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TO: City Planning Commission

FROM: Kimani Jeffrey, Staff

RE: Request of the American Community Developers, Inc. to amend Chapter 50 of the 2019 Detroit City Code, Zoning, by amending Article XVII, Zoning District Maps, Section 50-17- 2, District Map No. 1 to change the current zoning classification from a PD (Planned Development District) zoning classification to the R5 (Medium Density Residential District) or the SD2 (Special Development District, Mixed-Use) for the property commonly identified as 1601 Bagley Street bounded by Bagley Street, Trumbull Street, Labrosse Street and Rosa Parks Boulevard to redevelop the site for new mixed-use, multi-unit apartments (**SAME DAY ACTION REQUESTED**)

DATE: July 6, 2021

NATURE OF REQUEST

The City Planning Commission (CPC) has received the request of the American Community Developers Inc. to rezone land at 1601 Bagley in order to facilitate the redevelopment of that site. The developer has requested a rezoning to SD2 (Special Development District, Mixed-Use) for the property and CPC staff offer the alternative of R5 (Medium Density Residential District). Both options are explored as part of the analysis in the proceeding report.

BACKGROUND

In March 2019, the Planning and Development Department (PDD) launched the Greater Corktown Neighborhood Framework Study with the goal to “create a short and long-term plan that promotes inclusive & equitable growth of Detroit’s oldest established neighborhood, while preserving its unique character, cultural heritage & integrity.” A series of workshops were held from September 2019 to January 2020. Between January 2020 and October 2020, the framework documentation was drafted after numerous open houses, virtual meetings, community conversations, and large meetings.

The framework plan incorporates a housing and neighborhood development strategy to accommodate new housing demand and ensure zero displacement of at-risk residents, and to invest in housing stock through owner-occupied rehab.

To accomplish this, the implementation plan identifies publicly owned vacant land to allow for mixed-income development (rental and home ownership), identify an established mixed-income developer, and update the zoning to permit higher density units. The overall housing plan calls

for the creation of 841 new construction mixed-income units to be built on four sites across Greater Corktown. Some of the units will be for rent and some for sale with a spectrum of affordability between 30% to 80% AMI.

In 2020, the City of Detroit entered into the Choice Neighborhoods Initiative (CNI) grant application. After a highly competitive process, the Department of Housing and Urban Development recently awarded the City of Detroit \$30 million in grant funds through the CNI program. The goal of the grant is create new housing opportunities, while also ensuring the continuation of affordable units in the neighborhood. The Clement Kern Gardens (CKG) site is one of the CNI funding target projects.



PROPOSAL

In the fall of 1984, the City Council approved Ord. No. 596-H effectuating the rezoning of the CKG property from the M3 (General Industrial District) zoning classification to a PD zoning classification. The site is the former Parcel 1 of the Westside Industrial #1 Urban Renewal project area. At the time of adoption, the City sold the land to the Clement Kern Gardens Limited Dividend Housing Association Limited Partnership to develop the property with low-rise medium-density housing.

Today, the developer, American Community Developers, Inc. (ACD) is requesting a rezoning from PD to SD2 to redevelop the 8.93 acre site and allow for varying housing typologies including town-home and multi-unit apartments ranging from studios to three-bedroom apartments.



The unit prices will range from 30% to 80% of the Area Median Income (AMI). The rent and income will be restricted for a minimum of 30 years. The development is planned to take place in three phases, with each phase hosting approximately 180 units. Residents that currently reside at CKG will be assisted with relocation expenses and logistics while each phase is under construction. Once each phase of construction is completed, those residents will then have the option to return to the newly constructed CKG housing, or permanently relocate to other available units within the Greater Corktown area. The CNI grant will fund the affordable units, relocation, and supportive services to residents of the site. The CNI grant has a six-year implementation period.



Greater Corktown Framework study image

PLANNING CONSIDERATIONS

Surrounding Zoning and Land Use

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

North: B2; Residential homes

South: M3; LIFT, Detroit Building Trades Council, The Composites Institute, Scale-Up Research Facility at Corktown

East: R3; Residential, Hello Records music store, Reyes-Finn gallery

West: M2; Industrial buildings

COMMUNITY OUTREACH

ACD has been working on community outreach for this project since early 2020 with the residents at CKG. There were three onsite meetings in summer 2020 over the course of several months. The Housing and Revitalization Department (HRD) and PDD participated in those community meetings. One-on-one meetings with adjacent property owners, phone calls, and door-to-door canvassing were also performed. Another community meeting was held on June 22, 2021. Of all of those that spoke, the general sentiment was supportive of the project.

PRELIMINARY ANALYSIS

This matter was originally noticed to the public as rezoning from the PD zoning classification to either the R5 or SD2 zoning classification. Both of these zoning classifications were noticed as options to allow for legal flexibility in the case that reason is found not to rezone to SD2 through

the community engagement and public hearing process, but instead to a less intensive zoning classification.

The developer is strongly requesting the SD2 zoning district. The primary use in the R5 district is to allow for the rental apartment structure. The purpose of the SD2 district is to encourage a complimentary mix of more intensive pedestrian and transit oriented uses. The SD2 district allows for structures with commercial/retail space on ground floor with housing units on upper-floors.

Zoning District	By-Right Uses	Conditional Uses
SD2 Special Development District, Mixed-Use	57	47
R5 Medium Density Residential District	35	26

The SD2 district permits 57 by-right zoning residential, civic, retail and commercial, and manufacturing uses. Additionally, there are 35 conditional uses, which require a public hearing at the Buildings and Safety Engineering, Environmental Department (BSEED). In the R5 district there are 35 by-right residential, civic and retail and commercial uses. There are 26 conditional uses under this district.

The developer seeks to rezone to SD2 due mainly to dimensional standards permitted by SD2 that the R5 district does not permit. The R5 district has 20 feet setback requirements from the front property line for residential buildings as well as 30 ft setback requirements from the rear property line. However, the SD2 district does not require any front setback.

The SD2 district also allows for a base height of 45 ft if there is no retail or commercial use in the building and 60 feet if the development is mixed-use. Additionally, where a lot fronts on a right-of-way which is more than 60 feet wide and where the outermost point of the proposed mixed-use building is at least forty feet from all R1, R2, and R3 Districts, the maximum height may be increased one foot for each one foot of right-of-way width greater than 60 feet.. For this site, the standard could be applied on the Trumbull Street frontage.

In comparison, the R5 district has a 1.50 FAR requirement, which means that the taller a building is, less floor area (or building footprint) of a lot is permitted to be occupied, resulting in shorter and wider buildings or the converse of longer and narrower buildings.

The two districts differ in permitted uses. The SD2 allows many commercial and retail or low-impact manufacturing uses whereas the R5 district that allows primarily residential and institutional uses by-right, with a very limited number of retail and commercial uses conditionally.

Finally, if the land were rezoned to R5, a Board of Zoning Appeals hearing would be required post-rezoning to seek possible relief for setbacks and other dimensional requirements. However, if the subject site is rezoned to SD2, this will not be required, allowing for the developer to meet their proposed timeline, to submit an application for an October 2021 round for the Michigan State Housing Development Authority Low Income Housing Tax Credit funding.

Staff will provide a full presentation of this request in association with the public hearing this Thursday. Pending the outcome of the public hearing and the Commission's comfort with this matter, same day action may be in order as the developer due to the October submission deadline has requested it.

Respectfully submitted,



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Cc: Katy Trudeau, PDD Acting Director
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