&S)	\$11,700	\$598 mil	373	4,900
Food & Beverage (F&B)	\$4,400	\$237 mil	646	2,500
General Merchandise... (GAFO)	\$6,800	\$346 mil	493	7,400
Total	\$22,900	\$1.2 bil	1,512	4,700

NG&S represent the highest expenditures and has the fewest establishments.

F&B establishments occupy smaller spaces, which is why the high count of businesses are sustainable.

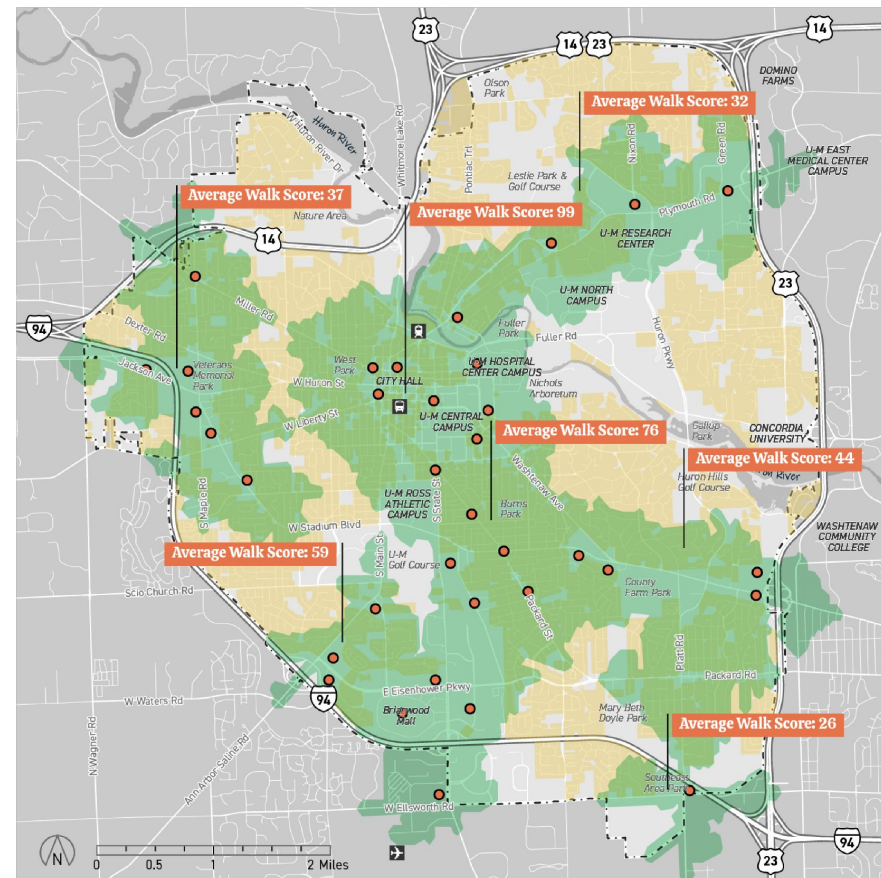
GAFO establishments have the greatest reliance on a regional customer base to support larger spaces and increased counts.

Local businesses are more geographically spread, serving neighborhood needs.



However, many neighborhoods lack access to walkable retail.

This is a central concern for low-income communities with limited access to transportation.



WALK SCORE:

90-100 Walkers Paradise

70-89 Very Walkable

50-69 Somewhat Walkable

25-49 Mostly Car-Dependent

0-24 Completely Car-Dependent

15 Minute Walkshed from Shopping Center

Shopping Center / Major Commercial Node

Residential Areas

More households are required to support new businesses.

The following illustrative examples are based on current expenditures in each category and spending all that category's money in the same store.



GROCERY STORE

40,000 SQ.FT.

=

3,065

HOUSEHOLDS



RESTAURANT

3,500 SQ.FT.

=

616

HOUSEHOLDS



HARDWARE STORE

10,000 SQ.FT.

=

4,641

HOUSEHOLDS

Stagnant residential growth cannot support increased retail long-term.

Adding residents helps businesses stay in business, and can generate demand for NEW retailers, as Ann Arbor's residents do not generate enough demand alone to support existing or new retail space.

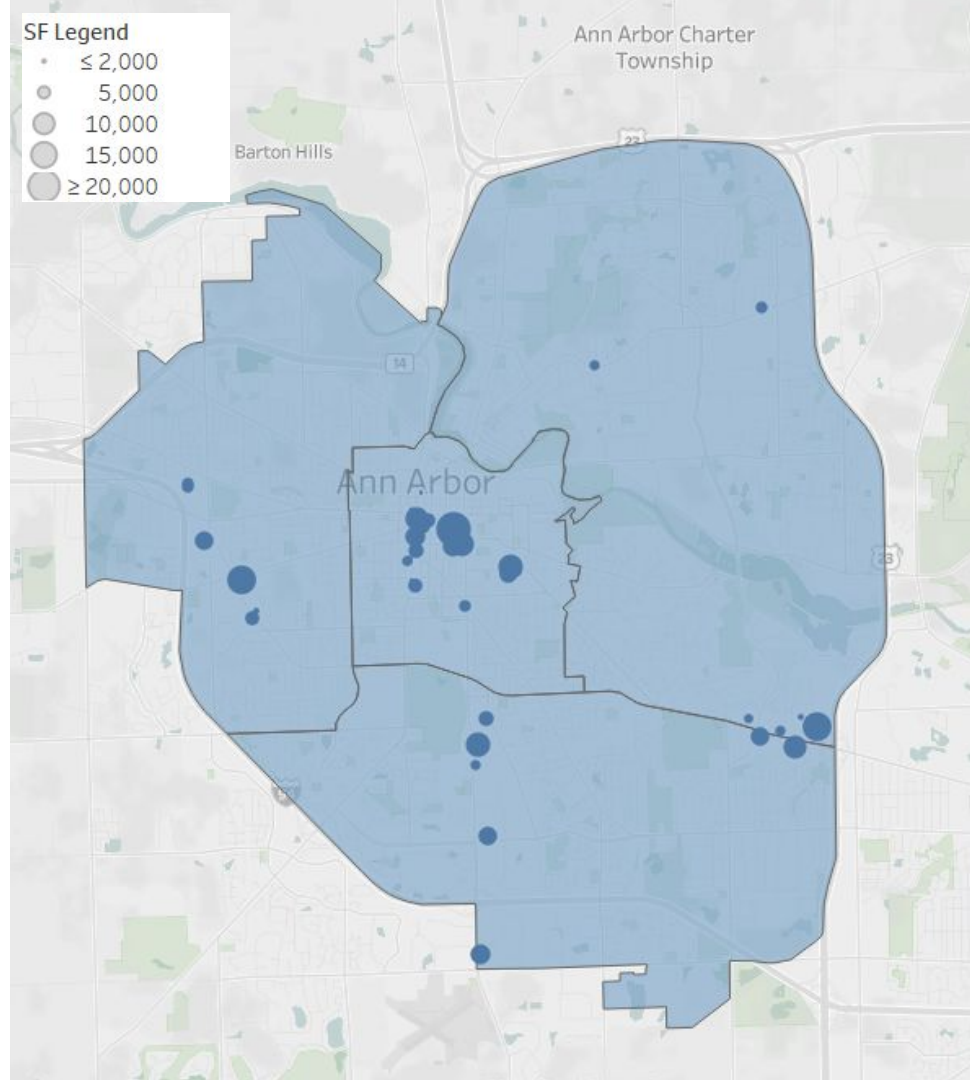
46 sq. ft.

Supported by each household (on average)

Large vacant spaces in TC1 Zoning Districts represent an opportunity for short-term repositioning.

Few vacancies (outside of Downtown) are suitable for modern tenant needs. New leases call for smaller spaces, a national trend, which limits opportunities for independently owned businesses who relied on smaller space for affordability.

Maximum Available Space Size	Average Available Space Size	Median Available Space Size	Average Occupied Space Size	Median Occupied Space Size
30,000 SF	4,068 SF	2,605 SF	6,416 SF	1,800 SF



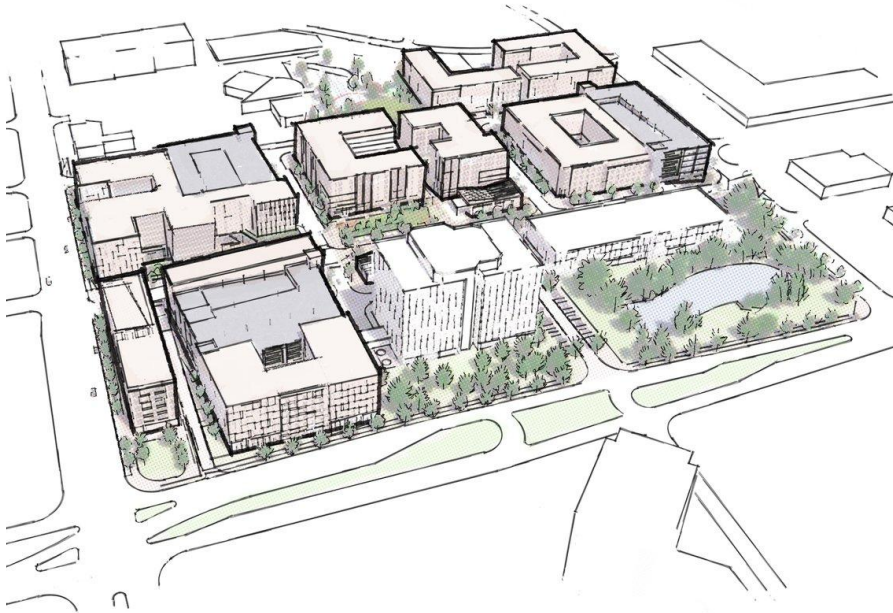
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How might we encourage redevelopment to meet housing goals while preserving affordable space for local businesses?

Each parcel will yield a different outcomes, and policy, programmatic, and funding tools to support retail provision and business growth are required.

Scenario 1: Preserve Space and Businesses

Typical of smaller parcels with disparate ownership

Scenario 2: Phased Redevelopment and Business Relocation

Opportunity for equitable growth practices

Scenario 3: Redevelopment with Business Exit Strategies

Responding to changes in market conditions and business owners' interests

How might we increase retail provision in low-income and/or minority (and in other gentrifying) communities?

Develop and align tools to bolster successful business operations. The tools right sized for Ann Arbor's needs have to be defined, but samples include:

- Investing in local and independent business starts and growth
- Promoting and incentivizing smaller space sizes
- Leverage CDBG dollars in low-income communities for retail provision
- Subsidizing development to limit pass through construction costs
- Developing legacy business owner programs
- Encouraging the development of live/work units to leverage residential mortgage products
- Proactively developing structures for community ownership of commercial assets
- Retail should not be required in every district

Pause for questions

NEXT STEPS

Project Schedule

GETTING STARTED

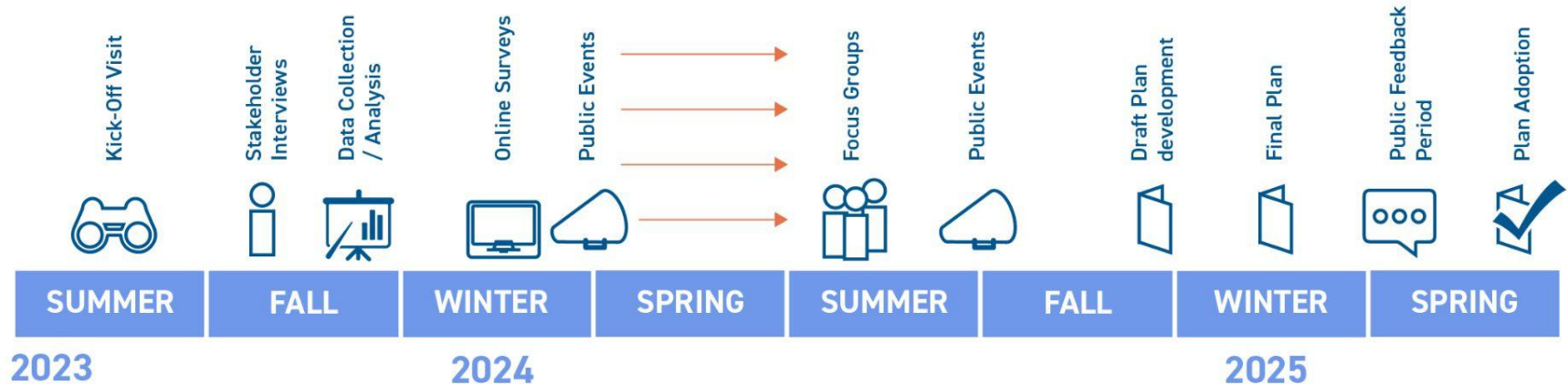
INVENTORY / OUTREACH

VISION / STRATEGIES

PLAN DEVELOPMENT

ADOPTION

We are here



Next Steps

1. Workshops in additional neighborhoods
2. Pop-up events
3. Full engagement results/recap
4. Focus groups

Pause for questions

THANKS!