

City of Detroit

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January 15, 2020

HONORABLE CITY COUNCIL

RE: Request of Paradise Valley Real Estate Holdings II, LLC, and the Detroit City Planning Commission to amend Article XVII, District Map No. 2 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing a B5 (Major Business District) zoning classification where a B4 (General Business District) zoning classification currently exists on seven parcels, commonly identified as 300 Madison Avenue, and, 1400, 1452, 1468, 1480, 1496 and 1502 Randolph Street, generally bounded by Madison Avenue to the north, Brush Street to the east, Gratiot Avenue to the south and Randolph Street to the west. **(RECOMMEND APPROVAL)**

NATURE OF REQUEST AND PROJECT PROPOSAL

The City Planning Commission (CPC) has completed its review and deliberations on the request of Paradise Valley Real Estate Holdings II, LLC, and the Detroit City Planning Commission to amend Article XVII, District Map No. 2 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing a B5 (Major Business District) zoning classification where a B4 (General Business District) zoning classification currently exists on seven parcels, commonly identified as 300 Madison Avenue, and, 1400, 1452, 1468, 1480, 1496 and 1502 Randolph Street, generally bounded by Madison Avenue to the north, Brush Street to the east, Gratiot Avenue to the south and Randolph Street to the west.

Upon reviewing both the Master Plan of Policies, the adjacent zoning classifications of zoning Map No. 2, and upon conducting a site visit to assess the current conditions and land uses associated with the subject area, the Commission has determined it is appropriate to co-petition and seek the rezoning of four additional parcels which are presently zoned B4 to be rezoned to B5. Those properties are identified below along with the owner-of-record information made available from the City Assessor's Office database:

- 300 Madison Avenue (Madison Randolph Association)
- 1400 Randolph Street (Revocable Trust of Robert Pozen)
- 1452 Randolph Street (Paradise Valley Real Estate Holding)
- 1502 Randolph Street (City of Detroit Downtown Development Authority)

300 Madison Avenue, 1400, 1452, and 1502 Randolph Street are being recommended for rezoning by the City Planning Commission to bring the existing properties into conformance with the Master Plan of Policies designation of Mixed Residential/Commercial (MRC) by changing the zoning classification from General Business District to Major Business District.

According to Chapter 50 of the 2019 Detroit City Code 'Zoning':

The B4 General Business District provides for business and commercial uses of a thoroughfare-oriented nature. In addition to these uses, other businesses, which may benefit by drawing part of their clientele from passing traffic are permitted. Additional uses, which may be successfully blended with permitted by-right uses, are conditional.

The B5 District is designed to provide adequate regulations within the Central business district, the New Center Area, and may be successfully utilized in other regionally-oriented shopping and office areas.

BACKGROUND

The subject properties are located in Council District 5 and measure approximately 1.2 acres in area. The parcels commonly identified as 1468, 1480, 1496 Randolph Street are currently under the sole ownership of the City of Detroit Downtown Development Authority (DDA), however, the applicant, Paradise Valley Real Estate Holdings II, LLC has an executed Development Agreement between themselves and the DDA. The subject properties are currently developed as a 56-space surface parking lot located in the Central Business District.

Proposed Development

The proposed map amendment is being requested to allow for the establishment of a new multi-story mixed-use residential/commercial development i.e., "Multiple-family residential" and "Retail sales and personal service in multiple-residential structures", as provided for in Section 50-12-312 of this Code, at 1468, 1480 and 1496 Randolph. Additionally, a small two-story parking structure is contemplated for the ground levels of this proposed development which would provide parking for this and adjacent developments. The proposed mixed-use residential/commercial development would be permitted on a by-right basis in the proposed B5 zoning classification.

As stated previously, 300 Madison Avenue, and 1400, 1452 and 1502 Randolph Street are being recommended for rezoning by the City Planning Commission to bring the existing properties into conformance with the Master Plan of Policies by changing the zoning classification from General Business District to Major Business District. It is anticipated that both 300 Madison Avenue and 1400 Randolph Street will remain surface parking lots for the foreseeable future. 1452 Randolph Street is currently developed as an office building that houses *Real Times Media*, and *The Michigan Chronicle*, both of which are owned and operated by a subsidiary of the applicant, Paradise Valley Real Estate Holdings, LLC. 1502 Randolph Street is currently developed as the *La Casa Cigar Bar*, which has recently been approved for an outdoor café permit in conjunction with a permit for a full-service kitchen, which is located on the southern side of the building.

SURROUNDING LAND USE AND ZONING

The zoning classification and land uses surrounding the subject area are as follows:

- North: B4; Detroit Athletic Club and Gem & Century Theatres along Madison Avenue.
- East: B4; Music Hall Center / Surface parking lots.
- South: B4; Hilton Garden Inn hotel.
- West: B5; Beatrice Buck Paradise Valley Park.

CITY PLANNING COMMISSION PUBLIC HEARING & OTHER COMMUNITY MEETINGS

On November 5, 2020, the City Planning Commission held a public hearing on the subject rezoning request. Seven members of the public who were in attendance via Zoom expressed a desire to speak to the matter. All seven persons spoke in support of the proposed rezoning and the proposed mixed use residential/commercial development. One speaker did ask that the developer take into consideration the proximity of the two-story parking garage in relation to adjacent outdoor patio uses on the subject block.

The Commission did not express any concerns associated with this development, however, did urge that a concerted effort be put forward to promote the development and the revitalization of the subject block. Since that time a detailed article has run in the Michigan Chronicle speaking to the merits of the proposed development.

MASTER PLAN CONFORMANCE

The subject site is located within the Central Business District area of Neighborhood Cluster 4 of the Detroit Master Plan of Policies. The Future Land Use map for this area shows “Mixed Residential/Commercial (MRC)” for the subject properties. The Planning and Development Department (P&DD) has provided a report dated October 15, 2020, which speaks to the appropriateness of the requested rezoning.

ANALYSIS

The proposed zoning classification of B5 would permit the requested uses of a "Multiple-family residential" and "Retail sales and personal service in multiple-residential structures" on a by-right basis.

The proposed B5 zoning classification would permit 35 by-right residential, public, civic, institutional, and other uses. The most intensive uses in the B5 zoning classification include “Hospital or hospice,” and “Outdoor recreation facility.”

The following analysis details how the proposed rezoning either meets or fails to meet the eight approval criteria of Section 50-3-70 of the Zoning Ordinance, which must be considered in making recommendations and decisions on standard rezoning requests.

- (1) Whether the proposed amendment corrects an error or meets the challenge of some changing condition, trend, or fact;

In this regard, the subject area is trending towards mixed-use developments which is consistent with the mixed-use residential/commercial designation as contemplated by the Master Plan of Policies.

- (2) Whether the proposed amendment is consistent with the Master Plan and the stated purposes of this Zoning Ordinance;

The proposed rezoning of B5 is consistent with the Master Plan of Policies as indicated in PDD’s October 15, 2020 staff report.

- (3) Whether the proposed amendment will protect the health, safety, and general welfare of the public;

There are no foreseen adverse effects associated with the requested zoning classification in terms of health, safety, and/or the general welfare of the public. Consideration should be given to the proximity of the proposed two-story parking garage in relation to adjacent outdoor patio uses on the subject block.

- (4) Whether the City and other service providers will be able to provide adequate public facilities and services to the subject property while maintaining adequate levels of service to existing development;

The physical characteristics of the subject property will significantly change as a result of any future development, however, disruption to city services is not anticipated.

- (5) Whether the proposed rezoning will have significant adverse impacts on the natural environment, including air, water, soil, wildlife, and vegetation and with respect to anticipated changes in noise and regarding stormwater management;

There are no anticipated adverse impacts associated with the proposed rezoning regarding any of the aforementioned.

- (6) Whether the proposed amendment will have significant adverse impacts on other property that is in the vicinity of the subject tract;

It is not anticipated that the proposed amendment will have significant adverse impacts on other properties in the vicinity. It is anticipated that this rezoning will have a synergistic impact on the immediate area.

- (7) The suitability of the subject property for the existing zoning classification and proposed zoning classification; and

The B5 zoning classification has been determined to be appropriate for the subject site.

- (8) Whether the proposed rezoning will create an illegal "spot zone."

Given the commercial and mixed-use nature of the corridor in which this rezoning has been requested along with the size and proposed rezoning's consistency with the Master Plan of Policies, the Commission is of the opinion that the proposed rezoning would not constitute an illegal "spot zone."

Land Use

The Commission believes that a B5 zoning classification is an appropriate designation consistent with the characteristics of the adjacent properties, which will allow for the establishment of mixed-use residential and commercial related uses.

RECOMMENDATION

On November 19, 2020 the City Planning Commission voted unanimously to recommend approval of the request of Paradise Valley Real Estate Holdings II, LLC, and the Detroit City Planning Commission to amend Article XVII, District Map No. 2 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing a B5 (Major Business District) zoning classification where a B4 (General Business District) zoning classification which currently exists on seven parcels, commonly identified as 300 Madison Avenue, and, 1400, 1452, 1468, 1480, 1496 and 1502 Randolph Street,

generally bounded by Madison Avenue to the north, Brush Street to the east, Gratiot Avenue to the south and Randolph Street to the west consistent with the approval criteria of Sec. 50-3-70 of the Zoning Ordinance. The Zoning Ordinance map amendment has been approved as to form by the Law Department and is attached for your consideration.

Respectfully submitted,

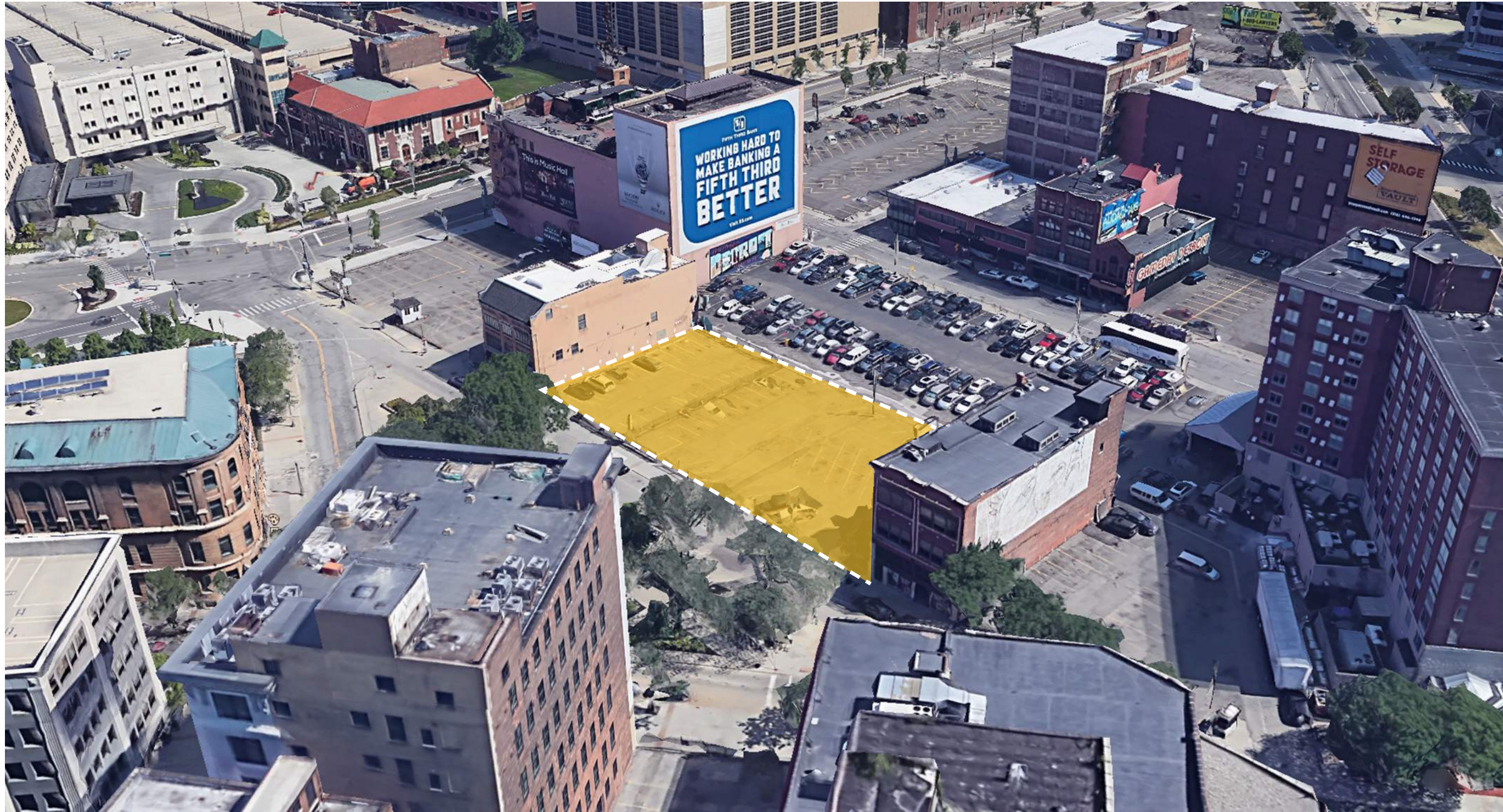
ALTON JAMES,
CHAIRPERSON

A handwritten signature in cursive script that reads "Marcell R. Todd, Jr.".

Marcell R. Todd, Jr, Director
George A. Etheridge, Staff

Attachments:
Zoning Map No. 59
Ordinance

HASTINGS PLACE



MCINTOSH
PORIS ASSOCIATES 08.19.20

HASTING PLACE

AUGUST 19, 2020

PROJECT : Hastings Place
DATE : June 19, 2019
CLIENT : Paradise Valley Real Estate Holding II

ZONING DISTRICT : B4 - General Business District
OVERLAY/HISTORIC DISTRICTS : Madison-Harmonie

USES

BY-USE:

- Multiple-family dwelling
- Residential uses
- Animal-grooming shop, Pet shop, veterinary clinic
- Art Gallery
- Assembly Hall
- Bake shop, retail
- Bank without drive-up facilities
- Barber or beauty shop
- Brew pub or micro brewery or small distillery/winery
- Business college or commercial trade school
- Dance Hall, public
- Dry cleaning, laundry or laundromat
- Hotel
- Medical or dental clinic
- Motor vehicles, new, salesroom or sales lots
- Nail salon
- Office, business or professional
- Parking structure
- Private club
- Recreation, indoor commercial and health club
- Restaurant, carry-out/fast-food without drive-up facilities
- Retail sales and personal services
- School or studio of dance, music, art or cooking

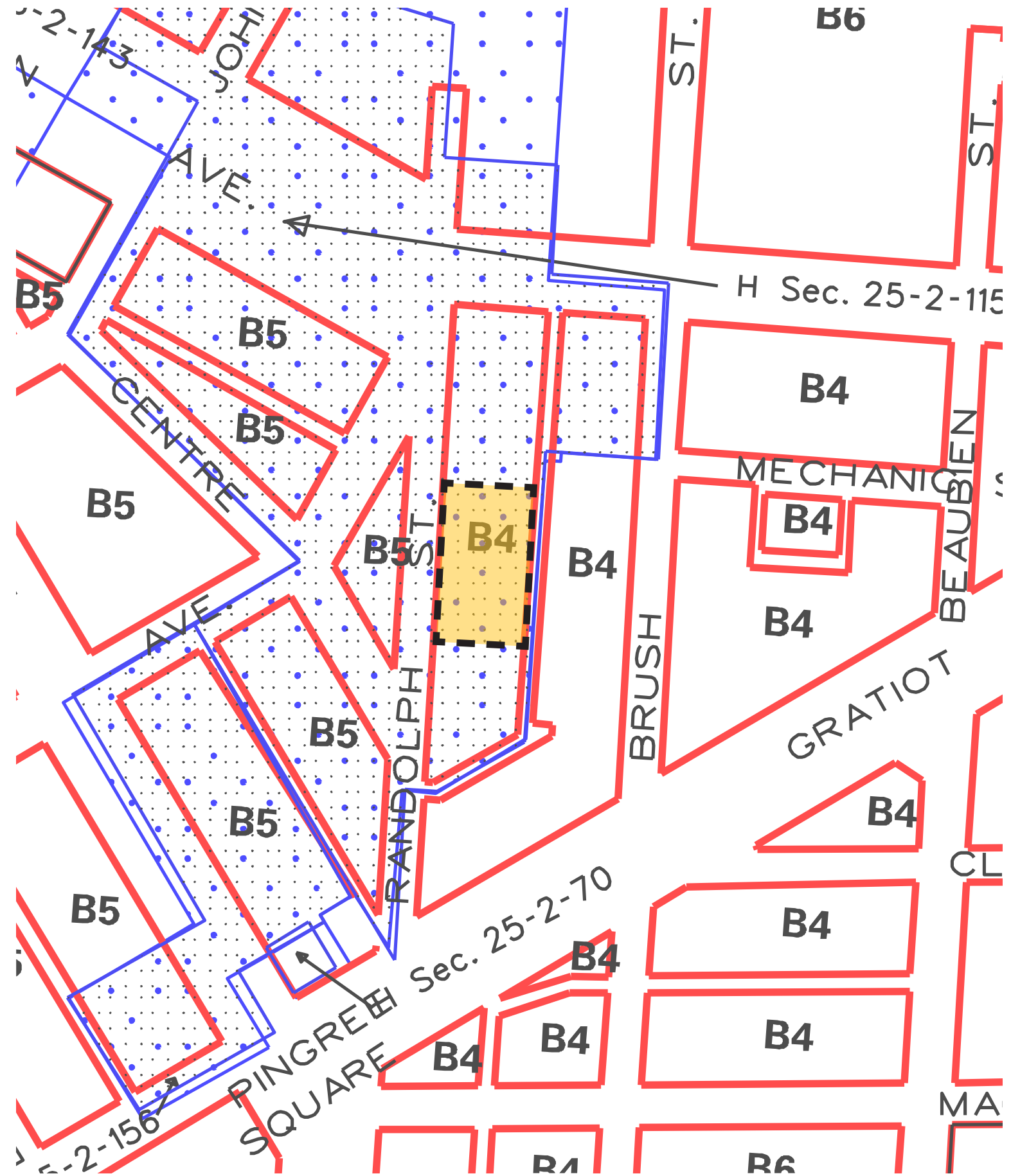
CONDITIONAL:

- Loft
- Multiple-family dwelling
- Arcade
- Bank with drive-up or drive through facility
- Banquet hall
- Bed and breakfast inn
- Customer service center with drive-up facility
- Financial service center
- Kennel, commercial
- Motel
- Pawnshop
- Pool or billiard hall
- Printing or engraving shop
- Rental hall
- Restaurant, carry-out/fast-food with drive-up facilities
- Secondhand stores
- Theater and concert cafe

USE	SETBACKS			MAX HEIGHT	PARKING
	FRONT	SIDE	REAR		
MULTI-FAMILY DWELLING	--	--	30 FT	35 FT	1.25 per dwelling unit
PARKING	--	--	--	--	--
ALL OTHER USE	--	--	--	35 FT	Schedule B

ENTITLEMENT PROCESS:

- Plan Review req'd for Conditional Use and certain by-right uses. Conditional use requires special land use hearing.
- FAR increase will require a variance through board of zoning appeal
- Historic District approval process







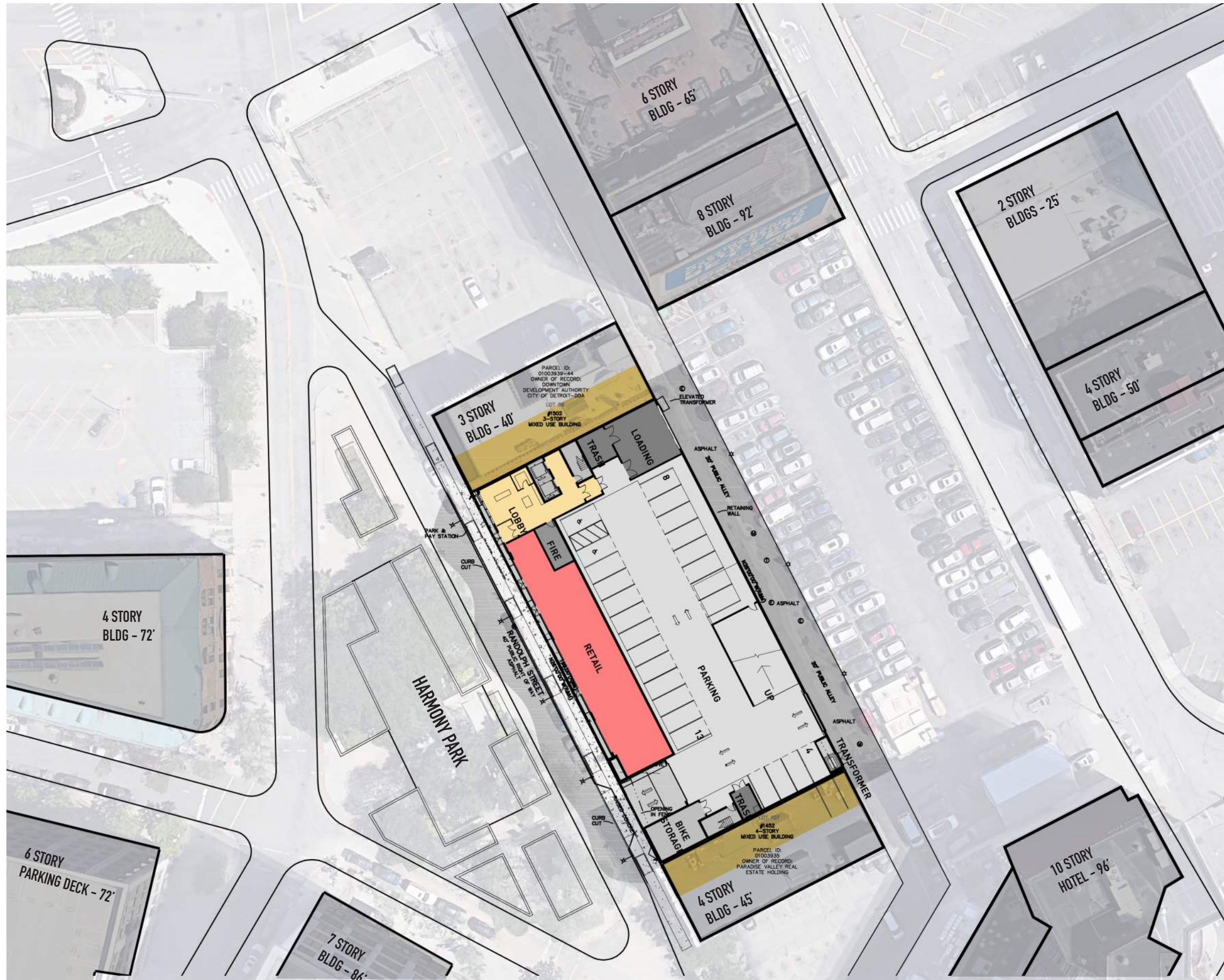






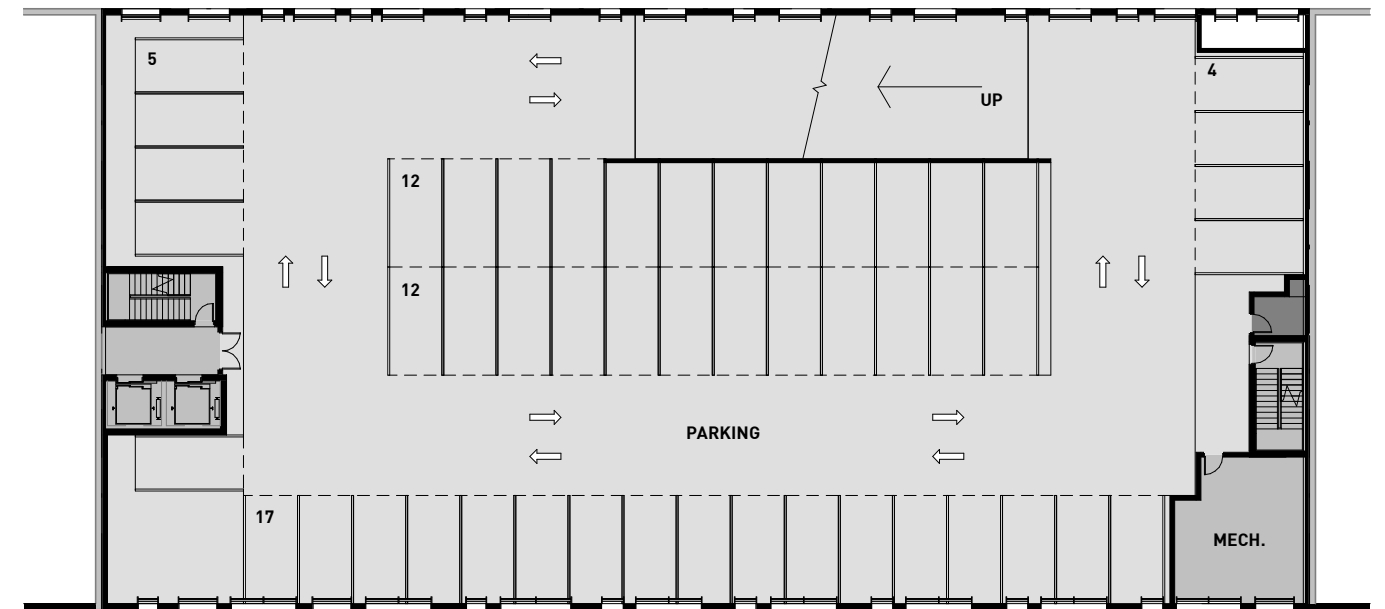




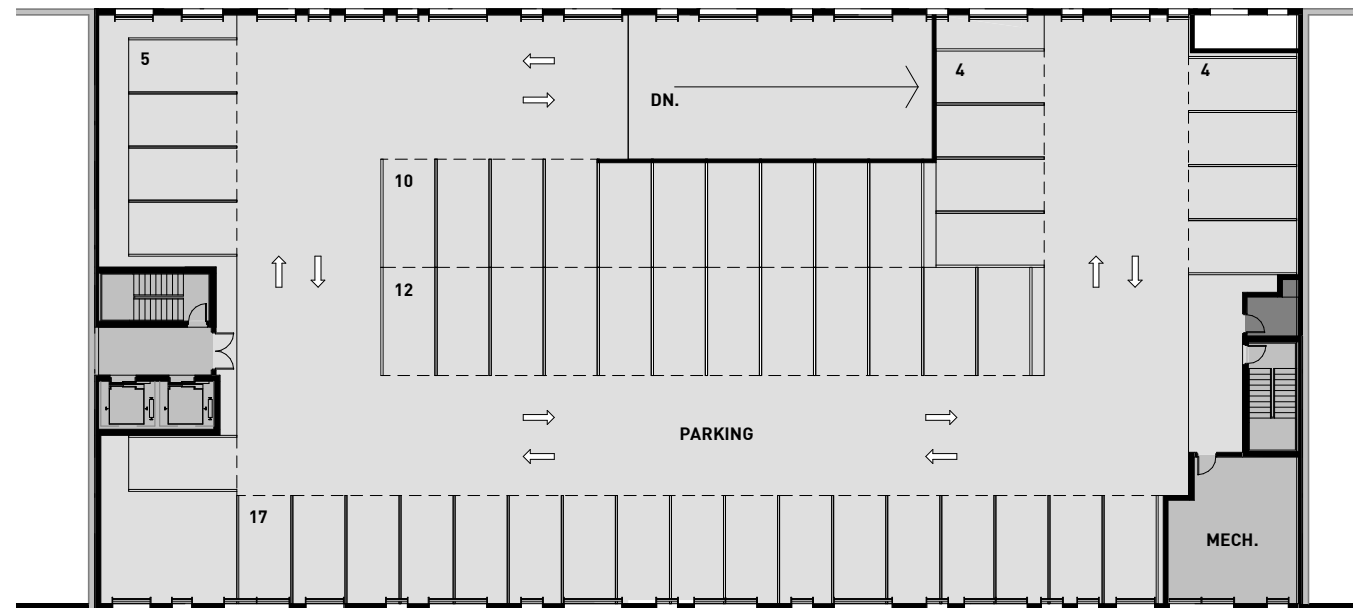




GROUND LEVEL - P1



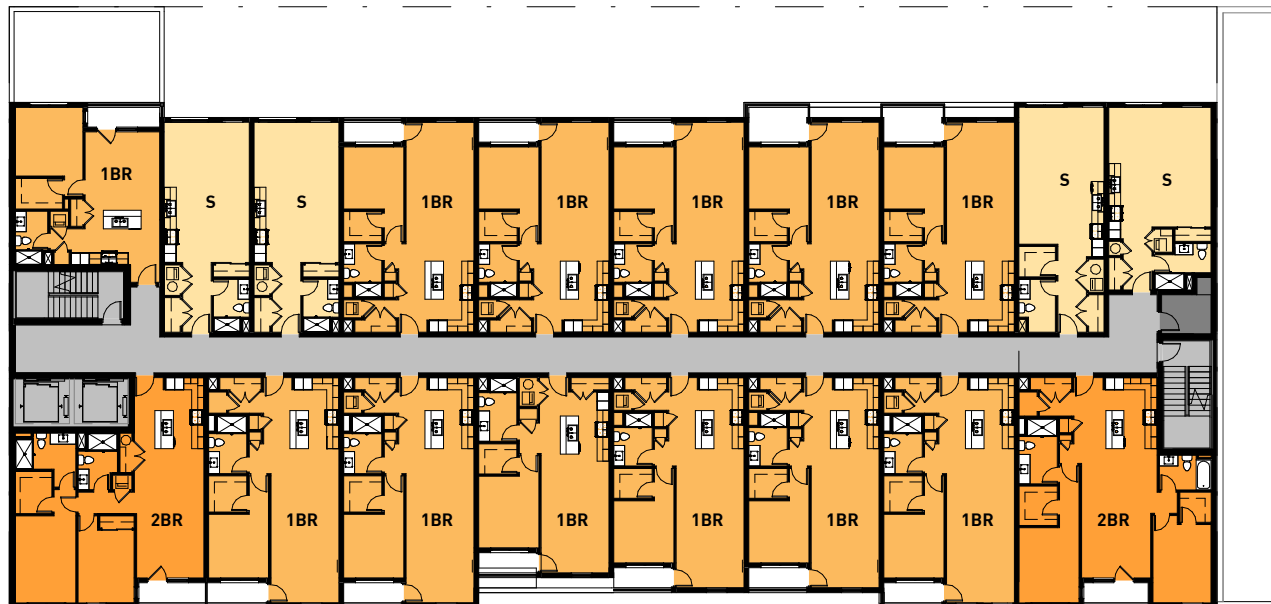
SECOND LEVEL - P2



THIRD LEVEL - P3



FOURTH LEVEL



FIFTH LEVEL



SIXTH LEVEL



SEVENTH & EIGHT LEVEL

	TYPE	AREA	LEVEL 4	LEVEL 5	LEVEL 6	LEVEL 7	LEVEL 8	TOTAL		
STUDIO	UNIT A1:	450-530 SF	3	3	3	3	3	15	22 STUDIO	
	UNIT A2:	420-500 SF	1	1	1	1	1	5		
	UNIT A3:	510 SF				1	1	2		
1 BEDROOM	UNIT B1:	540-590 SF		1	1			2	57 1 BR / 1 BA	
	UNIT B2:	540-750 SF	11	11	11	11	11	55		
2 BEDROOM	UNIT C1:	780, 940 SF	1	1	1	1	1	5	10 2 BR / 2 BA	
	UNIT C2:	860-1020 SF	1	1	1	1	1	5		
UNITS TOTAL			17	18	18	18	18	89		
GSF		83,934 SF								
PARKING		TOTAL	GROUND	P2	P3	TANDEM SPACES				
		127	25	50	52	14				





SUMMARY

This ordinance amends Chapter 50 of the 2019 Detroit City Code, *Zoning*, by amending Article XVII, *Zoning District Maps*, Section 50-17-3, *District Map No. 2*, to revise the existing B4 (General Business District) zoning classification to the B5 (Major Business District) zoning classification for the seven (7) parcels commonly identified as 300 Madison Avenue, 1400 Randolph Street, 1452 Randolph Street, 1468 Randolph Street, 1480 Randolph Street, 1496 Randolph Street and 1502 Randolph Street, generally bounded by Madison Avenue to the north, Brush Street to the east, Gratiot Avenue to the south and Randolph Street to the west.

1 **BY COUNCIL MEMBER _____ :**

2 **AN ORDINANCE** to amend Chapter 50 of the 2019 Detroit City Code, *Zoning*, by
3 amending Article XVII, *Zoning District Maps*, Section 50-17-3, *District Map No. 2*, to revise the
4 existing B4 (General Business District) zoning classification to the B5 (Major Business District)
5 zoning classification for seven (7) parcels commonly identified as 300 Madison Avenue, 1400
6 Randolph Street, 1452 Randolph Street, 1468 Randolph Street, 1480 Randolph Street, 1496
7 Randolph Street and 1502 Randolph Street, generally bounded by Madison Avenue to the north,
8 Brush Street to the east, Gratiot Avenue to the south and Randolph Street to the west.

9 **IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT**
10 **THAT:**

11 **Section 1.** Chapter 50 of the 2019 Detroit City Code, *Zoning*, Article XVII, *Zoning*
12 *District Maps*, Section 50-17-3, *District Map No. 2*, is amended as follows:

13 **CHAPTER 50. ZONING**

14 **ARTICLE XVII. ZONING DISTRICT MAPS**

15 **Section 50-17-3. District Map No. 2.**

16 **Section 1.** For the properties commonly identified as 300 Madison Avenue, 1400
17 Randolph Street, 1452 Randolph Street, 1468 Randolph Street, 1480 Randolph Street, 1496
18 Randolph Street and 1502 Randolph Street, generally bounded by Madison Avenue to the north,
19 Brush Street to the east, Gratiot Avenue to the south, and Randolph Street to the west, more
20 specifically identified as:

21 E RANDOLPH 113;110 HOUGHTONS SEC OF BRUSH FARM L7 P174 CITY
22 RECORDS 1/23 106.62 IRREG, INCLUSIVE OF E RANDOLPH N 39 FT 104 101
23 HOUGHTONS SEC L7 P174 CITY RECORDS, W C R 1/23 79 X 100, INCLUSIVE

1 OF E RANDOLPH 98 SEC L7 P174 CITY RECORDS, W C R 1/23 40 X 100,
2 INCLUSIVE OF E RANDOLPH 95 92 HOUGHTONS SEC L7 P174 CITY RECORDS,
3 W C R 1/23 80 X 100, INCLUSIVE OF E RANDOLPH 89 HOUGHTONS SEC L7
4 P174 CITY RECORDS, W C R 1/23 80 X 100, INCLUSIVE OF E RANDOLPH 89
5 HOUGHTONS SEC OF BRUSH FARM L7 P174 (CITY RECORDS) 1/23 40 X 100,
6 INCLUSIVE OF S MADISON 86, 83, 80 & 77 HOUGHTONS SEC OF BRUSH FARM
7 L7, P174 CITY RECORDS, W C R 1/23 100 X 160

8 the existing B4 (General Business District) zoning classification is revised to the B5 (Major
9 Business District) zoning classification.

10 **Section 2.** All ordinances or parts of ordinances in conflict with this ordinance are
11 repealed.

12 **Section 3.** This ordinance is declared necessary for the preservation of the public peace,
13 health, safety, and welfare of the people of the City of Detroit.

14 **Section 4.** This ordinance shall become effective on the eighth day after publication in
15 accordance with Section 401(6) of Public Act 110 of 2006, as amended, MCL 125.3401(6), and
16 Section 4-118, paragraph 3 of the 2012 Detroit City Charter.

Approved as to Form:



Lawrence T. García,
Corporation Counsel

City of Detroit

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Chairperson
Lauren Hood, MCD
Vice Chair/Secretary

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Director

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NOTICE OF PUBLIC HEARING

Governor Gretchen Whitmer's "Stay Home, Stay Safe" Executive Order (EO 2020-21) went into effect on March 24, 2020. Therefore, the Detroit City Planning Commission (CPC) will be meeting virtually using video conferencing software in response to the COVID-19 Pandemic. A regular meeting of the CPC is set for **Thursday, November 5, 2020**. This action is being taken in accordance with Governor Whitmer's Executive Order 2020-15, which allows electronic meetings for public bodies.

The CPC meeting may be viewed in the following manner.

Online:

<https://cityofdetroit.zoom.us/j/96355593579?pwd=TTloMzN5M3pmU1RKNXp1MjJlczN3UT09>

Or iPhone one-tap:

US: +12678310333,,96355593579# or +13017158592,,96355593579#

Or by Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 267 831 0333 or +1 301 715 8592 or +1 312 626 6799 or +1 213 338 8477 or +1 253 215 8782 or +1 346 248 7799 Webinar ID: 963 5559 3579

A PUBLIC HEARING WILL BE HELD **THURSDAY, NOVEMBER 5, 2020 AT 6:00 PM**

to consider the request of Hiram Jackson on behalf of Paradise Valley Real Estate Holdings II, LLC and the Detroit City Planning Commission to amend Article XVII, District Map No. 2 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing a B5 (Major Business District) zoning classification where a B4 (General Business District) zoning classification which currently exists on seven (7) parcels, commonly identified as 300 Madison Avenue, 1400, 1452, 1468, 1480, 1496 and 1502 Randolph Avenue.

The location of the proposed rezoning is specifically indicated as the shaded area on the accompanying map.

The proposed map amendment is being requested to allow for the establishment of a new multi-story mixed use residential/commercial development i.e., "Multiple family residential" and "Retail sales and personal service in multiple-residential structures, as provided for in Section 50-12-312 of this Code," at 1468, 1480 and 1496 Randolph. The proposed mixed-use residential/commercial development would be permitted on a by-right basis in the proposed B5 zoning classification.

300 Madison, 1400, 1452 and 1502 Randolph are being recommended for rezoning by the Planning Commission in order to bring the existing properties into conformance with the Master Plan of Policies by changing the zoning classification from General Business District to Major Business District.

The pertinent zoning district classifications are described as follows:

B4 – General Business District

The B4 General Business District provides for business and commercial uses of a thoroughfare-oriented nature. In addition to these uses, other businesses, which may benefit by drawing part of their clientele from passing traffic are permitted. Additional uses, which may be successfully blended with permitted by-right uses, are conditional.

B5 – Major Business District

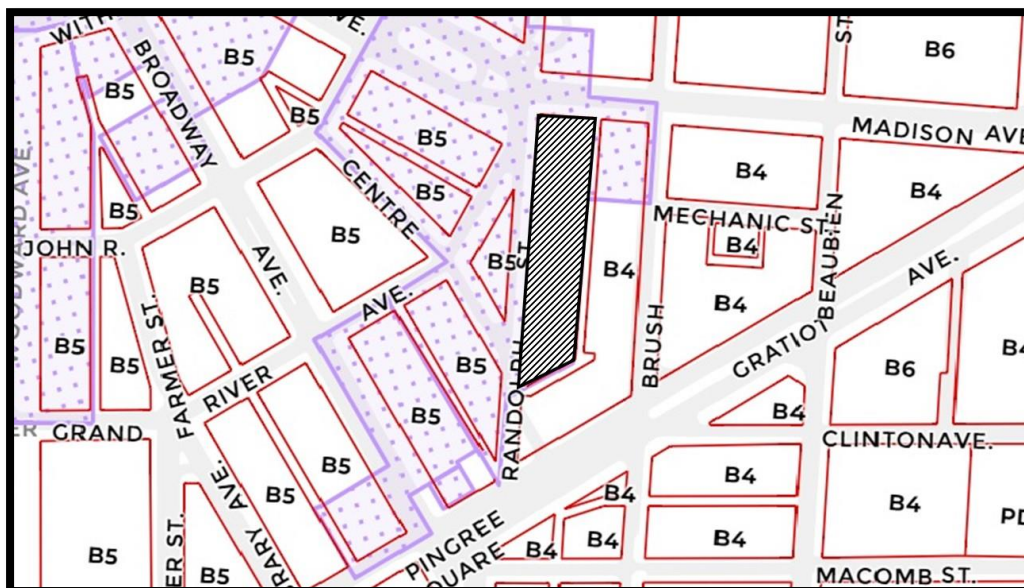
This district is designed to provide adequate regulations within the Central business district, the New Center Area, and may be successfully utilized in other regionally-oriented shopping and office areas.

A Zoning Ordinance map amendment requires approval of the City Council after a public hearing and after receipt of a report and recommendation by the City Planning Commission. This Zoning Ordinance map amendment request is being considered consistent with the provisions of Article III, Division 3 of Chapter 50 of the 2019 Detroit City Code, the Detroit Zoning Ordinance. All interested persons are invited to be present and be heard as to their views. Persons making oral presentations are encouraged to submit written copies to the City Planning Commission at cpc@detroitmi.gov via e-mail, for the record.

Public comment/testimony may be given at the appropriate times during the meeting when called for. If you desire to speak and are attending the meeting online press the raise your hand icon at the bottom of the screen or press ALT-Y for a PC or OPT-Y for a MAC to raise your hand virtually. If attending by phone press *-9 to raise your hand.

If interpretation or translation services are needed, including for the hearing impaired, call the Department of Civil Rights, Inclusion & Opportunity at [313-224-4950](tel:313-224-4950).

For further information on this proposal or the public hearing, please call (313) 224-6225. CPC Webpage: <https://detroitmi.gov/government/commissions/city-planning-commission>



Proposed Rezoning from B4 to B5