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November 4, 2014

HONORABLE PLANNING AND ECONOMIC DEVELOPMENT STANDING COMMITTEE

RE:

Request of Olympia Development of Michigan, LLC and the City of Detroit Downtown Development Authority (ODM/DDA) to Amend Chapter 61, Article XVII, Map 3 of the 1984 Detroit City Code, Zoning to show a PD (Planned Development) zoning district where a B4 (General Business) zoning district designation is presently shown on land generally bounded by Woodward Ave., Henry St., Clifford Ave., and Sproat St. to facilitate the construction of a mixed-use arena complex. (SUPPLEMENTAL REPORT)

On October 28, 2014 the City Council received and forwarded the October 27th City Planning Commission (CPC) report and recommendation on the above captioned matter to the Planning and Economic Development Standing Committee. The report indicates that the full analysis of the project would follow in a subsequent report. Herein is that report..

The proposal as initially submitted by ODM/DDA, dated August 28, 2014, was presented to the CPC at its September 18, 2014 regular meeting, during which the statutory public hearing was held to solicit comments from the public (the public hearing results are summarized again below). The petitioner subsequently prepared a revised submission, in part to reflect concerns expressed at, and subsequent to, the September 18th hearing. Revised documents submitted to CPC consisted of two supplements to the Project Narrative" (reconfigured for City Council consideration and attached), and a revised drawings dated October 20, 2014 (included with the October 27th report). The Commission took action, recommending approval with conditions, on October 23, 2014.

PROPOSED DEVELOPMENT

The boundary of the proposed PD district is clearly indicated by a bold line on sheet C2.01A of the drawings. The site, approximately 12 acres, consists of all zoned land bounded by Henry, Clifford, and Sproat streets and Woodward Avenue, exclusive of three lots at the southwest corner of Henry Street and Park Avenue which constitute the Park Avenue Hotel Historic District. Portions of Park Avenue and Sibley Street are also located within the proposed development and will require vacation via a separate and concurrent petition request being processed by the Department of Public Works (DPW).

The site presently contains several small-scale commercial buildings which are owned by ODM/DDA or affiliated entities, as well as a single billboard along Woodward Avenue. Most of the site, however, consists of unpaved or gravel lots which are frequently used for parking.

The proposal seeks to demolish all existing structures on the site, vacate portions of Park Avenue, Sibley Street, and Clifford Street, and construct a complex of structures including a 20,189-seat arena, several multi-story, mixed-use buildings, a parking deck, and semi-public outdoor event space. The central structure of this proposed facility is frequently described by DDA/ODM as a "deconstructed arena," meaning that ancillary functions traditionally incorporated into an arena structure (such as offices, maintenance facilities, and retail) will instead be located in adjacent buildings that serve to enclose and define the exterior to the arena bowl and concourse.

Mixed-use development will incorporate both commercial and residential spaces in addition to arena-related facilities. A total of five 4–5-story mixed-use buildings will house retail, residential, and office uses, and the site will also include 3-story townhouses fronting on Clifford and Cass Streets where Clifford merges into Cass, and a central utility plant building located adjacent to the former Park Avenue right-of-way. The "deconstructed" nature of the facility is intended to allow pedestrians to walk amongst the buildings and even the arena, as well as traverse the former Park Avenue right-of-way, during times when ticketed events are not in session.

The arena itself, the largest structure in the proposed complex, begins with a below-grade playing field and rises to approximately 8 stories above ground. Much of the arena itself, set back from adjacent streets, will consequently be concealed behind the surrounding mixed-use buildings; however, its uppermost stories will be visible, especially when viewed from a distance. The arena proper will be connected to the surrounding mixed-use buildings by a sheltered gallery, described by the DDA/ODM proposal as "a glass-enclosed street" which would be open to the public to facilitate pedestrian circulation and access to retail, office facilities and restaurants within. Of necessity, access to this gallery space would be controlled during ticketed events.

Vehicle access will be located on the west end of the site, where a parking deck will be served by entrances and exits to Cass Avenue, Henry Street, and Sproat Street. Pedestrian access will be primarily from a series of entrances along Woodward Avenue, including one at a future M-1 Rail station, and from along the to-be-vacated Park Avenue right-of-way. A pedestrian sidewalk will also run alongside a "drop-off/turn-around" driveway which enters from Clifford Street and passes at grade beneath the parking deck. Deliveries and waste management services will be located on the north side of the facility, along Sproat Street, and enclosed from view. The ODM/DDA design team has expressed an intent to adhere to or exceed best practices in green building and energy-efficient design.

Context-specific guidelines for business and identification signs, intended for application to future retail tenants, are also specified in the PD proposal.

Vacation of Park Avenue, Sibley Street, and Clifford Street requires separate approval of the City Council, after an analysis and recommendation from the Department of Public Works City Engineering Division.

PUBLIC HEARING

At the September 18, 2014 public hearing, ten people spoke, most of whom stated that they were residents of the surrounding community or representatives of community organizations, including the Neighborhood Advisory Council, an organization convened to represent the interests of the surrounding community.

Desires expressed at the public hearing included (in chronological order), the preservation of historic buildings, the provision of affordable housing, formal recognition of Neighborhood Advisory Council demands, quality transportation planning and urban design, local hiring practices, improved parking design, the mitigation of traffic congestion, noise pollution, and light pollution, walkability and the maintenance of the existing street grid especially with respect to Park Avenue, LEED-certified or comparable energy-efficient design, reuse of salvaged building materials from demolitions, barrier-free access, avoidance of displacement of nearby residents, and quality stormwater management.

MASTER PLAN

The Planning & Development Department has suggested that an area including the subject site, and extending south to the Fisher Freeway (I-75), should be changed in classification from MRC (Mixed-Residential/Commercial) to CS (Special Commercial) in the Master Plan and formally submitted a proposed Master Plan amendment to that effect. The proposed development is consistent with the MRC designation; however, CS would be more appropriate given the intensity of development on the subject property and the proposed build-out for the larger area.

REVIEW

CPC analysis of the proposed PD district is conducted with reference to the approval criteria for zoning map amendments as described in Section 61-3-80, the PD approval criteria as described in Section 61-3-96, and PD district design criteria as described in section 61-11-15 of the Zoning Ordinance.

Furthermore, in order to identify and address effects on the surrounding community and on the city as a whole, CPC staff has engaged in ongoing discussions with a number of stakeholders including, of course the petitioner, the ODM/DDA design team, the Neighborhood Advisory Council, Council Member Raquel Castañeda-López (representing District Six in which the proposed development is located), the Planning and Development Department (specifically, Master Plan, urban design, and Historic District Commission staff), The Department of Public Works (DPW) and the General Services Department over the past several months.

This ongoing review process has identified a number of concerns regarding the proposed development, ultimately resulting in a recommendation of "approval with conditions," as described and represented at the end of this document. CPC comments are organized by topic and detailed below:

Scale and Form

The proposed development appropriately fills a gap between the Central Business District, to the south, and the Park Avenue Hotel Historic District and Eddystone Hotel Historic District, to the north, all of which feature high-rise development with a traditional street grid and minimal setbacks. The proposed development also provides a transition between these high-rise uses and

more moderately scaled development to the west and east, including the Traditional Main Street overlay district on Woodward Avenue and the Brush Park Historic District to the east.

The mixed-use and event-driven nature of the proposed development is compatible with the land uses of the adjacent Central Business District; much of the surrounding land use is mixed-use as well.

Building height to street width ratio varies with building heights and different street widths on Woodward, Henry, Cass, and Sproat streets, but generally meets the minimum 1:3 guideline recommended by the U.S. Green Building Council and other organizations that advocate "complete streets."

Urban Design, Open Space, and Pedestrian Amenities

Quality urban design has been the subject of ongoing discussions between CPC staff, the ODM/DDA design team, the Planning and Development Department, the Buildings, Safety Engineering, and Environmental Department, and the General Services Department over the past several months. The revised submission provided by ODM/DDA, in large part, reflects the favorable outcome of these discussions.

The proposed development provides outdoor seating, public restrooms, bicycle storage, convenient access points, enclosed walkways, and arcaded pedestrian areas as encouraged by the PD District design criteria (Section 61-11-15 of the Zoning Ordinance). The development also provides both programmed and passive public spaces.

Approval conditions recommended by the CPC include the introduction of plant material, including evergreen species, "when possible" and that final siting of art installations be subject to CPC review and approval.

Regarding solar access, building footprints and massing are within the intensity and dimensional standards for the B4 zoning classification, as described in Section 61-13-25 of the Zoning Ordinance, and do not create undue shadow impact on the surrounding area.

General Services Division comments also recommend heated walkways to facilitate snow removal and reduce the risk of injury. This is under consideration by the design team and will be addressed in the future pending design and budgetary constraints.

Barrier-Free Access

The current, revised submission of October 20, 2014 eliminates exterior steps and ramps shown in the original submission. Access to the site appears to exceed best practices in barrier-free design.

Visual Impacts on Surrounding Properties

Roof Materials and Lighting. A significant visual impact on surrounding properties is created by the mass of the project, as well as by roof materials and lighting, as described in the Project Narrative and supplements. The petitioner intends to use LED (Light Emitting Diode) panels as part of the roof enclosure, generally depicted in red. This will allow that portion of the building to vary in color and intensity as well as imagery. These panels will not be of a resolution that would allow them to display detailed images or small text.

Concerns regarding light pollution are due in large part to conceptual images that were previously advanced for the arena. However, the actual design is evolving toward a more conservative appearance. Final location, type, and operation of lighting features and fixtures will require coordination and monitoring to ensure against excessive light pollution.

Concerns regarding light pollution are further addressed by approval conditions recommended by the CPC.

Signs. Large-format sponsored signs, to be located at each of the arena's four primary entrances, will also create a visual impact on surrounding properties.

Context-specific guidelines for business and identification signs, intended for application to future retail tenants, are specified in Section A-5 of the PD proposal drawings. However, CPC recommends that this portion of the proposal be omitted from the approved PD, as the City of Detroit is presently undertaking an amendment to the sign regulations outlined in chapters 3 and 61 of the Detroit City Code. We expect signage needs for the proposed development to be addressed in the forthcoming amendments. A final submission for proposed signage as well as on-site art installations will have to be submitted subsequently to the approval of this PD.

Screening. For the most part, proposed service and loading facilities are located below-grade and accessed by way of the parking structure, and therefore will not be visible. Refuse collection, located along Sproat Street, and mechanical and electrical equipment, located within a central plant, are adequately screened. While loading support for the retail and restaurant uses is intended to be provided internally, some loading and servicing, as is common in the Central Business District and Midtown, may be staged on the street.

Motorized Traffic Management

Traffic congestion can be as much of an indicator of successful development and associated demand as it is a deterrent and frustrating factor for all parties. A traffic analysis by Parsons Brinkerhoff, commissioned by ODM/DDA, and the city's Traffic and Engineering Division of the Department of Public Works both agree that there is adequate capacity within the area road network to accommodate anticipated event traffic. The real challenge, especially during times of peak demand, is one of traffic management. Active coordination of events, parking facilities, and the use of multimodal transportation options will be required to ensure a satisfactory level of service.

To an extent, traffic flow surrounding the proposed development will be comparable to existing traffic patterns during events at nearby Comerica Park and Ford Field. Parking facilities are described under Tab 3 of the Project Narrative. However, additional demands on surrounding streets are certain to occur as a result of the proposed development. Disruptions to traffic flow will also be created by event-related closures of Henry and Sproat streets.

Non-motorized Traffic Management

A challenge to non-motorized traffic will be created by the location of the proposed parking structure at the west end of the site combined with the event-specific closures of Henry and Sproat streets. This will direct a large number of cars onto Cass Avenue, presently designated by the city's Non-motorized Master Plan as a Downtown-Midtown Connector, a primary bicycle route. Buffered bicycle lanes, proposed for Cass Avenue by Midtown Detroit, Inc. and the Department of Public Works, are likely to be used as de-facto travel lanes for motor vehicles

during events. Protected bicycle lanes (where bicycle traffic is separated from motorized traffic by a grade change or a physical barrier such as landscaping or parked cars), although outside the scope of this PD proposal, would alleviate this situation.

Preservation of the existing street grid to facilitate pedestrian traffic has been a primary concern of the CPC throughout the review process, especially given the proximity of the site to other mixed-use development, the Central Business District, M-1 Rail, and bus routes. Disruptions to pedestrian traffic are largely mitigated by proposed pedestrian access ways following the preexisting street grid, as described under Tab 4C of the Project Narrative. However, during some events, disruptions to pedestrian traffic may occur, especially with respect to ticketed events that are held outdoors.

Parking

As one might expect, parking needs have been one of the more challenging aspects of the review of the proposed project. Tab 3B of the Project Narrative shows a total of 4,200 parking spaces available within 1,000 feet of the events center as of opening day. 1,200 of these spaces are to be provided on site via a parking structure, with the remainder provided by existing structures and existing surface parking lots, and inevitably, some new surface parking. Recognizing longstanding concerns with the excessive number and often poor condition of surface parking lots in the area, it is essential that all such lots be properly developed and maintained as per City Code.

However, a number of existing surface lots in the vicinity are expected to be redeveloped with higher and better uses, including structured parking and some surface-level accessory parking. For one example, we expect the surface lot located along the Fisher Freeway service drive and immediately northwest of Comerica Park to be redeveloped into another 1,200-space parking structure.

A narrow interpretation of the site's existing B4 zoning classification would require, within a radius of 1,000 feet, one parking space per six arena seats, or a total of 3,365 spaces. With an available 4,200 spaces within 1,000 feet of the proposed development, this requirement is met.

A more comprehensive estimate of parking needs suggests a demand of one parking space per 2.5 arena seats, plus 1.25 spaces per apartment unit, 1.5 spaces per townhouse unit, 1 space per 400 square feet of office space, and 1 space per 250 square feet of retail space (where the requirement is not suspended), for a total of 8,909 spaces. However, other modes of transportation are expected to reduce this number: 8% of patrons are expected to arrive by M1 Rail, 6% by taxis and private shuttles, and 3% on foot, resulting in an adjusted parking demand estimate of 7,395 spaces. This demand would be adequately met by approximately 20,000 parking spaces within a ten-minute walk of the proposed development.

Other than the 1,200 spaces to be provided on-site in the proposed garage, this parking is located in structures and surface lots, many of which are located in the Central Business District and shared with other events and uses. At present, these parking facilities are able to satisfactorily serve events at Comerica Park and Ford Field, both of which exceed the proposed Events Center

These numbers are based on requirements of the Zoning Ordinance in conjunction with several recent Parsons Brinkerhoff traffic management studies, including one commissioned by ODM/DDA for the proposed events center.

in capacity and parking demand. On occasion, however, multiple events will occur simultaneously. This will result in a greatly increased parking demand and require some patrons to park outside of the 10-minute radius. The most challenging scenario, all three major sports venues hosting an event on the same day, would be a rare occurrence (approximately six or fewer times per year, based on varying event schedules).

The provision of dedicated on-site parking for residential tenants is among the conditions recommended by the CPC.

Impact on Adjacent Historic Districts

The proposed development poses a particular challenge to the adjacent, single-building Park Avenue Hotel Historic District. United States Department of Homeland Security guidelines for major sports venues, adopted by the National Hockey League, suggest a 100-foot "outer perimeter," defined by road closures, barriers, and other security measures, around the event venue.² Due to the location of the arena's northwest entrance, a substantial portion of the Park Avenue Hotel Historic District would lie within this "outer perimeter" zone, which may impact the feasibility of redevelopment of the presently-vacant Park Avenue Hotel Historic District.

The creation of this "outer perimeter," compounded by the proposed vacation of the Park Avenue right-of-way and resulting interruption of the traditional street grid, subjects the property to "isolation from or alteration of in [sic] the surrounding environment," a potential "adverse effect" to a historic district, as identified by Section 25-2-7 (b) of the Detroit City Code.

To a lesser extent, the impact of event-related road closures on the adjacent Eddystone Hotel Historic District also constitutes an "adverse effect".

Construction Management

This item is addressed in a summary manner in Tab 10: Construction Management Plan of the "Second Supplement to Project Narrative." As reflected in the conditions recommended by the CPC, a more detailed construction management plan will ultimately be prepared with the City, but this is more information than we typically receive from other projects at this stage of development.

COMMENT FROM NEIGHBORHOOD ADVISORY COUNCIL

The Neighborhood Advisory Council has provided, in letters to the City Planning Commission specific recommendations from two committees.

The Construction and Design committee recommends that the existing street grid be retained to the fullest extent feasible, particularly with respect to Park Avenue, and that pedestrian-scale facade treatments be encouraged at ground level along Sproat Street to support pedestrian uses and the redevelopment of the Park Avenue Hotel Historic District and the Eddystone Hotel Historic District. Furthermore, the committee cautions against the use of animated and illuminated signs along Woodward and Clifford avenues due to the visual impacts on nearby residences.

United States Department of Homeland Security, "Protective Measures Guide for U.S. Sports Leagues," 2008, 19–20.

The Historic Preservation and Housing Committee advocates for the retention of existing structures within and surrounding the proposed development, particularly the Park Avenue Hotel Historic District and the Eddystone Hotel Historic District. The committee also expresses a concern that the proposed development will "create conditions that make it more difficult to redevelop hotels Park Avenue and Eddystone." Additionally, the committee requests a portion of the proposed development be designated for affordable housing.

RECOMMENDATION

At its October 23, 2014 meeting, the CPC issued a recommendation of approval of the proposed development, with the following conditions:

- 1. That required parking for the residential component of the project be provided and maintained within the parking structure;
- 2. That where possible the developer further refine and soften the hardscape characteristics of the open space components of the project with plant material, ground cover and other paving materials, and deploy a balance of evergreen and deciduous plant materials and other landscape furnishing to ensure a reasonable and appealing aesthetic throughout the year;
- 3. That task or activity lighting be directed or shielded in order to minimize or where possible eliminate spillover or intrusive light on to adjacent of or nearby property. That illuminated signage, internally illuminated external cladding or architectural features and features illuminated by external fixtures will be subject to review, testing and monitoring by the City, when made operational, in order to ensure against any undesirable or deleterious effect;
- 4. That a final and more detailed proposal for signage including on premises, off premises, temporary and directional signage as well as static, changeable copy and full motion video display be developed and submitted to the City Planning Commission staff and other applicable City agencies for review as to compliance with the applicable City codes as may be amended and other approvals may be warranted;
- 5. That sheet A-5.07 of the approval set of drawings be voided from the submission;
- 6. That a plan for the type, placement and general appearance of art installations that would further enhance the project be prepared and submitted to the City Planning Commission staff for the purpose of distinguishing such features as art and assuring compliance with applicable codes as may be amended;
- 7. That the Construction Management Plan be further developed, and reviewed and adjusted as warranted by applicable City agencies including, but not limited to, the Planning and Development Department, Building Safety Engineering and Environmental Department, the Department for Public Works and City Planning Commission staff; and
- 8. That final site plans, elevations, landscaping, lighting and signage plans be submitted to the staff of the City Planning Commission for review and approval prior to

application being made for applicable permits (excluding permits for mass excavation, utilities, demolition and abatement).

Additionally, as it concerns the larger district (Catalyst Area) in which the PD is located, staff recommends that the strategy and/or guidelines to be prepared for the district address but not be limited to the following:

- Traffic Management Plan
- Shared Parking Plan
- Future reuse of nonessential surface parking lots
- Snow removal
- Security Provisions

Respectfully submitted,

LESLEY C. FAIRROW, ESQ., CHAIRPERSON

David Whitaker, Director, LPD

Marcell R, Todd, Jr., Senior City Planner Timothy Boscarino, Zoning Specialist

Attachments

cc: Thomas Lewand, Group Executive Melvin Hollowell, Corp. Counsel Trisha Stein; Interim Director, P&DD John Baran, P&DD Bruce Evans, P&D