

# City of Detroit

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## CORRECTED REPORT

October 4, 2019

### HONORABLE CITY COUNCIL

**RE:** Request of the City of Detroit Planning and Development Department to amend Article XVII, District Map No. 45 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing an M3 (General Industrial District) zoning classification where an R2 (Two-family Residential District) zoning classification currently exists on 175 parcels, generally bounded by the McGraw Avenue and W. Warren Avenue to the north, the I-94 Edsel Ford Expressway to the south and east, and 35th Street and Parkdale Avenue extended to the west. **(RECOMMEND APPROVAL)**

### NATURE OF REQUEST AND PROJECT PROPOSAL

The City Planning Commission (CPC) has completed its review and deliberations on the request of the City of Detroit Planning and Development Department (P&DD) to amend Article XVII, District Map No. 45 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing an M3 (General Industrial District) zoning classification where an R2 (Two-family Residential District) zoning classification currently exists on 175 parcels, generally bounded by the McGraw Avenue and W. Warren Avenue to the north, the I-94 Edsel Ford Expressway to the south and east, and 35th Street and Parkdale Avenue extended to the west.

### REVIEW

The R2 district is designed to protect and enhance those areas developed or likely to develop with single- or two-family dwellings. The district regulations are designed to promote a suitable environment for homes and for activities connected with family life. The only principal uses permitted by right are single- and two-family dwellings, with limited additional uses being allowed on a conditional basis.

The M3 district is composed of property so situated as to be suitable for industrial development, but where the modes of operation of the industry may affect nearby residential uses. The purpose of this district is to permit the normal operation of certain industrial uses, subject only to those regulations needed to control congestion and to protect nearby residential districts. No new residential construction is permitted in this district with the exception of loft conversions of existing buildings and of residential uses combined in structures with permitted commercial uses. These requirements are to protect residences from an undesirable environment and to ensure reservation of adequate areas for industrial development.

The subject property is approximately 27.2 acres and is located in Council District 6. The subject parcels are currently under the ownership of the City of Detroit P&DD, Care of Detroit Building Authority (DBA), Detroit Land Bank Authority, McGraw-94 Land, LLC, Detroit Economic

Development Corporation, Darnell Jackson, Detroit Parks & Recreation, Alejandro S. Gonzales, Y Do It Yourself Construction, Nelson J Megar & Jocelyn Paredes, Lesily C Bufkin, L & E Page, and the Miles' Family Trust.

The subject property is located in Census Tract 5273. Based on the most recent census data, the total population for the area is 984. The estimated residential vacancy rate is 64%.

### ***Proposed Development***

The proposed map amendment is being requested to allow the industrial redevelopment of a largely publicly-owned, predominantly vacant underutilized site. With the Mack Avenue and St. Jean Avenue Jefferson North Assembly Plant (JNAP) and Mack Ave Fiat Chrysler Automotive (FCA) facility expansion, multiple auto suppliers are seeking large, contiguous, industrially-zoned sites on which to construct facilities, which could lead to job creation, one of the top goals of the City Administration. The Administration believes the subject site is appropriate for a supplier, given its adjacency to existing industry, its location along truck routes, and, its adjacency to the I-94 expressway. Upon the successful completion of the rezoning of this site, the Administration intends to market this location to host another automotive supplier.

### **BACKGROUND**

The area generally bounded by I-94 to the south, Livernois Ave. on the west, Joy Rd. to the north and Epworth Ave. (Wesson Ave, south of Warren Ave.) on the east has served predominately as an industrial corridor since the early 20<sup>th</sup> century. Less than five percent of that land mass has been occupied by residential and commercial concerns, while the vast majority has hosted corporations such as Kelsey Hayes, Lear, BASF, DTE, Coca-Cola and Thyssen Steel. In 1991 the City was approached by Thyssen, offering to purchase the western 4.6 acres of the then 14.7 acre Atkinson Playfield, the remainder of which is the western end of the subject property of this rezoning request. That offer to purchase initiated the eastward industrial expansion into the neighborhood that continues today.

Due to certain Federal funds being used to acquire or improve the park, Federal and State approvals are needed to be disposed of Atkinson or any portion thereof. One of the requirements of the approval process is identification and acquisition of qualified replacement park land. As this would take some time to accomplish, CPC recommended that a study of the area be undertaken to determine the future growth and needs of the area. Over the course of the next six years, Thyssen acquired the originally requested portion of the park, private property south of the park to I-94 (including the related public rights-of-way) and finally, another 4 plus acres of the playfield. These properties were rezoned from R2 (Two Family Residential) to TM (Transitional Industrial) and some portions to PD (Planned Development) to provide protection to the neighborhood. Today, Thyssen Steel occupies the land bounded by I-94, the rail line east of Livernois, McGraw and Parkdale extended.

In June of 1997, the City Council adopted an Economic Development Corporation (EDC) Project for the area. The vision at that time acknowledged three key factors: industrial expansion, recreational need, and residential decline and vacancy east of Junction. The EDC Project Plan called for the conversion of the entire playfield for industrial use and the development of a large park and playfield east of Junction served by a renovated Kronk Recreation Center. Unfortunately, the Kronk Center suffered major damage from frozen pipes, and in 2018 a catastrophic fire, leading to the center's closure and subsequent demolition. The City's financial challenges and a failing national economy would not allow the EDC Project to be pursued.

On Thursday, October 3, 2019, the Detroit City Council's Planning and Economic Development Standing Committee submitted a recommendation of approval to effectuate the following:

- 1) Termination of the Project Plan;
- 2) Negotiation of the termination of the "Funding Agreement" by and between the City and the EDC;
- 3) Authorization of the transfer of any property acquired by the EDC to the City;
- 4) Release of the property acquired by the City and/or EDC pursuant to the project from the requirements of the Project Plan; and
- 5) Termination of the Citizens District Council created pursuant to the Project Plan as provided in Section 20(d) of Act 338 of 1974 (MCL 125.1520).

Each of these actions is intended to aid the City of Detroit Brownfield Redevelopment Authority with land assembly activity aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies.

### **SURROUNDING LAND USE AND ZONING**

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

North: R2 & B4; Single-family residential and Commercial.

East: B4; Commercial and the I-94 expressway.

South: I-94 expressway with R2; Single-family and Two-family residential beyond.

West: TM; Developed with industrial (Thyssenkrupp Steel).

### **COMMUNITY MEETINGS AND THE CITY PLANNING COMMISSION PUBLIC HEARING**

Four-hundred and thirty-one notices were sent out to residents and property owners within 300 radial feet of the subject site. None have been returned as undeliverable. To date, no communications via mail or telephone, either in opposition or support of the requested rezoning has been received.

On Tuesday, September 10, 2019, a community meeting was held at Onasis Coney Island, located at 8001 Livernois Avenue, regarding this proposed rezoning and development. A 120-person mailing list was used to inform the community about the meeting and convey details included on the public hearing notice signs. Fifteen members of the public were in attendance. In anticipation of the meeting, the Department of Neighborhoods District 6 Manager, Ms. Eva Torres, canvassed the occupied homes and businesses within the proposed footprint, knocking on ten doors and speaking with three people.

At the community meeting, business owners had questions about whether or not their businesses would be allowed under the proposed zoning. Residents' questions included potential park replacement; whether or not current residents will have to move, or, if private property will be bought by the developer or the City of Detroit; who the developer is; what review there will be of future development, and what input the community will have in its design; what uses would be allowed under new zoning; and the proposed truck routes. Overall, the meeting was perceived as being productive with the majority of the residents' questions being answered. Answers to some questions, of course, will have to wait until a specific development is known and a site plan is presented. There is a desire on the community's behalf to be engaged in the process.

On September 19, 2019, the City Planning Commission held a public hearing on this request. There were six members of the public in attendance, of which four rendered testimony. The participants raised questions regarding setbacks and buffers, truck traffic routes, and the continuation of

commercial uses along W. Warren Avenue. There were no comments received either in support or opposition to the proposed rezoning.

The Commission did not raise any particular concerns regarding the proposed rezoning; their questions generally focused on land ownership and elimination of blight.

### **MASTER PLAN CONFORMANCE**

The subject site is located within the Tireman area of Neighborhood Cluster 6 of the Detroit Master Plan of Policies. The Future Land Use map for this area shows a mixture of “Medium Density Residential” and “Light Industrial” for the subject properties. An amendment will be forthcoming to show “Light Industrial” as the future intended land use for the entire site.

### **ANALYSIS**

The proposed zoning classification of M3 would permit the requested use of a “high/medium-impact manufacturing facility” specifically an “automobile accessory manufacture (not including tires, heat treating, or foundry work) on a by-right basis.

The proposed M3 zoning classification would permit 113 by-right public, civic, institutional, retail, service, commercial and other uses. The most intensive uses in the M3 zoning classification include “Trucking terminals, transfer buildings, truck garages, recreational vehicle storage lots, and open areas for the parking of semi-trailers, buses, and other operable commercial vehicles, not including limousines and taxicabs” and “Storage or killing of poultry or small game for direct, retail sale on the premises of for wholesale trade.”

The following analysis details how the proposed rezoning either meets or fails to meet the eight approval criteria of Section 50-3-80 of the Zoning Ordinance, which must be considered in making recommendations and decisions on standard rezoning requests.

- 1) Whether the proposed amendment corrects an error or meets the challenge of some changing condition, trend or fact;

With the dramatic decline in population of the city of Detroit over the past 20 years, several of the city’s neighborhoods have virtually been emptied. Large areas of the city have been razed and currently sit vacant and blighted. The City of Detroit has taken the approach of re-energizing the manufacturing segment of our economy, creating jobs. Many publicly held properties such as those in the area of Junction and McGraw have been and are being sought for this purpose. The rezoning request is in line with this stated purpose.

- 2) Whether the proposed amendment is consistent with the Master Plan and the stated purposes of this Zoning Ordinance;

The proposed rezoning of M3 is not consistent with the Master Plan of Policies, however the Planning and Development Department is developing a Master Plan Amendment to accommodate this rezoning request.

- 3) Whether the proposed amendment will protect the health, safety, and general welfare of the public;

Given that a developer for this site has not yet been selected, the Commission cannot opine on the specific impacts a future development, not knowing the specifics of the proposed development’s operations. The vast majority of the adjacent parcels are vacant and primarily publicly owned. The

subject site located directly north of the I-94 Expressway and south of a Major Corridor (W. Warren Avenue). In general, an intensification in zoning adjacent to residentially zoned properties is not the preferred approach. However, the remaining parcels adjacent to the subject site are commercially zoned as B4. The Commission would like to review the City's strategy for mitigating any negative impacts which may occur for the few remaining residents within the area of the subject rezoning.

- 4) Whether the City and other service providers will be able to provide adequate public facilities and services to the subject property, while maintaining adequate levels of service to existing development;

The physical characteristics of the subject property will change significantly as a result of the proposed rezoning. Given the vast amount of vacancy in the subject area, the anticipated consolidation of the subject parcels, the potential for street and alley vacations (which alter the traditional street grid), it is not anticipated that there will be disruption to city services.

- 5) 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 storm water management;

The proposed development is anticipated to create a vast amount of hard surface, where pervious green space currently exists; however stormwater management requirements should mitigate possible negative impacts.

- 6) Whether the proposed amendment will have significant adverse impacts on other property that is in the vicinity of the subject tract;

The vast majority of the adjacent uses in the immediate area are commercial and industrial. Given the sites proximity to the I-94 Expressway impacts as a result of this proposed rezoning will primarily be presented by increased and changing patterns of traffic and noise.

- 7) The suitability of the subject property for the existing zoning classification and proposed zoning classification; and

As noted previously, the existing R2 zoning classification is not conducive for the proposed uses which are industrial in nature. Before making the recommendation to pursue an M3 zoning classification, the Commission evaluated all zoning classifications and determined that the M3 zoning classification was the least intensive zoning classification that would allow for the proposed use and likely dimensional needs. Zoning Map No. 45 generally shows a mixture of R2 and B4 zoning to the north, south, east and west of the subject property. This section of the Tireman subsector is primarily developed with residential, commercial and industrial uses.

- 8) Whether the proposed rezoning will create an illegal "spot zone."

Given the commercial/industrial nature of the corridor, along with the size and proposed rezoning's consistency with the pending Master Plan amendment, the Commission is of the opinion that the proposed rezoning would not constitute an illegal "spot zone."

#### ***Suitability of the Property***

In general, the Commission would prefer that existing industrially zoned land be utilized, rather than repurposing residential and recreational land in this way. However, given previous and current trends, this area appears to be in transition. Therefore, the Commission looks favorably on the

rezoning of the subject parcel to accommodate the establishment of an automobile manufacturing supplier.

### **CONCLUSION**

The CPC is of the opinion that an M3 zoning classification is an appropriate designation consistent with the characteristics of the adjacent properties, which will allow for the establishment of industrial related uses.

The rezoning of this property from an economic development stand-point will add to the sustainability of the surrounding community by allowing the establishment of a development that is economically viable, and both creates jobs and generates tax revenue. Based on the above analysis and consistent with the approval criteria of Sec. 50-3-80 of the Zoning Ordinance, the CPC supports the rezoning request. However, it should be noted that staff's historical review of this matter caused some concern for the integrity of the record of amendments to Map No. 45, so further review may be warranted.

### **RECOMMENDATION**

On October 3, 2019 the City Planning Commission voted to recommend approval of the request of the City of Detroit Planning and Development Department to amend Article XVII, District Map No. 45 of the 2019 Detroit City Code, Chapter 50, Zoning, by showing an M3 (General Industrial District) zoning classification where an R2 (Two-family Residential District) zoning classification currently exists on 175 parcels, generally bounded by the McGraw Avenue and W. Warren Avenue to the north, the I-94 Edsel Ford Expressway to the south and east, and 35th Street and Parkdale Avenue extended to the west. Additionally the Commission authorized staff to work the Law Department in order to reconcile any related errors on District Map No. 45. Finally, given that the pending development would be a matter of right in the M3 zoning classification, and therefore not subject to legislative site plan review, the Commission recommends that the City Council make staff level site plan review for any development chosen for this site a condition of any land sale, right-of-way, street, or alley vacation subject to Council's approval.

Lastly, the history of the Kronk Recreation Center and the many people who have come through its doors are quite significant. As part of the land transfer or when a developer is selected for the site, City Council should consider how best to ensure that history is acknowledged and commemorated.

Respectfully submitted,

ALTON JAMES,  
CHAIRPERSON



Marcell R. Todd, Jr, Director  
George A. Etheridge, Staff

Attachments:  
Zoning Map No. 45  
Ordinance