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# City of Detroit

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June 21, 2024

#### HONORABLE CITY COUNCIL

RE:

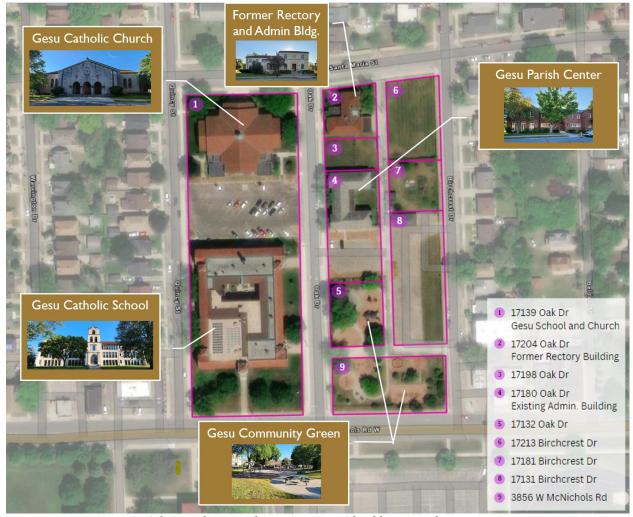
Request of MHT Housing and the Detroit City Planning Commission to amend District Map No. 60 of the 2019 Detroit City Code, Chapter 50, *Zoning*, to show a R3 (Low-Density Residential) zoning district where a R2 (Two-Family Residential) zoning district is currently shown for nine parcels commonly known as 17139, 17204, 17198, 17180, 17132 Oak Drive, 3856 West McNichols Road, 17213, 17181, and 17131 Birchcrest, generally bounded by Santa Maria Street to the north, Birchcrest Drive to the east, West McNichols Road to the south, and Quincy Street to the west. (**RECOMMEND APPROVAL**)

# **BACKGROUND AND PROPOSAL**

The City Planning Commission (CPC) has received a request from MHT Housing to amend District Map No. 60 of the 2019 Detroit City Code, Chapter 50, *Zoning*, to show a R3 (Low-Density Residential) zoning district where a R2 (Two-Family Residential) zoning district classification is currently shown for the property located at 17198, 17180 Oak Drive, 17213, 17181, and 17131 Birchcrest, generally bounded by Santa Maria Street to the north, Birchcrest Drive to the east, West McNichols Road to the south, Quincy Street to the west. CPC staff expanded the area proposed to be rezoned to include the entire block to maintain consistency on the map and to avoid the appearance of a spot zoning.

The site is located in Council District 2 and measures approximately 5.8 acres. The site currently contains a school, church buildings, vacant land, and a park. Gesu Catholic Church and the affiliated school have operated on the subject site for close to 90 years, and in Detroit for more than 100 years.

On October 10, 2023 this matter was set to appear on the Formal Session agenda before this Honorable Body. Due to community opposition, it was removed from the October 10<sup>th</sup> agenda by Council Member Calloway and is now being resubmitted with this updated report and additional supporting documents.



Aerial view of proposed rezoning site, with addresses and current uses

## **Proposed Development**

MHT Housing and Gesu Catholic Church propose to build and operate a senior housing facility consisting of three buildings, two existing and one new construction. The development will also include a Neighborhood Non-Profit Center to support the housing development, church and school. The proposed housing is intended to meet the need for affordable senior housing in Detroit.

Originally the proposed development included three buildings, two existing and one new construction building was proposed to be a three-story 10,794 sq. ft. building, comprised of 46 units in total, 44 one-bedrooms and 2 two-bedrooms, with all units meeting low-income standards.

The updated proposal is comprised of three buildings, two existing and one new construction two-story building of 10,000 sq. ft. It will include 36 one-bedroom units, all of which will meet affordable housing standards, with rents ranging between 30-80% Area Median Income (AMI). The existing R2 (Two-Family Residential) zoning classification does not allow for multi-family housing developments containing more than eight units, which would prohibit the proposed development.

The petitioners are continuing to work with P&DD through the Design Review process, which could result in additional changes. These may include things such as additional vegetative screening of the parking lot and the first-floor units. The updated renderings below depict the new construction portion of the proposed development.





# Community Input

MHT Housing has been in contact with several community organizations and block clubs that operate in the immediate area, as well as adjacent property owners, businesses and residents, which are listed below.

# Community Organizations, Block Clubs, Property Owners, Businesses and Residents Contacted by the Petitioner

Sherwood Forest Neighborhood Association
The New Stoepel Curtis / 7 Mile Improvement Association
Roselawn Resurgence 7 Curtis Woodingham Block Club
Bagley Community Council Inc.
Gesu Catholic Church
University of Detroit Mercy
Sunoco Gas Station (3720 W McNichols Rd)
Prime Missionaries (17330 Quincy St)
Residents of Birchcrest Drive
Residents of Santa Maria Avenue

MHT Housing and Gesu Church leadership facilitated four evening community meetings, held at Gesu Church on October 10<sup>th</sup> and 18<sup>th</sup>, November 30<sup>th</sup>, 2023, and February 29<sup>th</sup>, 2024. Meeting attendance ranged from 70 – 125 individuals. Several community organizations were represented at the meetings, the University District Community Association, University of Detroit Mercy, Gesu Catholic Church Parish, Gesu Catholic School, and others. Also in attendance were representatives from various City agencies, including the City Council, City Planning Commission, and Planning and Development Department.

In addition to the public outreach by MHT Housing and Gesu Church, CPC staff mailed 215 public hearing notices to property owners and residents within 300 feet of the subject area. Notices were mailed fifteen days prior to the September 21, 2023 public hearing. The notice was also published in the Detroit Legal News.

#### Letters of Support (see attached)

Prior to the September 21, 2023 CPC hearing, CPC staff received two letters of support for the proposed rezoning and senior housing project. The first from Roger Short, President of the University District Community Association (see attached). Mr. Short stated that he has worked with a committee of members of Gesu Catholic Church as they have explored developing housing for senior residents. Following the September 21, 2023, public hearing before the CPC, Mr. Short sent a communication to CPC staff, clarifying that his letter of support was to indicate his opinion, not that of the University District Community Association.

The second letter was submitted by a resident of District 5, who is also a member of the Gesu Parish and a consultant with the Giffels Webster planning firm. The letter outlines how the proposed rezoning and project would support a number of goals found in the current Master Plan. The letter also points to the need of affordable housing and housing for seniors, and how addressing these needs will improve the stability of families, the neighborhood, and the city as a whole.

In May 2024, 43 letters of support were submitted from residents residing within 300 feet of the proposed rezoning site. The forty-three letters of support were in addition to the over ninety letters of support that have been received by Gesu Church and MHT from outside of the 300-foot radius, most of which were from University District residents, while a number of others were received from other District 2 communities.

# Response to Community Concerns

Through continued community engagement, MHT and Gesu Church learned of a number of community concerns. The petitioners have sought to address these concerns where possible. Below are some of the primary concerns raised by the community, and the response of the petitioners to those concerns.

- Residential and Commercial Property Value: In response to concerns expressed by the community and the City, MHT Housing requested an analysis of the estimated impact of the proposed development on the surrounding residential and commercial property values. The analysis (see attached) was conducted in June 2024 by the Policy and Implementation Division of the Housing and Revitalization Department (HRD).

The City of Detroit uses the *Munetrix Neighborhood Intel* software model to estimate how the sale price of real estate is impacted by new construction and building rehabilitation. The model is used to isolate the value of new construction and building rehabilitation on home values within 500 feet of a development site. HRD found that the model indicates that, based on the characteristics of the area, the proposed development will have a **positive impact** on surrounding property values.

- Traffic: In response to concerns expressed by the community, MHT commissioned a traffic study to determine the impact of the development, and the appropriateness of the change from R2 to R3 zoning classifications. The traffic study was completed in April 2024, and addressed the potential additional traffic generated by the proposed development. The study concluded that the development would have a negligible impact on adjacent street traffic. The full study is attached to this report.
- Crime and Public Safety: The community raised concerns regarding the potential of an increase in crime from the proposed rezoning and senior housing development. MHT has requested crime statistics for many of the MHT owned senior housing developments in the City of Detroit from the Detroit Police Department (DPD) to show the impact the developments have on public safety. MHT is awaiting a response from DPD.
- Design: The petitioners have submitted new renderings, which have addressed some concerns expressed by the community and P&DD in earlier stages of the engagement process. They are continuing to work with P&DD through the Design Review process, therefore additional changes can be anticipated, including but not limited to additional vegetative screening of the parking lot and the first-floor units. The new renderings can be found attached to this report.

#### **CPC MEETINGS**

# Public Hearing – September 21, 2023

On September 21, 2023, the City Planning Commission held a public hearing on this rezoning request. Eight individuals provided public comment, three expressing strong support, five in opposition.

#### Points in support:

- Meeting the need for affordable senior housing in the city
- Development will provide services for area seniors
- Rents will be affordable, compared to many rental units in the area
- Will allow residents to age in place

- Positive conversations with other community members
- Understanding that this is the beginning of the process, and there will be opportunity to voice opinions throughout the process
- There will be a community board formed related to the project including parishioners, residents, and community leaders throughout the development process and beyond
- Community can utilize space in buildings for meetings and activities
- Gesu Catholic Church has served the community for many years. Some speakers gave personal testimony of the impact that Gesu Church has had on their lives
- Gesu Church will continue to be involved with the project, and are equipped to support the residents

## Points in opposition:

- Communication gap between the applicant, the church, and the community
- Public transit in the area is not reliable or safe for senior citizens
- Description of design elements are too broad, not sufficient to state that design will be "complementary" to the surrounding area
- Historically, attempts to create multi-unit developments for similar uses (senior housing, home for wayward girls, group home) have been rejected by the community Note: CPC staff was not able to find evidence confirming these claims. No further details were provided by the speaker
- The project will not accommodate residents when they no longer qualify for independent living
- Current residents of the University District will not be given preference when applying for the new housing units *Note: Fair housing practices require applications to be accepted on first come first served basis. All applicants must meet the income threshold for affordable housing*

Planning Commissioners expressed overall support for the project and rezoning, citing the need for appropriate and affordable senior housing in the city and region. Commissioners also expressed support based on the appropriateness of the R3 (Low-Density Residential) zoning classification for the site. Finally, Commissioners stated that they were in support of the rezoning, with the caveat that engagement related to design standards and site plan review would continue. P&DD Director Bryant expressed concerns regarding materiality, articulation on the façade, and that the color palate complement what is seen in the surrounding community.

Planning Commissioners also voiced concerns and posed several questions regarding the proposed project and rezoning. A summary of these questions and concerns is provided below, with responses from the applicant and CPC staff in italics:

- Commissioners echoed the concerns of Director Bryant, and strongly encouraged the applicant to continue to engage in the site plan review process. The applicant expressed their commitment to working closely with P&DD and CPC staff to continue site plan review and design discussions. Following the meeting, the applicant had a productive meeting with Director Bryant and P&DD staff and are fully committed to meeting the design standards and expectations discussed in that meeting. The applicant will continue to work closely with P&DD.
- Commissioners expressed concerns with the apparent lack of community engagement expressed during public comment. Commissioners requested that two community meetings be held to allow those interested to have their voices heard. The applicant agreed to hold

two community meetings, the first being scheduled for October 10<sup>th</sup>, 2023. During the community meeting attendees will have opportunity to discuss the proposed project, and give input on design, services, and community impact. CPC staff will attend both community meetings. In total four additional meetings were held with the full community.

- Commissioners expressed concern over the lack of critical mass of residents on the leadership board. Father Snow of Gesu Catholic Church stated that he will work to increase community involvement on the leadership board
- Commissioners inquired about the services they plan to provide to potential residents. The applicant stated that the offerings will be like those at other MHT Housing developments. The development will have a craft room, community rooms, and a range of scheduled activities to foster community and creativity. Additionally, the following services may be incorporated, based on those offered at other MHT developments and expected expansion of senior services offered by the Gesu Parish: shuttled outings, meals served on site, doctor visits, vaccination clinics, fitness programs, and other services that provide a holistic approach to senior living.
- Commissioners inquired about the number of units that will be available at each income level and the rents for each income level.
  - The applicant provided this information following the public hearing based on the original development. They will provide updated data when they come before the City Planning Commission on July 11, 2024 to give an informational update on the changes to the development.
- Commissioners inquired about when construction was anticipated to begin. *Construction is estimated to begin January 1, 2025.*
- Commissioners inquired about the advertising of the upcoming community meetings. Following the meeting, the applicant provided CPC staff with a copy of the meeting flyer for October 10<sup>th</sup>. CPC staff, as well as other City agencies and departments did attend the meeting.
- Commissioners inquired about the square footage of the two-bedroom-units? Following the meeting the applicant confirmed that the two-bedroom-units will be 783 sq. ft. Due to changes in the proposed development, based on community input, there will no longer be two-bedroom-units offered.

# Update to CPC - expected July 11, 2024

On July 11, 2024, MHT Housing and Gesu Church are scheduled to appear before the City Planning Commission to present an update of the proposed senior housing project. The update will focus on the public engagement that has occurred since October 2023, changes to the original development plans in response to public concerns, as well as presenting the findings of the traffic study and HRD property value impact study which are attached to this report.

#### STAFF ANALYSIS

#### Surrounding Zoning and Land Use

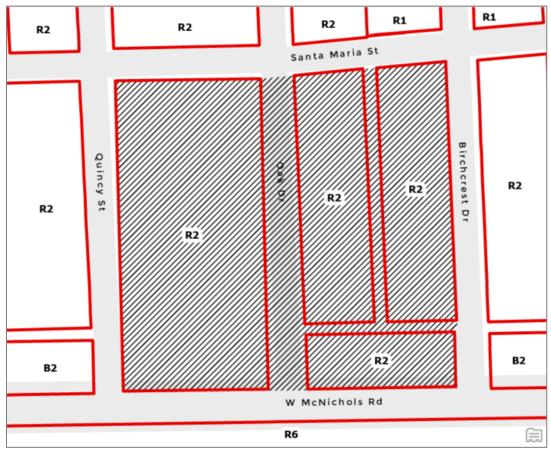
The zoning classifications and uses surrounding the subject parcels are as follows:

North: R2 (Two-Family Residential) – Institutional, church

East: R2 (Two-Family Residential) – Residential, two-family homes

South: R6 (High Density Residential) – Institutional, university

West: R2 (Two-Family Residential) – Residential, single- and two-family homes



Current zoning, with subject site hatched

# Zoning Ordinance Approval Criteria

Section 50-3-70 of the Detroit Zoning Ordinance lists eight approval criteria on which zoning map amendments must be based. Following are the relevant criteria with CPC staff's analysis in italics:

- Whether the proposed amendment will protect the health, safety, and general welfare of the public. Approval of the proposed zoning map amendment will protect the health, safety, and general welfare of the public, specifically for senior citizens by providing the appropriate zoning classifications to allow for new senior citizen housing.
- 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. It is not anticipated that the proposed rezoning will have significant adverse impacts on the natural environment.
- Whether the proposed amendment will have significant adverse impacts on other property that is in the vicinity of the subject tract. No adverse impacts are anticipated because of the proposed rezoning. By allow the proposed rezoning, the vitality of the neighborhood is anticipated to be improved. As stated earlier in this report, the Housing and Revitalization Department submitted a report indicating that the proposed development would have a positive impact on surrounding property values.

- Whether the proposed rezoning will create an illegal "spot zone." *The proposed rezoning will not create an illegal "spot zone."* 

#### Master Plan Consistency

The subject site is located within the Palmer Park area of Neighborhood Cluster 10 of the Detroit Master Plan of Policies. The Future Land Use Map for this area shows RL (Low Density Residential) and INST (Institutional) for the subject property. The Planning and Development Department (PDD) has reviewed this proposed rezoning and determined that the proposed rezoning is generally **consistent** with the Master Plan designation, and it is not anticipated to change the character of the area or have a negative impact on the surrounding area.



#### **CONCLUSION & RECOMMENDATION**

On September 21<sup>st</sup>, 2023, the City Planning Commission voted to recommend approval of the rezoning request to amend Article XVII, District Map No. 60 of Chapter 50 of the 2019 Detroit City Code, *Zoning*, to show an R3 (Low-Density Residential) zoning classification where an R2 (Two-Family Residential) zoning classification is currently shown on nine parcels commonly known as 17139, 17204, 17198, 17180, 17132 Oak Drive, 3856 West McNichols Road, 17213, 17181, and 17131 Birchcrest.

Respectfully submitted,

DONOVAN SMITH, CHAIRPERSON

Marcell R. Todd, Jr., Director Timarie Szwed, City Planner

Marvel R. LM J.

Attachments: Rezoning Ordinance

PDD Master Plan Interpretation

Updated District Map 60

Letters of Support Traffic Study

Estimated Impact to Residential and Commercial Property HRD report

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