

**CITY OF WILLIAMSTON, MICHIGAN
PLANNING COMMISSION**

**NOTICE OF PUBLIC HEARING
ON A CHANGE-OF-USE TEXT AMENDMENT**

PLEASE TAKE NOTICE the City of Williamston Planning Commission will conduct a Public Hearing at 7:01 p.m. on Tuesday, February 7, 2023 at the City of Williamston Council Chambers, 161 E. Grand River Avenue, Williamston, MI 48895. Application has been made for a change-of-use text amendment for 114 North Putnam Street (parcel ID: 33-18-03-36-352-021) to request residential use of the lower ground floor unit. The site is currently permitted for upper unit residential use and lower unit commercial use.

Notice is hereby given as required by the City of Williamston's Zoning Ordinance and the Michigan Zoning Enabling Act, Public Act 110 of 2006, as amended.

All related documentation may be reviewed and written comments will be accepted at the City of Williamston City Hall, 161 E. Grand River Avenue, Williamston, MI 48895, between the hours of 8:00 a.m. and 5:00 p.m. during all scheduled days of operation. Questions and comments can be directed to John Hanifan in the City Manager's Office by phone (517-655-2774, ext. 110) or by email manager@williamston-mi.us.

Any party having an interest in the matter may attend the Public Hearing and make their comments known to the Planning Commission. Individuals with disabilities needing special accommodations to fully participate in the meeting may contact the Office of the City Clerk to request the necessary assistance. This request must be made at least two (2) business days prior to the meeting.

TEXT AMENDMENT APPLICATION

TO: City of Williamston Planning Commission
FROM: 114 N Putnam W, LLC (Renee Leone, sole member)
SUBJECT: Text Amendment Request for 114 N Putnam St. Williamston
DATE: Jan 3rd, 2023 (for February 7, 2023 Planning Commission Meeting)

FEE: \$715 (check attached)

Location:

- 114 N Putnam St. is north of the Putnam/Grand River Ave. intersection, south of the SE corner of Putnam St and High St.
- 114 is located off commercially intensive Grand River Avenue and neighbored by residential homes to its east on High St. and north on Putnam St.
- The site is currently permitted for upper unit residential use and lower unit commercial use.
- This Text Amendment is to request residential use of the lower ground floor unit as well.

Criteria for Text Amendment:

A: Consistency with the goals, policies and objectives of the Master Plan and any sub-area plans:

After much research and consultation, the applicant believes this text amendment meets these goals by:

- Fulfilling the increasing need for new, high quality, housing options for young professionals and empty nesters, near the historic district commercial corridor and recreation areas.
- Contributing to the repair and upgrading of deteriorating buildings.
- Supporting foot traffic to Grand River Avenue businesses, positively contributing to the downtown neighborhood aesthetic, and promoting long-term vibrancy of downtown Williamston.
- Contributing to the consumer presence and vitalization of the existing Grand River Commercial corridor; potentially contributing to reduction of vacancies and expanded hours of operation for retail businesses.

B: Compatibility of the site's physical, geological, hydrological and other environmental features: N/A

C: Evidence the applicant cannot receive a reasonable return on investment through developing the property with one or more of the uses permitted under current zoning:

Addendum 1 outlines steps taken by the applicant prior to submitting this requested amendment. The following is respectfully submitted for additional context:

- 114 N Putnam St is owned by 114 N Putnam W, LLC, whose sole member is Renee Leone
- Please note that Renee Leone is not a "deep-pocket developer." The 114 renovation is an investment in a city Ms. Leone and her family have enjoyed for decades.
- 114 N Putnam St was acquired with the intent of upgrading an unassuming, deteriorating, and under-utilized building, into a mixed-use structure that will contribute to residential and commercial vibrancy of downtown Williamston.
- As the 'Background' (ADDENDUM 1) describes, specific and unexpected code requirements have posed significant financial obstacles to the advancement of this project, and that while over the past 10 months, every option has been explored to address this obstacle, a financially feasible resolution was not reached.
- The requested text amendment is intended to present a reasonable, viable remedy to the difficult circumstances presented by repeated discouragement by Livingston County officials of all code variance options proposed.
- This request is the only identified remedy that would provide a possible return on the owner's investment and maximize the building's positive contribution to the City of Williamston.
 - After consulting with local realtors (David Smeak, Chris Silker, please see letters from each included with this application) and researching post-pandemic impacts on commercial and residential spaces in small

cities, it became apparent that residential units in downtown areas are needed and present reasonable investment returns as well as downtown activity. Such units are expected to be in high demand for the next 7 to 10 years (Pew, Sept 8, 2022).

- It is the owner's hope that, by working together, this text amendment will benefit all parties.

D. Compatibility of all the potential uses allowed in the proposed zoning district with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure, and potential influence on property values:

After much research and consultation, the applicant believes the following:

- Located north of Grand River Ave., the proposed text amendment maintains the location's compatibility with the non-conforming residential use of its easterly neighbors; and maintains the integrity of use by neighbors to the north and complements the transition of the commercial district of Grand River Ave. to the residential neighborhoods.
- The two units at 114 N Putnam, each less than 600 sq ft (collectively less than 1200 sq ft), are suitable for studio apartment occupancy only.
- Such small-scale apartment options are highly appealing to young professionals and empty nesters and fulfill goals of increased low density residential housing in the downtown area.
- This demographic strongly supports economic growth and development, and in turn, property values.
- Positive fiscal outcomes and no-economic draw is associated with such units.
- Research supports the market viability of post-pandemic residential space vs commercial space in small cities:
 - As mentioned above, local realtors concur (see attached letters)
 - 2023 projections for retail and office space indicate challenges ahead (JPMorgan, Dec 8, 2022)
 - assessments of post-pandemic impacts on commercial and residential spaces in small cities support adaptation of cities to post-pandemic space shifts. (Pew, Sept 8, 2022).
- Williamston is well appointed and appealing to new potential residents with commutes to Howell, Brighton, and Ann Arbor.
- Pew research also indicates small cities and towns drew the highest number of new residents during the pandemic.
- Studio units are particularly appealing to young professionals and empty-nesters residents.

E. The capacity of the City's utilities and services are sufficient to accommodate the uses permitted in the requested district without compromising the health, safety, and welfare of the City.

- Mixed-use was approved. A residential text amendment will require minor revisions, which are anticipated to reduce potential impact on utilities/services (subject to review by Livingston County).

F. The capacity of the street system to safely and efficiently accommodate the expected traffic generated by uses permitted in the requested zoning district.

- Mixed-use meets these requirements. A residential text amendment will reduce any potential impact.

G. The boundaries of the requested rezoning district are reasonable in relationship to surroundings and construction on the site will be able to meet the dimensional regulations for the requested zoning district.

- This amendment fulfills the city's low density residential housing goals, maintains this location's compatibility with the non-conforming residential use of its easterly neighbors, maintains the integrity of use of its northerly neighbors, and provides a transition to the commercial district of Grand River Ave.
- No dimensional changes from the currently approved plans will be made.

H. If a rezoning is appropriate, the requested zoning district is considered to be more appropriate from the City's perspective than another zoning district.

- Rezoning is NOT requested; a change-of-use Text Amendment is requested.

I. If the request is for a specific use, rezoning the land is considered to be more appropriate than amending the list of permitted or special land uses in the current zoning district to allow the use.

- Based on conversations with the City Manager and McKenna Consulting, it's the applicant's understanding a change-in-use text amendment is more appropriate than a rezoning and will avoid isolated or spot-zoning issues.

J. The requested rezoning will not create an isolated or incompatible zone in the neighborhood.

- It has been indicated that a change-of-use text amendment will avoid this issue and is the appropriate and reasonable path forward.

Summary:

The goal of this renovation remains the same. The owner is committed to investing in the future of Williamston through a course of action that will contribute to the vibrancy of downtown and will have the highest probability of being consistently occupied.

Evidence indicates that a residential text amendment is the best choice to achieving this goal.

Thank you in advance for your consideration of this request.

Renee Leone
114 N Putnam W, LLC
Sole Member

Date

ADDENDUM 1: 'BACKGROUND':

Background:

Work on 114 began in March of 2021. The intention was to renovate the lower unit for commercial use and add an upper-level unit for residential use. Completion was expected in December of 2021.

Progress has been on hold since March of 2022.

In December 2021 it became evident to the contractors overseeing the renovation (Mallory Building Contractors (MBC)), that Livingston County Building Inspectors, newly contracted by the City of Williamston, would not allow the renovation to move forward until it was fully equipped with a fire suppression system- a system equivalent to those required for much larger complexes, despite the fact 114 would be less than 1200 sq ft (sum total of both floors) when complete. This requirement came as a surprise to the contractor and architect (both with decades of experience) who felt the size and use of the building, if equipped with a less intensive suppression system, would support a waiver for the required extensive system.

The estimates acquired by MBC for the required system, excavation and repair work were in excess of \$40,000, not including continued monthly costs for monitoring and yearly system checks.

In March of 2022, the owner was notified of the dilemma and estimated additional costs.

Given this significant obstacle to the completion of the renovation, 114's owner, the building's architect and contractors all reached out to various parties to explore options. This included Livingston County officials, networks of contractors, architects, and building code experts. They acquired additional bids and discussed variance/appeal request possibilities with officials and discussed precedents set in other neighboring cities facing similar issues. All options were identified over the next several months and explored with Livingston County officials. All options worked to keep intact the intent of the code and ask for flexibility on the code implementation, due to 114's unique circumstances. However, all proposed options were declined.

The lack of flexibility has necessitated ruling out the original plan of a mixed-use renovation.

During this lengthy process, the owner also began to investigate alternative use options for the building should mixed use prove not to be an option. This left only two choices commercial/ commercial or residential/residential. The task was to now explore which was the best fit for the City of Williamston and which would offer a reasonable return on this significant investment by the owner.

After consulting with the Williamston City Manager (John Hanifan) and speaking with the McKenna Associate's Williamston representative (Raphael Kaisen), local realtors (David Smeak, Chris Silker), and researching post-pandemic impacts on commercial and residential spaces in small cities, it became apparent that support for residential units in downtown areas is encouraged and in short supply. Such units are also expected to be in high demand for the next 7 to 10 years. It is also noted that Williamston is well appointed and appealing to new potential residents with commutes to Howell, Brighton and Ann Arbor.

Pew research supports these assessments. Small cities and towns drew the highest number of new residents during the pandemic.

Commercial vacancies increase as small businesses struggle and rents decreased as online commercial venues increased.

Studio units are particularly appealing to young professionals, empty-nesters, and commuter residents.

This research indicated that this text amendment for lower-level residential use was the most reasonable course forward.

Please also refer to letters from area realtors, Chris Silker and David Smeak, which have been included with this application.

Chris Silker
KW Okemos | Advantage In Team
2200 Commons Pkwy
Okemos, MI 48864

12/29/2022

City of Williamston
Planning and Zoning
161 E Grand River Ave
Williamston, MI 48895

Re: Proposed Text Amendment for the property at
114 N Putnam St.
Williamston, MI 488985

To Whom it May Concern:

I am in support of the proposed text amendment petition for this property presented by the owner Renee Leone, for the purpose of allowing residential use in both the upper and lower units of this property. I have been engaged as a consultant on this project by the owner and have reviewed the potential uses of; commercial in both units, mixed-use with commercial on the first floor and residential on the second floor, and residential in both units. I evaluated likely rents and expenses for all three scenarios and arrived at the conclusion that utilizing both units as residential studio-style apartments is the highest and best use of the property. Due to the size, layout, and possible amenities of the property, rent from studio-style apartments is the only viable path for this property to produce a positive and sustainable income. It has been my experience that vacancy rates for this type of rental are very low, below 15% and rents are considerably better per square foot for high-end studio apartments.

I also believe this path is in the best interest of the township, as the most likely tenants will be single, high-income earners that are not likely to be a drain on assets from the township. It is also likely that these tenants will shop, dine and entertain near their apartments to the greater benefit of fellow businesses in the Downtown District. It is also hard to imagine any negative impact that 2-4 tenants of this property may have in regard to density, traffic, or utility service demands.

Residential units are already prevalent in the zoning district and this proposal will not create an isolated or incompatible zone. There are sufficient boundaries and parking available for this use within the property. I believe it is already evident that the construction and aesthetics of this property are to the greater benefit of the downtown area. I appreciate your consideration of my opinions and it is my hope that you grant this request for the text amendment.

With Gratitude,



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517.242.9251 - csilker@kw.com - 2200 Commons Pkwy, Okemos, MI 48864
Each Office Is Independently Owned And Operated

KWOKEMOS
KELLERWILLIAMS. REALTY

Dave Smeak

Fri, Dec 30, 2022, 1:58
PM (4 days ago)

to me

To Whom it May Concern:

In regard to the property located at 114 N. Putnam, Williamston being used as income property. It's been my experience as a Realtor and Landlord in the area for going on 40 years that the demand for residential rentals in the downtown area of Williamston is higher than that of commercial rental space. The rate of return per square foot for residential units I believe is also higher than commercial. The vacancy rate for residential is much lower than commercial as well. 114 N. Putnam would also be adjacent to current multi-unit residential zoning and blend in well. I believe that there would also be economic benefits for the City having more residential units, ground floor and second floor, that would attract young professionals and empty nesters to Williamston. Having said all this in my humble opinion, the rate of return would better support the costs of renovation for an investor if both ground level and second floor units were allowed to be zoned residential rather than splitting them as ground floor commercial and second level residential.

Sincerely,

Dave Smeak

Broker/Owner, ABR, CRS, Epro
Smeak Real Estate Company, Inc.
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"The highest compliment a customer can give is to recommend my services to a friend."

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Dave Smeak
Broker/Owner
Smeak Real Estate Company, Inc.