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*City of Ann Arbor Planning Commission
Guy C. Larcom, Jr. Municipal Building,
100 North Fifth Ave.,
Ann Arbor, MI 48104*

June 15, 2009

Dear Commissioners:

I am a long-term resident of the North Central neighborhood which is directly impacted by the proposed NeNo PUD. I am also a business attorney with several years of private practice in Ann Arbor, and what I am seeing, alarms me. I am writing to urge you to oppose the NeNo project being proposed by the Three Oaks Group, not only on the merits but also on principles of fairness and ethics in commercial conduct.

I consider the way that this project has been conceived and sold, to set a very bad direction for the City going forward. The NeNo developers have engaged in a pattern of unfair and unprincipled conduct which the City and the Planning Commission should not, under any circumstances, condone or sanction – or it will lower the bar for every developer who may want to do a project in Ann Arbor.

Three Oaks: “Rundown nature” of properties on North Main

Three Oaks has cited the rundown character of North Main as a justification for the project. As someone given to walking around my neighborhood for the last 20 years, I can attest to the fact that the houses purchased on speculation by Three Oaks were not run down until Three Oaks bought them, and boarded them up. **If you vote to allow this project, you will set a very bad precedent: other developers will start doing the same. Should we really let developers run down their own properties in order to fast-track their “neighborhood improvements”?**

Three Oaks: Give us City assistance?

I am alarmed by what I have read about the investors pursuing the City for grants or other assistance to buy adjacent unbuildable lots (which would guarantee their profit margins against downside risk). Is this really what is going on? As a long-time commercial attorney, I know that these people knew very well what they were doing when they bought a row of houses on Main Street on speculation. They were discounting the idea that the real estate market would ever go down, and assuming the City would sooner or later greenlight a high-rise development that was out of character with the current zoning.

As a longtime City resident, it offends me deeply to think that private real estate investors would ever ask for what amounts to a government bailout. Do the the citizens of Ann Arbor really need to subsidize real estate development and speculation? This is not inner-city Detroit, this is Ann Arbor. There’s a healthy market for development here.

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I hope what I've read isn't actually the case. Obviously, the Planning Commission and the City of Ann Arbor should not allow a private investor to seek and receive assistance or guarantees to "rescue" the profitability of a speculative investment. **If you ever vote for a project which assumes some kind of City assistance with surrounding properties would be forthcoming, you will set a very bad precedent: other developers will expect the same. Should we really let real estate speculators think that the City of Ann Arbor might guarantee their profit margins and rescue them from their own bad business decisions?**

Three Oaks: Those neighbors, in their "little pink houses"

The contempt that Three Oaks has demonstrated for the surrounding neighborhood and our engaged participation in the PUD process is highly offensive. Never in my professional experience have I ever heard a developer refer to surrounding families with as much disdain as Bill Godfrey, partner in Three Oaks:

"The people who oppose it tend to be older residents who live in little pink houses. We like the modern architecture because there is more to Ann Arbor than little pink houses."

Concentrate, Development News, April 22, 2009 (concentratemedia.com).

Bill Godfrey and Three Oaks do not care what happens to me or my neighbors, or my neighborhood, or his impact on my neighborhood. He just wants to take his profit and move on.

Merits of the project

From an objective allowable zoning, size and character standpoint, the project is simply too big. With a height of four and five stories, it not only violates the current zoning, it will be completely out of character with the surrounding homes. It is at least double the allowable zoned floor space and violates the current setback rules.

The project will obliterate light and air circulation and privacy for the immediately surrounding families and homes, many of whom have established themselves and their homes in this neighborhood for decades, and who are entitled to rely on the fact that the current character of their immediate surroundings will continue.

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I highly doubt any of the developers themselves would agree to live in a two-story home immediately east of their own project, with no afternoon sunlight or breeze and two extra stories of residents peering down on their every move, with the attendant light shining down at night on their backyards from above.

There is no doubt in my mind that the NeNo will severely negatively impact the marketability of those families' homes. Wait a minute – wouldn't that just speed the way for NeNo, Phase II?

North Central should not become “Downtown Ann Arbor”

I'll briefly touch on my personal reasons for opposition. I bought my house in North Central back in 1988. What attracted me was the fact that the area was a true city “neighborhood” – one and two-story residential homes for a wide diversity of long-term residents, from students to professionals to residents who have been here for over 50 years. My next door neighbor, Charlie Young, is 87. She worked at Eureka Cleaners for years. She walked to the Baptist church on Fourth Avenue for years. She has fought all attempts by social workers to persuade her to move out of “her neighborhood.” I have increasingly watched as developments have gotten bigger and denser, with the disappearance of home upon home from our historic residential neighborhood.

Voting FOR NeNo's PUD will send a message to real estate developers everywhere that the City of Ann Arbor will not get in the way of real estate speculation, or protect its residents and neighborhoods, and in fact might even provide assistance.

Voting AGAINST NeNo will send a message that Ann Arbor will enforce its own rules, as well as principles of fair dealing, in real estate development.

Very truly yours,



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