



PLANNING COMMISSION MINUTES

CITY OF NOVI
Regular Meeting

December 13, 2023 7:00 PM

Council Chambers | Novi Civic Center
45175 Ten Mile Road, Novi, MI 48375 (248) 347-0475

CALL TO ORDER

The meeting was called to order at 7:00 PM.

ROLL CALL

Present: Member Avdoulos, Member Becker, Member Dismondy, Member Lynch, Chair Pehrson, Member Roney, Member Verma

Staff: Barb McBeth, City Planner; Tom Schultz, City Attorney; Lindsay Bell, Senior Planner; Ian Hogg, Planner; Rick Meader, Landscape Architect

PLEDGE OF ALLEGIANCE

Member Dismondy led the meeting attendees in the recitation of the Pledge of Allegiance.

APPROVAL OF AGENDA

Motion made by Member Lynch and seconded by Member Avdoulos to approve the December 13, 2023 Planning Commission Agenda.

VOICE VOTE ON MOTION TO APPROVE THE DECEMBER 13, 2023 PLANNING COMMISSION AGENDA MOVED BY MEMBER LYNCH AND SECONDED BY MEMBER AVDOULOS.

Motion carried 7-0.

AUDIENCE PARTICIPATION

Chair Pehrson invited members of the audience who wished to address the Planning Commission during the first audience participation to come forward. Seeing no one, Chair Pehrson closed the first public participation.

CORRESPONDENCE

There was not any correspondence.

COMMITTEE REPORTS

There were no Committee Reports.

CITY PLANNER REPORT

City Planner Barb McBeth introduced new Planner Ian Hogg. Ian has been with the City since July. He recently graduated from Wayne State University with a Master's degree in Planning and he is wrapping up his tenure with us on December 21st.

CONSENT AGENDA - REMOVALS AND APPROVALS

There were no Consent Agenda – Removals and Approvals.

PUBLIC HEARINGS

1. SAKURA EAST PRO JZ23-41 WITH REZONING 18.743

Public hearing at the request of Sakura Novi LLC for initial submittal and eligibility discussion for a Zoning Map Amendment from Light Industrial (I-1) to Town Center One (TC-1) with a Planned Rezoning Overlay. The subject site is approximately 3.5-acres and is located south of Eleven Mile Road, west of Meadowbrook Road (Section 23). The applicant is proposing to develop a 52-unit multiple-family townhome development.

Senior Planner Lindsay Bell relayed the applicant is proposing to rezone approximately 3.5 acres south of Eleven Mile Road, to the west of Meadowbrook Road, utilizing the Planned Rezoning Overlay (PRO) option. The existing development to the east is largely office developments, with some vacant parcels to the west. The City's public works and police training facility is to the north, and a Verizon cell tower is located on the property to the south.

The current zoning of the property is I-1 Light Industrial as are the properties surrounding the site.

The Future Land Use Map identifies this property and those around it in red hatch as TC Gateway, which would be consistent with the Gateway East zoning district. East of the site is planned for Industrial Research Development and Technology, and to the north is public facilities.

The natural features map shows there is a small wetland area in the southwest corner of the site. The wetland survey provided by the applicant confirms this feature, however the City's wetland consultant has recommended the boundaries be re-evaluated as the wetland appears to extend a little further north than was previously delineated.

The applicant is proposing to utilize the Planned Rezoning Overlay to rezone the whole property to TC-1 Town Center 1. The initial PRO plan shows a total of 52 attached townhome units on the site. The development is accessed by one entrance off Eleven Mile Road. A secondary emergency access drive to the office development to the east is shown. Parking is provided in garages, on garage aprons, and a few small bays of guest surface parking.

The applicant has stated they chose the TC-1 district to be consistent with the Sakura Novi development that is under construction to the west. They state that this project is an extension of Sakura Novi, and the future residents would be able to enjoy the amenities that the larger project offers. Between this site and Sakura Novi there is a 7-acre parcel of land owned by the City which is largely occupied by a wetland. There is an existing sidewalk along Eleven Mile Road, but the distance between the nearest entrances is over 1,000 feet.

Rezoning to the TC-1 category would permit the use proposed, however that zoning district is not in compliance with the current Master Plan designation as TC Gateway. The corresponding Gateway East district is intended as a transitional zoning into the Town Center area, allowing office, retail, financial, and restaurant uses as principle permitted uses. Residential uses are only permitted under the Special Development Option, which requires a minimum parcel size of 5 acres, and has requirements for buffers and screening between uses.

The applicant has not proposed public benefits or more strict conditions with this submittal, which are required to be eligible for the PRO process. These will need to be more clearly defined if this proposal moves forward.

Staff and consultants have identified some issues with the proposed rezoning and PRO Plan. First, as mentioned the zoning district indicated does not match the Future Land Use map guidance. Staff has concerns with the proposed use's compatibility and buffering from the adjacent uses that will remain I-1 Light Industrial. In addition, the proposed change might be considered spot zoning.

Being adjacent to a residential development will require additional setbacks or other restrictions, which can be an added burden to surrounding non-residential landowners. Certain uses that were considered

principal permitted become Special Land Use when adjacent to residential uses, and other uses are simply not permitted in the I-1 district when adjacent to residential uses. I-1 landowners would also be responsible for providing the 10-15 foot berm that is required to separate such uses unless sufficient screening and buffering is provided on the proposed site.

Another big issue is the number of rooms proposed is more than can be approved on the site within the PRO process as it exceeds the permitted density of the TC-1 District. The Town Center districts also require development amenities to be provided, which have not been proposed at this time. Landscaping also notes a significant deficiency in the multifamily unit trees provided, as well as some deficiencies in interior drive trees.

The Traffic study notes that the number of residential units proposed would likely result in fewer vehicle trips compared to a Light Industrial development. Engineering notes there is capacity for the water and sewer demands for the proposed use, and stormwater detention is to be provided in underground systems. The buildings proposed have the same facades as were previously approved for Sakura Novi.

This initial public hearing is an opportunity for the members of the Planning Commission to hear public comments, and to review and comment on whether the project meets the requirements of eligibility for Planned Rezoning Overlay proposal.

In order to be eligible, the applicant must propose clearly identified site-specific conditions relating to the proposed improvements that, (1) are more strict or limiting than the regulations that would apply under the proposed new zoning district (in this case the TC-1 District regulations), and (2) constitute an overall benefit to the public that outweighs any material detriments or that could not otherwise be accomplished without the proposed rezoning.

Following the Planning Commission public hearing, the project would then go to City Council for review and comment on the eligibility.

After this initial round of comments by the public bodies, the applicant may choose to make any changes, additions or deletions to the proposal based on the feedback received. The subsequent submittal would then be reviewed by City staff and consultants, and then the project would be scheduled for another public hearing before Planning Commission. Following that public hearing on the formal PRO Plan the Planning Commission would make a recommendation for approval or denial to City Council.

Tonight, the Planning Commission is asked to hold the public hearing, and to review and comment on the proposed rezoning. Members may offer feedback for the applicant to consider that would be an enhancement to the project and surrounding area, including suggesting site-specific conditions, revisions to the plans or the deviations requested, and other impressions.

The applicant, Tim Loughrin from Robertson Brothers, as well as others on his team, are here representing the project. Staff is also available to answer any questions.

Chair Pehrson invited the applicant to address the Planning Commission.

Tim Loughrin, Robertson Brothers Homes, 6905 Telegraph Road, Bloomfield, relayed with him is Robertson President Jim Clarke and Robertson COO Darian Neubecker. Scott Aikens, partner on Sakura, could not attend.

Mr. Loughrin relayed that Robertson Brothers has completed several developments in Novi over the past few years and he personally has been in front of the Planning Commission a few times. He has a lot of respect for staff, they have worked very closely and tackled a lot of issues together, however he respectfully disagrees with staff on several points here.

Tonight, the fundamental question is should the status quo continue or should the Master Plan and the Town Center Gateway plan be implemented.

Mr. Loughrin requested his presentation be shown on the screen and relayed he would like to start out with the question of why residential. A couple of brokers who represent the land sellers are present to speak during the public comment and they have a lot to say about why residential at the site.

Industrial and manufacturing uses really are best suited when they're in industrial centers outside of the city's core, and this site really is the city's core. The city has identified this in the Master Plan as being part of the Town Center Gateway area. An industrial site is much better suited to an industrial area far away from a core like that. Robertson Brothers believes residential is warranted here, there is existing residential in the area. Of course, Robertson is building the Sakura Novi project right now, literally right down the street. Office use is suboptimal and there have been shifts due to COVID with a lot of data on this. Very few office buildings are being built, it's over saturated as it is. There is actually an office vacancy rate of 23% in Southeast Michigan right now. It will take a long time for office to come back, if ever. This site is not conducive to office use because of that alone. Looking down I-275, there is over 1,000,000 vacant square feet of office just in that area. So obviously office is not a valid use either and just the cost to build new office can't be justified with suburban rents.

Rooftops are very important to a downtown area. You want to see rooftops in your area. You want people to come in and visit your retail centers. You plan this in your Master Plan. This justifies the change in land use to residential. There are restaurant and retail uses nearby. Now those typically don't go mid-block, this site is considered mid-block. It really wouldn't be conducive to a restaurant because it doesn't have that much traffic. It certainly is conducive to having residential, that will then feed the retail and restaurant uses, which of course are being built in Sakura, but are also elsewhere in Novi and it's just going to be more pump based on your area plans.

Lastly, the Town Center district specifically calls for residential development, including specifically townhomes, to create that mixed-use hub of activity. What is needed here is people. Counter to the argument for continued use of vacant industrial zoned land is rooftops. It'll strengthen the future retail corridor. Industrial is not going to do that or help in the Gateway Center. Page 49 of the Master Plan states that it assumes 50% of the vacant land in the Town Center Gateway area was assumed to be residential. Robertson looks at the Master Plan and sees it a lot different than staff for several reasons. The Master Plan calls out specifically missing middle, it doesn't call out high rises, it doesn't call out single family, it calls out exactly what is being proposed which are residential townhomes.

Touching on the site plan, Mr. Loughrin wants to stress that this is a concept plan, and he is aware there are deficiencies in landscape and in open space, and he certainly will work with staff and is familiar with the process. The fundamental question of should this property be industrial or do you want to see more rooftops to feed the retail needs to be resolved. Again, this plan is not fully vetted. Certainly, there will be open space and amenities inside. This is an extension of Sakura Novi. In fact, Robertson views this as the final phase of Sakura Novi and believes had they come with this parcel as part of Sakura Novi it probably would have received approval at that time as it just makes sense to put this all as one project. Regarding the site data, it is 3 1/2 acres gross with 52 units being proposed, essentially the same units being built right now at Sakura Novi.

The site context shows a lot of existing retail. It shows some burgeoning areas, such as Sakura Novi, which will change the face of this area, and a lot of areas for growth. A lot of areas are already planned to be filled in, and a lot of areas don't have plans on the drawing board right now but are specifically envisioned in the Master Plan, and Mr. Loughrin would argue that in the future will develop into more mixed-use type of development similar to what is being discussed today. The overall context really shows the importance of the parcel and the general vicinity of the Town Center Gateway area, but also that it is growing and will continue to grow.

The focus on the water feature, which is the city of Novi wetland complex, is not too dissimilar from the wetland feature being built right now in Sakura Novi and will be a fantastic amenity. Having that visual open space, that water feature, is the connector here. There are basically views from both sides of Sakura Novi and this final phase of Sakura. It is not unheard of to have a project that is centered around a water feature as being proposed here connected by a beautiful open space area.

Robertson is investing a lot of money in Sakura Novi and wants to invest more in this area. They believe in this area and that this is a logical final phase of Sakura. They have talked to the property management company for the Sakura project, KMG Prestige, who agree this would be a fantastic addition to the development. KMG Prestige has no issues whatsoever with incorporating this additional land into the project and thinks that it fits in perfectly. This is how the development team looks at it as well, which is different than what staff is looking at, but Mr. Loughrin believes he is really looking at the future of Novi, not existing zoning, which just does not make sense for industrial.

The zoning map does show the property as industrial, but the bottom of the Master Plan clearly and squarely houses in the Town Center Gateway area. It's the exact same Master Plan designation that Robertson came to the Planning Commission a few years ago now to discuss the Sakura Novi project. It made sense at the time and obviously it will be great for that project to develop with a residential component of mixed-use development. It is an important fact that Sakura East is in the exact same Master Plan designation as Sakura Novi and Mr. Loughrin hopes the city leaders can agree to that. Mr. Loughrin is a Planning Commissioner as well and knows what Commissioners need to juggle with as decisions are being made, the kind of gray areas, and what makes sense for the overall city as a whole.

Mr. Loughrin addressed a slide shown to point out his understanding of a potential ring road. There is nothing imminent, but he has seen a number of plans that show a potential ring road in this area. Robertson would fine with it being built or not, what's important is that a ring road would not be placed through the middle of an industrial center. A ring road is typically placed to draw into a core development area and basically this proposed ring road is right next to the Sakura parcel, in one case it's directly next to and the other one it's a little bit farther to the east, so proposed for either side of the wetland. It would not make any sense to have an industrial complex around your ring road. It appears the proposed plan is trying to provide for future growth to really create a nice Town Center area, so that was important to Robertson when going through the Master Plan.

As a quick project summary, the parcel is just over 3 acres, with about 16 units per acre. Robertson is proposing a TC-1 PRO, again the Master Plan designation is Town Center Gateway. Fifty-two townhomes are proposed, Sakura Novi has up to 132 townhomes allowed, and as mentioned, Sakura East will have the exact same elevation as Sakura Novi. It's a missing middle rental townhome, with attached one and two car garages. Nobody lives on top of each other. They aren't typical garden apartments. They are townhomes, with first floor garage with entry, second floor livable area with kitchen, dining, and great room, and then third floor bedrooms. Robertson builds a lot of these, and they are very successful. They know what they're doing, and Mr. Loughrin thinks it is something that's going to be very attractive in the area. Unit sizes are about 1,300 to 1,600 square feet and there will be about just over a third of the site as open space.

So just a few of the highlights, Robertson is really working to fill a housing need. There is a housing need regionally, Mr. Loughrin thinks it's even more amplified in Novi in this area particularly. Honestly Robertson has no clue why you'd want to have industrial here. It makes all the sense in the world for residential and Robertson sees that as an opportunity to fill that need and build on the mixed-use area that exists here. The planned land uses don't fit in with that mixed-use, Mr. Loughrin pointed out in fact industrial doesn't fit, it's not even an allowable use in the current Master Plan designation. Again, high quality residential townhomes are proposed, with productive use of land, the city's core, walkable inviting community, and Robertson believes it's an appropriate continuation of Sakura Novi. Mr. Loughrin knows the Planning Commission may disagree with Robertson and that's fine, it's understood cities make their own decisions. It was important for Robertson to come here and present their case as they believe that this is something that will be better for the entire community.

Mr. Loughrin presented a few of the elevations from Sakura Nova marketing exhibits. They have rich detail. Robertson is very happy and very proud of how these have turned out and thinks they have a beautiful aesthetic. There are Asian themes throughout and the mixed-use that Robert Aikens is doing off Grand River, again, bringing everything together and tying it in as a full mixed-use corridor. Mr. Loughrin presented the floor plans, one plan has a one-car garage attached, the other has a two-car garage attached. There is what Robertson calls a zoom room down on the first floor which has been very popular,

just sort of like a getaway kind of room at the first floor on both units. It's a very open second floor plan, with a dining, living, and kitchen area and then the bedrooms on the top floor, which would either be a two or three bedroom unit that can be selected.

Mr. Loughrin appreciates the Planning Commission's time and is happy to answer any questions. He feels it is very important for Robertson to come here and have this conversation about the future of Novi.

Chair Pehrson opened the Public Hearing and invited members of the audience who wished to participate to approach the podium.

Dorothy Duchesneau, 125 Henning and 1191 South Lake Drive, relayed from reading the notes in the packet it seems the concept plans were submitted to staff in July 2023 under the new PRO rules. The papers showed that the request was made by Sakura Novi LLC. Later it shows up as Sakura Novi Residential LLC, and on page 36 of tonight's packet, the wording is Robertson Brothers Homes and Robert Aikens and Associates are pleased to submit a PRO concept plan.

One of the city findings was that the TC-1 District and the residential use is not appropriate or compatible for this small parcel. It's surrounded by Light Industrial. Ms. Duchesneau pondered what is the city going to do to protect the rights of the existing neighbors who have made their plans around their I-1 zoning. From past proposals she has followed, having residential next to your property changes all the rules. A rezoning will immediately affect those neighbors' own future plans. Master Plans may not be in stone, but they exist for reasons.

Future plans the city has for roads in this area must also be taken into consideration. We need to look beyond those four edges of just this property's borders. As a city, we don't need to be in a hurry to build out to 100%. We are almost there anyway.

Other than the proposed sidewalk along Eleven Mile, no other benefits are mentioned. In fact, in Robertson Brothers reply, they state they are an extension of the Sakura Novi Development and will become part of that project, which has ample amenities. It doesn't sound like the new renters are going to get much, nor will the city get anything more than what has already been negotiated for from the original Sakura Novi Pro.

When Sakura Novi was proposed, Ms. Duchesneau thought the City had rejected their proposal of Phase III in this location. This project seems to want to revive Phase III in the same location that it was rejected before. This seems more like an attempt to rewrite the original Sakura Novi Pro agreement with the City. PRO's need to bring benefits. Novi has limited open land; we can afford to be picky.

Mike Duchesneau, 1191 South Lake Drive, relayed this Sakura proposal first showed up to the Master Plan and Zoning Committee in late 2019. It was followed up with an appearance at the Planning Commission a couple of months later, and the Commission sent it back to the developer for refinement. In those meetings, this proposal was nixed. It was basically viewed as not inclusive, not contiguous. Novi owns the property between the proposed developments and was not willing to sell it to the developer. Mr. Duchesneau was in attendance at the previous meetings with previous Council Commissioners Farrell, Gronachan and Maday. So that's how far back this proposal goes.

Mr. Duchesneau supported Sakura back then. He thought it was an excellent idea, loved the Asian theme, loved the partnership with One World Market, and loved the partnership with the City of Novi Library to provide Asian themed books and a reading room and those things have disappeared from the Sakura proposal.

Today, we heard that this area is industrial. But, no it isn't. Look at the properties to the east of this – there is office space, dentist and lawyer space, there is no industry, it's all offices. To the north, same thing, it's all offices. So, we heard we don't want industry, but the I-1 district can and will be office space.

When you look at the PRO requirements, which Mr. Duchesneau has followed several PRO projects throughout the city, this proposal has no benefits other than the rezoning. It's a simple rezoning request. It is not a PRO request because other than the reduced traffic, which is a biggie, there are no PRO benefits.

Brian Gargaro, Real Estate agent representing Michael Roberts, the owner of the east half of the subject property, relayed this property has been listed and on the market since February 2017. It's almost seven years of continuous exposure to the market. There has been no serious interest in the development of any industrial uses and for that matter, any other commercial type uses, restaurants, retail office buildings. As for Mr. Loughrin's point, the office space to the east has a 30% vacancy. Across the street they are almost at 34%. Mr. Gargaro does not see industrial happening there anymore. That property, that whole strip, would have filled in as industrial if there was a market for it over these past many, many years.

So based on the market feedback, which is sometimes the market is the best teacher of land use, Mr. Gargaro does not see industrial happening there anymore. In fact, the only serious inquiries he has had are from residential type builders of which the applicant is one who has spent time, money, and a lot of study to try to make this work within their existing Sakura Novi development. The parcel falls within that TC Gateway and the intent was good on the Master Plan. It is Mr. Gargaro's understanding that TC-1 is the same zoning under which Robertson is currently developing the Sakura Novi project. It makes good sense. It seems consistent and compatible with the Future Land Use plan. It's going to provide more local onsite captive customers for the all the pre-existing retail and commercial establishments that are already in the area. It's a symbiotic thing, good for all parties. Mr. Gargaro does not see what's wrong but knows there are some subtleties in the zoning laws that might make it TC-1 versus whatever, but the concept makes a lot of sense.

This property has been on the market and has been vacant forever. The last remaining industrial site is Echo Tool, which is probably going to be gone in 10 years. Mr. Gargaro has not had anyone who wants to do industrial there and after all this time, we've got a piece of vacant land that's currently adding nothing to the community. The only guy who has benefited from the property is the guy that's been cutting the lawn there for many years. After seven long years, we hopefully found a way forward. There is a reputable developer who has a good plan with a use that falls within what appears to be the Master Plan for the area. Mr. Gargaro does not see any downside to this and no reason why it shouldn't go forward. It is like putting a round peg in a round hole, it should be easy. Mr. Gargaro appreciates the Planning Commission's time and hopes they will consider this and make the property productive.

Michael Murphy, 19754 Haggerty Road, Vice President at Gerdom Realty and Investment, relayed he and President Tjader Gerdom, have represented the seller of the vacant parcel on the west side of Eleven Mile just to the east of Novi Town Center. Mr. Murphy has been with Gerdom Realty and Investment for 10 years. Throughout this time, he has successfully represented sellers, landlords, tenants, and buyers in the Novi market and throughout the state. He knows the area well. In addition, his office was in Novi for seven of the ten years that he has been with Gerdom Realty, located just one mile west of the site of question. He lives off Haggerty, so Novi is his backyard. He is professionally and personally interested in the health and progress of the city of Novi.

Based on the work with the seller and his market knowledge, Mr. Murphy supports the zoning of this parcel to be amended from I-1 Light Industrial to TC-1 with the Planned Zoning Overlay. Mr. Gerdom and Mr. Murphy have been marketing the property for two years. However, the parcel has been vacant and available for many years. There has been a complete lack of interest in purchasing from industrial users thus far. As mentioned, the lack of interest from industrial users was also felt by the neighboring parcel for sale, which has been listed for over 7 years.

The I-1 zoning designation is not appropriate for the site. The City's master plan recognizes the fact with the Future Land Use designation, TC Gateway. The site is removed from the retail core of the Novi Town Center, making it unattractive for retail investment and the office market is still struggling from COVID. The only serious interest in the property has been the Robertson Brothers, which intends to use the land to extend the residential portion of Sakura Novi building a 52-unit multifamily home development. Residential

or multifamily is the only use that makes sense for the parcel. The seller would like to move on from the property and believes Robertson's proposal is the best use of the land. It is beyond time to change the zoning here from Light Industrial to Town Center so Novi can adapt, progress, and grow.

Paul Stoychoff introduced himself as the attorney representing his parents' estate, as they are the owners of one of the parcels. He has personally been involved with the property since 1967. Mr. Stoychoff has seen how Novi has grown. He remembers when Eleven Mile didn't reach back to where the mall is right now, it dead ended. His parents owned the Saratoga Trunk. Before that, it was the Saratoga Farms. His family owned all the property from Grand River all the way back to Eleven Mile.

Mr. Stoychoff is still a little perplexed why there is a cellular tower there. He thinks that area would be excellent for residential. With the trends of millennials, what's happening is everybody wants to live and be within walking distance. This is appropriate for that.

Mr. Stoychoff is a consumer bankruptcy attorney. He knows what's going on in the real estate market and has a general idea of what's going on with the office space, it's going to crash very shortly. The City of Novi was visionary when they allowed Twelve Oaks Mall to come in, stealing it from Farmington Hills. The thing that the City should do right now is begin to develop small units such as this project. Everybody would like to have a Royal Oak type set up over at the other side of Grand River, and this would be appropriate for the Eleven Mile area now because it's within walking distance to the mall and there's going to be all sorts of retail and restaurants there. Mr. Stoychoff thinks it would be appropriate to have the variance to allow the development to occur and hopes that the Commission rules in that favor.

Seeing no other audience members who wished to speak, Chair Pehrson requested Member Lynch read into the record the correspondence received. Member Lynch relayed one written response was received from Paul Stoychoff on behalf of the estate of Eleanor Stoychoff in support of the development.

Chair Pehrson closed the Public Hearing and turned the matter over to the Planning Commission for consideration.

Chair Pehrson relayed that to level set everybody, the Planning Commission is not approving the concept plan, they are looking at the eligibility of the zoning right now. He does not want to really start talking about bushes and berms and things of that nature, that will ultimately come back to the Planning Commission at some point in time but would like to focus on the applicability of the base argument here.

Member Lynch relayed he went through the project and agrees the industrial uses are a lot different than what we anticipated years and years ago. Remember, Novi was basically a gravel pit and a bunch of cement companies and asphalt companies and things like that.

The good things Member Lynch sees that he likes are having garages with the high-density units and it's fantastic. Fewer vehicle trips make sense going to residential, it's going to reduce the traffic burden for everybody in the City.

A few years ago, Member Lynch was a little worried about switching over from industrial to residential, but in looking at what we did with the Villas at Stonebrook and Berkshire, they were both higher density units that we put into industrial sites, and it worked out very, very well. In fact, we've had the homeowners in here and they seem to be pretty happy with their homes and are really taking some pride in ownership.

Member Lynch does not have a problem with going to residential, mainly because his concern is feeding bars, restaurants, and businesses in the Town Center area to make sure that our businesses are healthy. In this particular location of the City, Member Lynch agrees that higher density homes probably make sense now with this particular proposal.

Member Lynch knows the Planning Commission is not approving at this point, but there are some things

he is a little concerned about, things to consider when the developer brings it back. His understanding is the wetland boundary issue was resolved.

Member Lynch inquired regarding concern of overloading utilities with residential use. Senior Planner Bell confirmed that it's not significantly more or less than what could be developed under I-1.

Another concern is it would not be appropriate to cause a burden on the adjacent property owner as far as screening requirements are concerned. It would not be fair that they are punished due to adjacency to residential.

Regarding the usable open space requirement, Member Lynch is not a big proponent of including balconies as part of open space. When he thinks of open space, and the intent of open space, is that it is accessible by all. A balcony is accessible by a resident and does not meet the intent of the ordinance.

Regarding public benefit, Member Lynch referred to reading something in the applicant's proposal, that was perhaps misstated, that noted nothing noxious would be permitted in the area. The City has ordinances against noxious activity in any area of the City, so Member Lynch believes the applicant needs to readdress their intention for public benefit, such as something along the lines of maybe expanding the sidewalks.

Member Lynch referred to the City ownership of the parcel between Sakura Novi and the proposed Sakura East, stating that he is not aware of the City's plans for the property. While the two locations either side of the City owned parcel will look consistent, the City may decide to develop their property in the future.

Member Lynch does not have an issue going from industrial to residential in that area of the City where there are so many businesses to keep traffic, and walkable traffic would be even better. It makes sense, but the developer still has some hurdles to resolve.

Member Becker relayed he appreciated the clarification that the project itself is not being looked at during the meeting, but it is very important that this particular project is being proposed, and for the Planning Commission to indicate whether the property should be rezoned to allow residential. Member Becker cautioned that it doesn't mean that the Planning Commission would necessarily approve this particular 52-unit project because he believes it is incredibly over built. The parking will be problematic as well as some other things.

Since the intent right now isn't talking about what's actually going to go there, the intent is to discuss whether residential could go there, Member Becker would like to reiterate that to use the PRO, as has been mentioned here several times by several people, there needs to be some public benefit. More apartment residences within the city is not a unique and powerful public benefit to justify the PRO and all of the waivers that might be necessary for the actual project.

There are already a large number of mid-rise residences being built immediately adjacent to Main Street and a large number of mid-rise residences being built on Haggerty near Thirteen Mile. It is a bit of a strain to say that the public benefit is the need for more apartments as they are already being built. That does not speak to making it a unique benefit for the public.

In this case, if we wanted to look at something that might be attractive, if it was determined to do residential here, why not go to the underserved senior population within Novi and not build three stories with stairways inside, rather build a one story that seniors can live in and not have to worry about stairs. To have a nice, gentle transition from one story office buildings to the buildings in Sakura Novi, a one-story residential development would satisfy that as well. That would be something that a project under the PRO would provide public benefit because we are underserved for senior housing, not just housing in general.

Member Becker also wants to comment on the walking distance to Sakura Novi. We are entering the next four months where walking any place is going to be rather problematic. Walkability through the seven acre site on a single sidewalk just to get to Sakura is not necessarily a walkability advantage here. In many cases there's going to be driving. Granted, residents living here might spend money here, but Member Becker agrees with a comment made earlier that was questioning the rush. We need to be careful if we want to get into the business of making something more profitable to sell as opposed to looking at how we're going to actually use it to make our city better.

Member Dismondy relayed he thinks the PRO makes sense as the Future Land Use map is TC Gateway. The challenge of this is more the size of the parcel than the location, it just makes it tougher to be able to do what the developer wants to do with it. Assuming density and buffers and public benefit requirements can be hashed out and consistent with what got approved at Sakura Novi, Member Dismondy thinks it is a great project.

Member Verma relayed he quite agrees with comments made by Member Becker and Member Lynch. If we were to rezone, we should make sure that it should be single story for senior living, as we don't have many of this type. As proposed, it is benefiting the developer, but not the public. Member Verma feels if a change were to be made it should be for the benefit of the public.

Member Roney relayed that his thoughts are similar to what has already been shared. There has to be public benefit for a PRO to go forward. Another concern is the burden for the neighbors and how their uses would change and what they could do with their property. The third point is the timing is a little off. There was a PRO for Sakura Novi and it is not built yet. That PRO had a lot of significant deviations in it and the developer is asking for pretty much the same thing for this proposal. Before the developer even approaches a PRO, we should see what is built for Sakura Novi.

Member Avdoulos inquired of Senior Planner Bell as to why this proposal is not compatible with TC-1. Senior Planner Bell responded the TC Gateway designation of the Master Plan corresponds with the Gateway East district more commonly. That is what has been developed in the Grand River and Meadowbrook area. In the case of Sakura Novi, the developer came in and requested TC-1. In analyzing that case, it was adjacent to the other Town Center districts. It was adjacent to TC on the west side, it was adjacent to the TC-1 on the south side across Grand River, and so staff reasoned that it did seem to make sense for that piece because it was contiguous and kind of filled out what was existing already. The current proposal is detached from the TC districts, and the surrounding properties are still zoned I-1. The Gateway language takes into consideration those transitional spaces. When allowing residential in the Gateway East district, it has to be at least five acres and there are a lot of other requirements that go along with that, that you don't have in the TC-1 district.

Member Avdoulos inquired whether the Future Land Use map showing the property as red, which incorporates that piece into that area, is something that should be considered. Senior Planner Bell responded that if some of those other adjacent parcels were to also be rezoned, it might make more sense if it was a larger area that was consolidated. Member Avdoulos responded that this seems like a floating piece, where it feels like spot zoning.

Initially Member Avdoulos thought that the proposal made sense because there is a residential development on the west side of the City owned area, and now a another similar development to the east side is being proposed and it could all be interconnected. However, there are issues with coming up with and bringing forward a concept plan that doesn't provide what the PRO is asking to provide. There is a lack of public benefit and development amenities. There is no consideration for the hardship that's going to be created for the adjacent properties. It is too much density. There's a lot there that has to be considered but it's just not at a point where Member Avdoulos can agree that this is a good idea, that will be a benefit and fit in accordingly. If something is being presented to the City as a PRO request, it should at least accommodate a lot of those requirements.

Chair Pehrson relayed going back to the eligibility comment made earlier, the City proactivity looking forward makes sense in his mind. All the requirements of the PRO have not been fulfilled. Chair Pehrson's recommendation is that while he agrees with the concept, there are a lot of details that have to be worked out to figure out how to make this successful and it is not there yet. There are way too many deviations to feel comfortable with, even at a very high level. Chair Pehrson thinks the applicant needs to go back and formulate a new plan that really starts to address the concerns.

Mr. Loughrin responded he appreciates and understands the comments made. To that vein, he heard a comment that the concept was just kind of thrown together. To be completely honest, he would have loved to come in front of the Planning Commission with just a concept discussion. A lot of cities do that, basically a planning concept review. That is what Robertson was shooting for. They had to spend a ton of money just to get to this point to even understand if there's any willingness whether to allow residential. Mr. Loughrin thinks he hears some willingness both ways. He understands density and hears those comments loud and clear. Public benefits will certainly be vetted out and Mr. Loughrin would like to work with staff and the Planning Commission on some of those things. As far as future development goes, Mr. Loughrin is going to continue to bang the drum. Industrial is not what you want to see in the City; and while he shouldn't tell the Commissioners what it is that you want to see in your city, he believes this is going to turn over to better development.

To the last point regarding senior housing, Robertson would love to build senior housing and 100% agrees there's a demand for it. They cannot build single-story senior housing on the site as they cannot build a project to lose money. The economics won't work especially with a single level type of housing. They build a lot of single-story senior housing and would love to find a site in Novi to do that type of housing. It's very tough because you just can't get the density to make the numbers work.

Jim Clark added Robertson has heard the Planning Commission clearly that they don't want to encumber the future uses of neighbors, as well as the need for benefits, and there are some fundamental issues with the 52 units laid out. Robertson recognizes there is still a lot of work to do, but they needed to get something in front of the Planning Commission to get a read of whether there is support for residential development.

This agenda item was discussed, but a motion on the item was not required.

MATTERS FOR CONSIDERATION

1. TOWNSHIP SUITES JSP18-66

Consideration at the request of Novi Superior Hospitality, LLC for Planning Commission's approval of Preliminary Site Plan and Final Site Plan and Storm Water Management plan. The applicant is proposing a 5-story hotel with 120 rooms on Unit 3 of Adell Center Development. The proposed site plan proposes associated parking and other site improvements. The subject property is part of a Planned Rezoning Overlay (PRO) development for Adell Center.

Planner Ian Hogg relayed the subject parcel is part of the Adell Center Development, referred to as Unit 3. This is the fifth development, out of the nine proposed that is being presented to the Planning Commission for site plan approval.

Adell Center is located on the south side of the I-96 exit ramp and west of Novi Road. This Unit is located south of Adell Center Drive. It is currently zoned Town Center with a PRO, with the same zoning on all sides except for Heavy industrial which is to the west. There are a few regulated wetlands along the Southern boundary. A temporary impact of 1240 square feet will occur within the 25-foot wetland buffer.

The applicant is proposing a 5-story hotel with 120 rooms on Unit 3 of the Adell Center Development. The proposed site plan proposes associated parking and other site improvements.

The PRO agreement was approved by City Council on October 22, 2018. An amendment to the PRO agreement was approved on June 17, 2019. This project is subject to the conditions of the PRO agreement

and the amendment. The Planning Commission initially approved the Preliminary Site Plan on June 26, 2019, but that approval has now expired. The Stamping Set approval expired in June 2023 and now the Site Plan once again requires Planning Commission approval.

The original approval and the amendment noted that certain deviations from the Ordinance requirements can be approved by the Planning Commission. The first one is to allow a reduction of loading zone area. The applicant stated that their typical delivery trucks are 'box-size' trucks, and a regular parking space is sufficient. The second item is to allow a transformer in the interior side yard instead of being required in the rear yard. It is located in the location shown due to its proximity to the electrical room. And finally, a landscape waiver to allow shrubs in lieu of required perimeter parking lot trees along the western property line, due to conflicts with the proposed underground storm water detention system.

The applicant has worked closely with staff to address all major concerns. All reviews are recommending approval with some comments to be addressed with the Electronic Stamping Set. The Planning Commission is asked tonight to consider the Preliminary site plan and storm water management plan. Engineer Andy Andre is present to represent the applicant and staff is available to answer any questions.

Chair Pehrson invited the applicant to address the Planning Commission.

Andy Andre, 10775 S Saginaw Road, Grand Blanc, MI relayed he is here on behalf of the applicant, Novi Superior Hospitality. Planner Hogg did a good job summarizing the project. There is going to be some familiarity to members of the Planning Commission because, as mentioned, there was already a final stamping set approval that had gone through. A change in the brand is what really facilitated us coming back. The project was previously approved as a Fairfield Inn and Suites, which is a Marriott product but has now transitioned to TownePlace Suites. The reason behind that is TownePlace Suites has a stronger market presence overall. The applicant has 40+ hotels in their portfolio and TownePlace is very well performing. Everything coming out of post-COVID is seeking the extended stay and this is an extended stay version of a hotel.

There were some slight changes that went along with the site plan in adjusting the buildings. Those are really where it goes to some of the deviations requested. The applicant feels that it's a really good project, it is a great looking building, and will fit well within there. They are excited to get moving on this and are happy to answer any questions the Planning Commission might have.

Chair Pehrson turned the matter over to the Planning Commission for consideration.

Member Avdoulos relayed this proposal is relatively easy. It is consistent with the prior approved plan. Staff is recommending approval all the way down.

Motion to approve the TownePlace Suites Preliminary JSP18-66 Site Plan made by Member Avdoulos and seconded by Member Lynch.

In the matter of request of Novi Superior Hospitality, LLC, for the TownePlace Suites JSP18-66, motion to approve the Preliminary Site Plan based on and subject to the following:

1. **The following items are subject to Planning Commission's approval at the time of Preliminary Site Plan approval, as noted in the PRO agreement:**
 - a) **Landscape waiver from Section 5.5.3.C.(3) Chart footnote for allowing landscape shrubs in lieu of required perimeter parking lot trees along western property line, due to conflicts with proposed underground storm water detention system, which is granted.**
 - b) **Planning deviation to allow placement of transformers in alternate locations instead of required rear yard, provided proposed locations conform to other code requirements and appropriate screening is provided at the time of Preliminary Site Plan review, subject to review and approval by the Planning Commission. This is applicable for Units 1, 2, 3, 5, 6, 7 and 8. Planning Commission's approval to allow transformer in an**

alternate location (Rear yard location required, interior side yard location proposed.) due to the location of the electrical room.

- c) The applicant shall provide supporting data to justify the proposed loading area square footages, to be reviewed and approved by Planning Commission at the time of Preliminary site plan approval; Planning Commission's approval to allow.
2. The following deviations listed below are applicable for this site plan as noted in the approved PRO agreement:
- a) Planning deviation from section 5.12 to allow lack of required frontage on public road for Units 1 through 8. Frontage for such units shall be in the private drive as shown in the PRO Plan, which shall be built to City Standards.
 - b) Planning deviation from section 3.1.25.D to allow reduction of minimum required front parking setback of 20 feet, from the proposed access easement. A minimum of 18 feet shall be permitted.
 - c) Planning deviation from section 3.1.25.D to allow reduction of minimum required interior side parking setback of 20 feet for the following units as shared access is proposed between parking lots:
 - i) Unit 3: minimum 15 feet along west and 5 feet along south
 - d) Planning deviation to allow placement of loading areas in alternate locations instead of required rear yard or interior side yard for double frontage lots, as listed below, provided proposed locations do not conflict with traffic circulation and appropriate screening will be provided at the time of Preliminary site plan review:
 - i) Unit 3: interior side yard (no double frontage)
 - e) The applicant shall provide supporting data to justify the proposed loading area square footages, to be reviewed and approved by Planning Commission at the time of Preliminary site plan approval.
 - f) Planning deviation from standards of Sec. 5.12 for up to 5% reduction in minimum required parking (to be established by staff after reviewing the calculations provided) for each unit within the development subject to the individual users providing satisfactory justification for Planning Commission's approval of the parking reduction at the time of respective site plan approval.
 - g. Planning deviation to allow proposing the minimum required Open Space for each Unit as Common element spread within the development boundaries as shown in the Open Space Plan, provided the applicant restores the wetland/woodland on the southerly portion of the site pursuant to a plan meeting City ordinance requirements is submitted and approved at the time of Wetland permit/preliminary site plan approval, and provides the pedestrian walkway through the open space as proposed. (A minimum of 153 of total site area designed as permanently landscaped open areas and pedestrian plazas is required per section 3.27.I .F.).
 - h. Planning deviation from Section 5.7.3.K. to allow exceeding the maximum spillover of 1 foot candle along interior side property lines provided the applicant submits a photometric plan that demonstrates that the average to minimum light level ratio is kept to the maximum allowable 4:1.
 - i. Planning deviation to allow exceeding the maximum spillover of 1 foot candle and approvable increase of the average to minimum light level ration from 4:1 within the Adell Drive pavement areas as listed in Section 5.7.3.K. along access easements along Adell Drive, at the time of or Preliminary Site Plan review for the individual units.
 - j. Planning deviation to allow placement of transformers in alternate locations instead of required rear yard, provided proposed locations conform to other code requirements and appropriate screening is provided at the time of Preliminary Site Plan review, subject to review and approval by the Planning Commission. This is applicable for Units 1, 2, 3, 5, 6, 7 and 8.
 - k. Lighting and Photometric plans for all site plans for units within the development shall conform to the light levels indicated in the overall photometric plan and related deviations included in the PRO Agreement.

3. The findings of compliance with Ordinance standards in the staff and consultant review letters, and the conditions and items listed in those letters being addressed on the Final Site Plan.

This motion is made because the plan is otherwise in compliance with Article 3, Article 4, and Article 5 of the Zoning Ordinance and all other applicable provisions of the Ordinance.

Member Lynch relayed that the whole Adell property is one of the things done by the Planning Commission that he would consider a win-win. He does not see any major concerns and understands the issues with the trees. Mr. Andre elaborated on that point. The developer installed the roadway and utilities at the beginning as part of the overall development. When they were stubbing and making connections into it as part of the stormwater management that was approved, there is underground detention that runs along the westerly end which is pretty shallow and has easements over it. Member Lynch relayed the changes are minor and he does not have an issue. He thinks the development will be beautiful.

Member Becker clarified his understanding of where the Home2 Suites and unit 5 is located on the overall plan, as shown on the screen.

Member Dismondy is in support.

Member Verma inquired as to what the studies indicate about occupancy rates. Mr. Andre responded it is strong, well over the 70% mark. That is good consistency and what they are seeing is that extended stay is the model moving forward and is going to have higher occupancy than what you see as a traditional standard stay such as the Holiday Inn Express or such. The overall general marketplace is strong. The market studies come back are still projecting strong occupancy within the market.

Member Verma inquired as to how many rooms the hotel will have. Mr. Andre responded there will be 120 rooms in a five-story building.

Member Verma inquired as to whether the rooms will have kitchens. Mr. Andre responded that will be kitchenettes as it is not long-term stay, rather extended stay. Typically, three to five days is what people stay so it just gives it a little bit more feeling of home to the travel, whether that's for business or leisure, it has those amenities that are more attractive.

Member Verma noted the close proximity to the Suburban Collection Showplace and inquired if there will be a shuttle. Mr. Andre responded that is fairly typical and would make sense, especially given that the future Home2 Suites will have common ownership. A shuttle could be not just for the Suburban Collection Showplace, but also for shopping destinations.

ROLL CALL VOTE TO APPROVE THE TOWNPLACE SUITES JSP18-66 STORMWATER MANAGEMENT PLAN MADE BY MEMBER AVDOULOS AND SECONDED BY MEMBER LYNCH.

Motion carried 7-0.

Motion to approve the TownePlace Suites JSP18-66 Stormwater Management Plan made by Member Avdoulos and seconded by Member Lynch.

In the matter of request of Novi Superior Hospitality, LLC, for the TownePlace Suites JSP18-66, motion to approve the Stormwater Management Plan based on and subject to the findings of compliance with Ordinance standards in the staff and consultant review letters, and the conditions and items listed in those letters being addressed on the Final Site Plan.

This motion is made because it is otherwise in compliance with Chapter 11 of the Code of Ordinances and all other applicable provisions of the Ordinance.

ROLL CALL VOTE TO APPROVE THE TOWNPLACE SUITES JSP18-66 STORMWATER MANAGEMENT PLAN MADE BY MEMBER AVDOULOS AND SECONDED BY MEMBER LYNCH.

Motion carried 7-0.

2. APPROVAL OF THE 2023 PLANNING COMMISSION ANNUAL REPORT

City Planner McBeth relayed it's that time of year again where staff provides the Planning Commission with the annual report that talks about the 18 meetings held in 2023, including tonight's meeting.

There were six zoning ordinance text amendments considered and 22 significant site plans that are reflected in the report. There was the Master Plan amendment that facilitated the land swap between the schools and the city that took place this year. There were five rezoning requests. As usual, there was a Capital Improvement Program with a public hearing and approval back in February. There were four woodland use permits on lots and one wetland permit.

Through the department there were over 48 project permits processed by the Planning Department in 2023 and more than fifty final stamping sets were approved, meaning the projects made it all the way through and are ready for construction this year.

There is also a summary of the Planning Commission committees. The Capital Improvement Program Committee met in January and discussed the items that were in the draft plan. Then the Implementation Committee met and discussed the Site Plan and Development Manual updates, and the City West Zoning district. The Walkable Novi Committee met three times and discussed the usual items including having updates from our consultant for the Active Mobility plan. The Master Plan for Land Use Steering Committee met four times this year. There was one Master Plan and Zoning Committee meeting to discuss one project.

Staff added a few things that you might look forward to in 2024 including the final review and potential adoption of the updated Master Plan for Land Use. We're hoping for the Planning Commission's recommendation to City Council on the Active Mobility Plan that we hope to be presenting soon after the first of the year. Continued implementation of the recommendations of the Master Plan and potentially some additional training opportunities are also included.

Chair Pehrson thanked staff for putting together the Annual Report, they did a wonderful job.

Motion to approve the 2023 Planning Commission Annual Report made by Member Avdoulos and seconded by Member Becker.

ROLL CALL VOTE ON MOTION TO APPROVE THE 2023 PLANNING COMMISSION ANNUAL REPORT MADE BY MEMBER AVDOULOS AND SECONDED BY MEMBER BECKER.

Motion carried 7-0.

3. APPROVAL OF THE NOVEMBER 15, 2023 PLANNING COMMISSION MINUTES

Motion to approve the November 15, 2023 Planning Commission minutes made by Member Lynch and seconded by Member Avdoulos.

ROLL CALL VOTE ON MOTION TO APPROVE THE NOVEMBER 15, 2023 PLANNING COMMISSION MINUTES MADE BY MEMBER LYNCH AND SECONDED BY MEMBER AVDOULOS.

Motion carried 7-0.

CONSENT AGENDA REMOVALS FOR COMMISSION ACTION

There were no consent agenda items.

SUPPLEMENTAL ISSUES/TRAINING UPDATES

There were no Supplemental Issues/Training Updates.

AUDIENCE PARTICIPATION

Chair Pehrson invited members of the audience who wished to address the Planning Commission during the final audience participation to come forward.

Mike Duchesneau, 1191 South Lake Drive, relayed when he read the 2023 Annual Report he was really impressed. He didn't realize how much work the Commission and the Planning Department did this year, and it really does show that we are a vibrant community.

Seeing no one else, Chair Pehrson closed the final audience participation.

ADJOURNMENT

Motion to adjourn the meeting made by Member Lynch and seconded by Member Becker.

VOICE VOTE ON MOTION TO ADJOURN THE DECEMBER 13, 2023 PLANNING COMMISSION MEETING MADE BY MEMBER LYNCH AND SECONDED BY MEMBER BECKER.

Motion carried 7-0.

Meeting adjourned at 8:25 PM.

*Actual language of the motion sheet subject to review.