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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, RECOMMEND APPROVAL WITH CONDITIONS)**

To date, ODM/DDA have submitted, for consideration of the Honorable City Council, two versions of site plans and related documents for the proposed Detroit Events Center.

The first, depicted in drawings dated October 20, 2014, reviewed by the City Planning Commission at its October 23, 2014 meeting (a statutory public hearing on the matter having been held on September 18, 2014), and presented by CPC, with a recommendation of “approval with conditions” to the City Council Planning and Economic Development Standing Committee in a memo dated October 27, 2014, was reviewed and discussed at the November 25, 2014 committee meeting.

The second, issued in part as a response to concerns subsequently expressed by members of the Honorable City Council, was the subject of a presentation by Olympia Development of Michigan at the March 26, 2015 meeting of the Honorable Planning and Economic Development Standing Committee, and is depicted in a site plan dated March 30, 2015 (attached).

For clarity, this report refers to the former as the **October submission** and the latter as the **March submission**. Key differences between the two versions are summarized below.

ANALYSIS

The March submission differs from the October submission as follows:

- **Adjustment of proposed Planned Development (PD) District boundaries** to include the adjacent Park Avenue Hotel Historic District site (also known as the Harbor Lights building).

- **Demolition of the single-building Park Avenue Hotel Historic District** to facilitate a reconfiguration of below-grade “club level” and “event level” service facilities, including a revised below-grade loading dock. Above ground, the demolition allows for additional open space along the Park Avenue right-of-way.
- **Relocation of the Central Plant** to within the parking garage footprint to allow for additional pedestrian-friendly open space.
- **Reduction in the parking garage footprint** to allow for additional open space.
- **Addition of a retail kiosk** along the Park Avenue right-of-way.
- **Additional outdoor amenities added** including a water feature, outdoor fireplace, stage with projection screen, and numerous seating areas and bike parking facilities.
- **Reconfiguration of vehicle ramp and pedestrian sidewalks** near the intersection of Park Avenue and Ledyard Street.
- **Expansion of Building D** connected by bridges to Building E and the parking garage.
- **Change in Building C use** from retail/residential to retail/office/museum.

CONTINUED STAFF REVIEW

Although the March submission has not been presented to the City Planning Commission, staff review is described below, by item.

PD District Boundaries

We feel that the expansion of the proposed PD District boundaries, as shown in the March submission, is prudent. Should the Park Avenue Hotel building be demolished, and the “club level,” “event level,” and expanded loading docks be developed as ODM/DDA envisions, the footprint of the development would expand into the area so delineated, necessitating that the PD boundaries be expanded as well.

Open Space and Related Amenities

The provision of additional open space and amenities is a welcome addition to the proposed development and appears to be in keeping with the character and spirit of prior CPC review and the October 27, 2014 recommendation of “approval with conditions.” It also appears to address concerns expressed by members of the Honorable City Council during, and subsequent to, the November 25, 2015 hearing of the Honorable Planning and Economic Development Standing Committee.

Residential Dwelling Units

A significant change, the elimination of the residential component of Building C, reduces the total number of dwelling units for the proposed development by about one-third, from 168 to 96.

Park Avenue Hotel Historic District

The proposed demolition of the Park Avenue Hotel Historic District poses a challenge as it conflicts with existing policy objectives.

The Downtown Development Authority enabling legislation (P. A. 197 of 1975) mandates that sites “determined by the municipality to have significant historic interests” be “preserved in a manner as considered necessary by the municipality” when located within a district established

pursuant to the act. At a minimum, P. A. 197 requires the DDA to “refer all proposed changes to the exterior of sites listed on ... the National Register of Historic Places to the applicable historic district commission” (the Park Avenue Hotel being so listed).

The City of Detroit Master Plan of Policies, too, advocates for the preservation of historic resources. Specifically, retention of the Park Avenue Hotel Historic District is consistent with the *City Design* section, which states that “the City’s vitality is a product of the continued evolution of [historically and culturally significant] buildings and spaces ... development “must be guided in a way that doesn’t disrupt the unique attractiveness of the City” and should be “sensitive to the City’s historical and architecturally significant buildings and districts” as well as the *Cluster 4: Lower Woodward* section, which instructs us to “give high priority to the preservation of historic buildings” in the area where the proposed development is located.

Perhaps most significantly, the Detroit Zoning Ordinance, which guides the review and approval of zoning map amendments, declares “preservation and restoration of buildings having architectural and historic value” to be a “primary objective” within Planned Development Districts, according to the PD design criteria established in Section 61-11-15.

ODM/DDA suggest that there are several benefits associated with the proposed demolition of the Park Avenue Hotel Historic District. The proposed demolition would enable a significant reconfiguration of the proposed development’s below-grade “club” and “event” levels, allowing for expanded loading docks and other service facilities. ODM/DDA have argued, as described in a presentation to the Honorable Planning and Economic Development Standing Committee on March 26, 2015, that the reconfigured below-grade levels will enhance the viability of the proposed development and help make the Detroit Events Center more competitive with other event facilities, both within the Detroit area as well as those in other markets. The expanded loading dock area would also facilitate on-site vehicle turning and staging, thus minimizing disruption to traffic on the surrounding public streets.

According to The Michigan Local Historic Districts Act (P. A. 169 of 1970) and Chapter 25 of the Detroit City Code, proposed demolition in historic districts must first be approved by the Historic District Commission. Section 5 of P. A. 169 allows the Historic District Commission to issue a Notice to Proceed for a proposed demolition if the commission finds that the building in question constitutes “a deterrent to a major public improvement program that will be of substantial benefit to the community.”

We have advised ODM/DDA to present the matter to the Historic District Commission at the earliest possible opportunity.

CITY COUNCIL ACTION

Should the Honorable City Council choose to act in approval of the proposed development, the Honorable Planning and Economic Development Standing Committee will be faced with various possible options for approval, as discussed below. Upon further direction and clarification from the committee, we will prepare a resolution and make non-substantive revisions to the ordinance as may be warranted.

Options for PD boundaries

The City Council may approve boundaries as depicted in the October submission, or boundaries

as depicted in the March submission. However, expanding the boundaries beyond what has been previously depicted would require additional public notice and an additional CPC public hearing.

Options for site plans and elevations

The City Council may approve site plans and elevations as depicted in the November submission, or site plans as depicted in the March submission (however, please note that elevations and other related documents in connection with the March submission have not yet been provided by ODM/DDA).

Optional conditions

The City Council may approve the proposed development with conditions. Conditions previously recommended by CPC and by the Honorable Planning and Economic Development Standing Committee are attached, with annotation, as an appendix to this report. The committee may also consider and propose additional conditions, as it so desires.

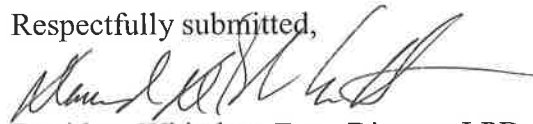
Options regarding the Park Avenue Hotel Historic District

At present, we caution the City Council against approving a site plan (as depicted in the March submission) that depicts the Park Avenue Hotel building as absent, as the issue has not yet been resolved by the Historic District Commission. We believe the City Council could address this matter in two ways:

- The City Council could approve the site plan as depicted in the October submission, with the understanding that anticipated future revisions to the plan would be possible by way of the “Modification of Approved Plans” provision described in Section 61-3-97 of the Zoning Ordinance.
- The City Council could request (and subsequently approve) from ODM/DDA a set of drawings, previously described as a “hybrid,” which largely resemble the March submission, but also show the Park Avenue Hotel building as standing, with other adjustments depicted as necessary. Again, revisions to the plan would be possible by way of the “Modification of Approved Plans” provision.

The City Council also has the ability to put forth two alternatives simultaneously. For instance, in addition to approving one of the two items above, The City Council could also put forth the March submission as an alternative, with the understanding that this alternative could only be pursued by ODM/DDA upon issuance of a Notice to Proceed or similar approval for the demolition of the Park Avenue Hotel building.

Respectfully submitted,



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Timothy Boscarino, Zoning Specialist

Attachments

cc: Maurice Cox, Director P&DD

Thomas Lewand, Group Executive
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