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TO: City Planning Commission

FROM: Kimani Jeffrey, Staff

RE: The request of the Planning and Development Department and the Eastern Market

Partnership to amend Chapter 50 of the 2019 Detroit City Code, Zoning, to eliminate the current SD3 Special Development District, Technology and Research regulations and create a Market and Distribution District zoning classification, to set building height limits to preserve the historic character of the area, define screening and setback requirements, provide for site plan review processes, and, to set forth provisions to implement the Eastern Market Neighborhood Framework and

Stormwater Management Network Plan.

In addition is the request of the Planning and Development Department and the Eastern Market Partnership, to amend Chapter 50 of the 2019 Detroit City Code, Zoning, by amending Article XVII, *Zoning District Maps*, Section 50-17-5, *District Map 4* and Section 50-17-13 *District Map No. 12*, of the Detroit Zoning Ordinance to show an SD2 (Special Development District, Mixed-Use) or Market and Distribution District (MKT) zoning classification where the R2 (Two-Family Residential District), R3 (Low Density Residential District), B4 (General Business District), B6 (General Services District), M3 (General Industrial District), and M4 (Intensive Industrial District) zoning classifications are currently shown on the area bounded by Superior Street, Joseph Campau Street, Gratiot Avenue and the I-75 Chrysler Freeway (RECOMMEND APPROVAL – SUPPLEMENTAL

REPORT).

DATE: May 5, 2021

The requests returning before this Honorable Body are for the approval of a proposed Master Plan amendment, covered by a previously distributed report, and a set of zoning text and map amendments, focused upon by this report, for the subject area. Public hearings were originally held on November 19, 2020 to consider the general request of the Planning and Development Department (PDD) and Eastern Market Partnership (EMP) to amend Chapter 50 of the 2019 Detroit City Code, Zoning. A second public hearing on the proposed zoning amendments was held on April 15, 2021. Reports previously submitted for both meetings may be referred to for further detail. Please see below for public hearing results and supplemental information for your consideration.

APRIL 15, 2021 PUBLIC HEARING

Public Testimony

At the April 15, 2021 public hearing on the proposed zoning amendments, 19 people spoke providing public testimony. Out of those who spoke, 13 spoke requesting the addition of marijuana

uses to the MKT District. There were three property owners of the core market that spoke in opposition to some elements of the proposed zoning district, specifically to the height and use limitations. One person spoke in opposition to adding marijuana use as requested by other speakers, one person spoke in opposition to the expansion of Eastern Market, and finally one person asked a question about Eastern Market Partnership's development plans for the area.

Master Plan vs. Zoning

During the public hearing of April 15th, there seemed to be some confusion regarding the differences between the Master Plan amendment and the amendment to the Zoning Ordinance, therefore staff provides the following for clarity.

The Master Plan is "a long range policy guide for the physical arrangement and appearance of the city." The plan does this by designating land with one or a combination of 21 general land use categories in broad geographic areas correlating to corresponding colors/patterns on the Master Plan Future Land Use maps. The Master Plan is organized by Neighborhood Clusters in which issues, goals, and policies are put forth. Additionally, there is a Transportation Network map to show "relationships among the various land uses and the transportation network."

In contrast, the Zoning Ordinance distinguishes land uses by the use of zoning districts with listings of specific land uses allowed in each of the districts. There are 29 zoning districts in total, indicated on zoning maps; and, each district indicated should be consistent with one or more of the Master Plan designations. Zoning districts are needed in addition to the Master Plan's general land use designations to designate and regulate land use more specifically. So, while a master plan designation makes very broad provision generally for certain types of development, the zoning ordinance districts identify specific land uses allowed, and additionally provides dimensional and other regulations for those uses. Multiple zoning districts may be consistent with a certain Master Plan land use designation on what that district allows for and what the characteristics of the Master Plan category/designation are.

Mapping

During the public hearing, the Commission requested that a map of the Eastern Market Partnership's land ownership be submitted. The map is included in this report and also has been sent separately.

Height Limitations/Restaurant Use

Height limitations near Market Sheds have been put in place for new structures and additions to existing structures to better align with the character of existing structures within the district. In the height restricted area, the height limit is 55 feet, but may be waived if a food products manufacturing, processing, distribution use comprises a minimum of 60% of the ground floor area.

In the discussion at the CPC public hearing, the question of restaurants being permitted became a focal point. It should be noted that restaurants are permitted as a matter of right in the height cap area of MKT regardless of a building's height. If a building is 55' or less, a standard restaurant is a permitted as a by-right use.

However, to receive the height bonus of 80 ft., a food products manufacturing, processing, distribution use must comprise a minimum of 60% of the ground floor area. This means that if a developer wants to take advantage of the height bonus, it would limit the restaurant or other use to 40% of the ground floor area.

The purpose of this is to incentivize food-related uses on the pedestrian level of the market and to maintain the character. It's also used to prevent the replacement of food industry uses with commercial and retail uses that have a much higher market price point. Developers can seek relief on height limits through the Board of Zoning Appeals if they feel they have no profitable business options due to the height restriction.

Non-conformities-City Recycling

City Recycling, a junkyard located at Mack and St. Aubin, will be made non-conforming by this proposal because MKT does not permit auto sales. However, the primary junkyard use that operates on this site is already non-conforming under the current M3 zoning district. So a change to MKT would not affect the status of the junkyard use, but would make the used auto sales a non-conforming use. It is important to note that non-conforming uses may continue in perpetuity.

The reason for this prohibition is to protect the surrounding residential neighborhood from any of the more intensive M3 uses that are currently allowed, if this user were to redevelop or sell the property. Some of the permissible uses such as chemical materials blending or compounding, high-impact manufacturing or processing, waste/scrap materials- indoor storage- handling, and transfer tank storage of bulk oil or gasoline are uses that this rezoning is intended to protect against.

Staff would like to also note the significant change to the industrial character of this area that has taken place over the last 30 years. A number of the more intensive or abrasive industrial concerns have been acquired and removed. Newer industrial development and pre-existing ones that have updated their operations, offer a cleaner appearance and less intrusive operation, greatly reducing the blighting effects upon nearby residential and commercial concerns.

RECCOMENDATION AND CONCLUSION

CPC staff believes that the text and map amendments have taken into account stakeholders from all interests. Due to the complexity of uses and stakeholder desires, there may never be a proposal that satisfies everyone, but all parties will hopefully feel that there are some benefits of this proposal for their own interests based on the incorporated feedback. City staff, along with the Detroit Economic Growth Corporation and Eastern Market Corporation, have worked diligently to respond to the many concerns, while trying to achieve the goals that were set forth, those being: create jobs for Detroiters; improve the quality of life for residents; and, keep the authenticity and function of Eastern Market.

Based on the information described in this report and all of the engagement that has taken place during this period, CPC staff recommends **APPROVAL** of the proposed text amendment and map amendment that is before this Honorable Body.

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