

MASTER PLAN & ZONING COMMITTEE
City of Novi Planning Commission
April 2, 2009 at 7:00 p.m.
Novi Civic Center – Conference Room C
45175 W. Ten Mile, Novi, MI 48375
(248) 347-0475

Members: Victor Cassis, Andy Gutman, Michael Lynch and Michael Meyer
Alternate David Greco
Staff Support: Mark Spencer

1. **Roll Call**
2. **Approval of Agenda**
3. **Audience Participation and Correspondence**
4. **Matters for Discussion**

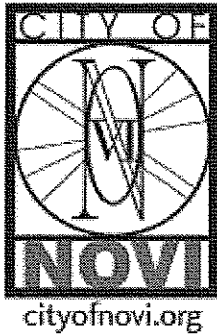
Item 1

Master Plan for Land Use Review

- a) General Information
 - 1) Retail Vacancy Rate Review
 - 2) Industrial & Office Floor Space Demand Forecast
 - 3) Housing for the Elderly Introduction
 - b) Sections 13, 14, 15, 16, 21, 22, 23 & 24 Discuss need for additional studies or future land use changes
5. **Minutes+-**
March 19, 2009
 6. **Adjourn**

Future Meetings – April 16, May 7, May 21, June 4 & June 18.

MEMORANDUM



TO: MASTER PLAN & ZONING COMMITTEE
FROM: MARK SPENCER, AICP, PLANNER *Mark Spencer*
SUBJECT: CITY OF NOVI RETAIL CENTER VACANCY RATE REVIEW
DATE: MARCH 25, 2009

Introduction

Many different local, regional and national market factors affect the demand and supply for retail floor space. One factor typically evaluated to help gauge the strength of the retail market at any given time is the retail floor space vacancy rate. Vacancy rates can be reviewed at a national, regional, local and individual property level. Since different types of retail establishments behave in the market differently, retail vacancy rates are also often reviewed by development size and product type. National and regional vacancy rates are published for stand-alone retail establishments, shopping centers, malls, lifestyle centers and power centers.

The local retail floor space vacancy rate, when compared with regional and national vacancy rates, can provide some insight into the status of the local retail floor space supply. Local vacancy rates that are considerably higher than regional vacancy rates can indicate a local surplus of floor space supply and local vacancy rates considerably lower than regional vacancy rates can indicate that the market may be able to absorb more retail floor space. Local and regional vacancy rates that are higher than the national vacancy rates can indicate a regional or local retail market that is weaker than the national retail market. In general, lower vacancy rates indicate a higher demand for retail floor space and thus a more profitable market. When retail properties are more profitable, owners continue to invest in the existing and new properties. A significant caveat for all of this is that retail **rent rates** for any given space within local, regional, and state vary significantly and are also an important factor in assessing retail markets. During economic fluctuations, it can be assumed that retail spaces on the higher and lower end of the cost of land will be affected differently. Finally, the quantity of space should be factored into the equation. In other words, large retail center communities may have differing occupancy percentages than a small community with only ancillary retail.

Since many factors affect the success of retail centers, the retail center vacancy rates depicted in this review should be **viewed for general consideration only**.

Methodology

The following review looks at vacancy rates in retail centers within the city of Novi as of February 2009. Retail centers are defined as multiple tenant building(s), or multiple building sites, including adjacent commercial lot(s), occupied by retail businesses, banks, restaurants, and similar uses that are perceived as one destination area. These centers typically, but not necessarily, share driveways, parking systems, and utilities. Excluded from this definition are hotels, convention facilities, automobile sales lots, and gasoline filling stations that are not

located on an outlot for the central development, and stand-alone businesses (such as Walgreen's, NAPA Auto Parts, etc.).

Retail centers described in this report include the following types of shopping destinations:

- **Local Serving Shopping Centers** (neighborhood and strip retail centers often anchored by a drug store or super market and usually containing less than 100,000 sq. ft. of floor area);
- **Community Serving Shopping Centers** (community and strip centers usually containing more than 100,000 sq. ft. of floor area);
- **Malls** (retail centers with covered common connecting walkways);
- **Lifestyle Centers** (commercial developments that combine the traditional retail functions of a shopping mall with leisure amenities oriented towards upscale consumers); and
- **Power Centers** (retail centers primarily occupied by "category killing" big box tenants).

In order to better compare City of Novi vacancy rates with regional and national rates, the data for mall, lifestyle center and power center were combined to reflect the categories used by the CoStar Group's (a national commercial real estate information company) retail floor space vacancy reports and so as to not reveal the status of individual properties. The balance of the retail centers were considered shopping centers. Since malls, life style centers and power centers tend to cater to regional shopping and services, and the southeast Michigan vacancy rates were similar, it was logical to combine the data for these categories. Using these definitions, the City of Novi has one mall (Twelve Oaks Mall), one power center (High Pointe Shopping Center), and three Life Style Centers (Twelve Mile Crossing at Fountain Walk, West Oaks I and II, and Novi Town Center). Since retail centers account for 85% of retail floor space in the City of Novi, vacancy rates for retail centers is likely to be close to the overall retail floor space vacancy rate.

The base information on the size of the retail centers came from the City of Novi Community Development Department, Planning Division's 2009 "City of Novi Commercial Land Use Facts" report updated on February 6, 2009.

The vacancy rate data was collected for this analysis by two methods. First, data was collected from surveys sent to the property managers of 31 retail center properties located in the City. Eighteen (58%) of the property managers responded. Second, vacant retail space was estimated for 13 (42%) of the properties by the City's Planning Division Staff. Four of these 13 properties were 100% occupied. To produce the estimates, the Planning Staff used available occupancy information from the property's web pages and personal property tax records, conducted visual inspections and interviewed the City's Building Division's building inspectors assigned to these properties. It should also be noted that three out of the five properties that make up the regional serving category of retail centers was estimated. This category represents 72% of the total retail center floor space listed in this review.

After collecting and estimating the data, the City of Novi retail floor space vacancy data was analyzed by retail center type. The survey results and vacancy estimates were totaled and sorted by the type of retail center. It should be noted that this review does not consider retail floor space that serves the residents of Novi but is located outside of the City.

**Table 1 – Vacancy Rate Comparison for
City of Novi,
Regional and National,
Local and Community Serving and Regional Serving Retail Center**

Area	Local & Community Serving Shopping Centers Combined		Regional Serving Malls, Lifestyle Centers and Power Centers		All Retail Centers	
	Total Floor Space (sq. ft.)	Vacant Floor Space (sq. ft.)	Total Floor Space (sq. ft.)	Vacant Floor Space (sq. ft.)	Total Floor Space (sq. ft.)	Vacant Floor Space (sq. ft.)
	Percent of Total Retail Center Floor Space	Vacancy Rate	Percent of Total Retail Center Floor Space	Vacancy Rate	Percent of Total Retail Center Floor Space	Vacancy Rate
City of Novi (2/09)	1,344,100	146,200	3,928,500	365,000	5,272,600	511,200
	25.5%	10.9%	74.5%	9.3%	100%	9.7%
Southeast Michigan (6/30/08)	69,700,000	9,967,000	43,361,000	1,711,000	113,061,100	11,678,000
		14.3%		3.9%	100%	10.3%
United States (12/31/08)	n/a	9.7%	n/a	Malls & Lifestyle Centers = 4.0% Power Centers = 6.4%	n/a	n/a

Source: City of Novi & CoStar Group Inc.

**Table 2 – Vacancy Rate Comparison for
City of Novi, Regional and National Retail Center**

Area	All Types of Retail Centers (local, community and regional serving)	All Retail (including stand alone retail businesses)
City of Novi (2/09)	9.7%	N/A
Southeast Michigan (6/30/08)	10.3%	12%
United States (12/31/08)	N/A	6.7%

Source: City of Novi & CoStar Group Inc.

Vacancy Rate Comparisons

The local retail floor space vacancy rates were compared to regional and national vacancy rates. February 2009 Southeast Michigan and national data was not available for comparison. Therefore, this report used the best available data including Southeast Michigan data from the end of the second quarter 2008, published by the Oakland Business Review August 8, 2008, and based on data from the CoStar Group, Inc. National end of the year data was published by the CoStar Group on its web page on January 28, 2009. For this comparison, City of Novi local and community serving shopping center data was combined.

A comparison of the City of Novi's February 2009, Southeastern Michigan's June 30, 2008 and the end of 2008 United States retail center vacancy rate data (Table 1 and Table 2) indicates the following:

- Data for all shopping centers shows that Novi had a lower vacancy rate (10.9%) than shopping centers in Southeastern Michigan (14.3%) but the City's rate is close to the national rate of 9.7%. This comparison indicates that the current balance between the demand and supply of shopping center retail space in the City of Novi is similar to the national market, whereas shopping centers as a whole in Southeastern Michigan are having a harder time leasing their space.
- The retail floor space vacancy rate in the City of Novi for malls, lifestyle centers and power centers combined (9.3%) was much higher than the rate for Southeast Michigan (3.9%) and the estimated national rate (5%). Although a combined national rate was not available, the combined average national vacancy rate is likely to be near 5% since the national vacancy rate for malls and lifestyle centers was 4.0% and for power centers 6.4%. If one City of Novi lifestyle center property, that has a very high vacancy rate due to losing one of its anchor tenants, is eliminated from the City data, the City vacancy rate would decline to 4.8% which is close to the regional and national rate. These rates indicate that the City currently has a surplus of retail floor space for malls, lifestyle centers and power centers as a whole.
- Retail centers in the City of Novi as a whole (all categories) currently have a similar retail floor space vacancy rate (9.7%) compared to the rate for Southeastern Michigan (10.3%). This indicates that as a whole, retail centers in Novi are about or a little more successful at balancing the supply and demand for retail floor space as retail centers as a whole in Southeastern Michigan.
- The vacancy rate for retail centers in the City of Novi (9.7%) is higher than the national average for all retail floor space (6.7%). This indicates that the demand for retail floor space is lower for retail center properties in Novi than the national average for all retail properties.

In 2005, the assessing department conducted a survey and found that retail centers had a vacancy rate of 7.8%, which is lower than the current 9.7% rate. The national rate for shopping centers was 12.7% at the end of third quarter 2003 which is higher than the 9.7% at the end of second quarter 2008.

Summary

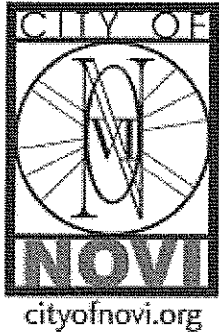
Overall, the current vacancy rate for retail center floor space for the City of Novi is lower than the rate in Southeastern Michigan and thus, the balance between supply and demand for retail center floor space in the City is better in Novi than in Southeast Michigan. The current vacancy rate for local serving and community serving shopping center floor space in the City is considerably lower than the Southeast Michigan rate and a little higher than the national rate. The current vacancy rate for regional serving malls, lifestyle centers and power centers combined is considerably higher in Novi than Southeast Michigan's and the nation's vacancy rates. Thus, the balance between supply and demand for local and community serving shopping centers in the City of Novi is better than Southeastern Michigan's but somewhat worse than the nation's and the balance between supply and demand for regional serving malls, lifestyle centers and power centers retail floor space in the City is worse than the rate in Southeastern Michigan and the nation.

References

Pardy, Sasha M., "U.S. Retail Property Market Bracing For A Long Year In 2009," Costar Press Release, January 2009.

Marshall, Carol, "Power Centers Are Bright Spots For Southeast Michigan's Retail," Oakland Business Review, August, 2008.

MEMORANDUM



TO: MASTER PLAN & ZONING COMMITTEE
FROM: MARK SPENCER, AICP, PLANNER *Mark Spencer*
SUBJECT: 2009 MASTER PLAN REVIEW INDUSTRIAL AND OFFICE
SPACE DEMAND FORECAST
DATE: MARCH 30, 2009

Providing space within a community for future industrial and office uses is an important part of all municipal future land use plans. Many factors need to be reviewed to produce a plan that supplies enough land for reasonable office and industrial growth. Without an adequate supply of land for office or industrial space, new or expanding businesses will not have the opportunity to locate in the City. In order to estimate how much land should be designated for office or industrial activities it is important to assess the size, strength and character of each sector of the market. An assessment of the market can be used to identify potential economic opportunities and help forecast future office and industrial growth. It should be kept in mind that providing actual office and industrial space is a private sector function. Municipal government's role is to provide areas of the municipality for a mix of economic uses and to make sure those uses are compatible with the built and natural environment.

As part of the City's 2007 Master Plan Review, The Chesapeake Group (a nationally recognized market analysis, urban planning, and economic development consulting firm) produced a Market Assessment of the City of Novi that included a quantitative analysis to identify future economic opportunities in the City through 2015. This Market Assessment included a demand forecast for retail, office and industrial floor space. Projected residential housing growth in the City was a major component of the demand forecasts. Since the market for residential dwellings has decreased considerably in the last year, projected housing growth figures used for the forecast are high and a new forecast was developed by the City's planning staff its 2009 Master Plan Review Retail Space Demand Forecast of March 3, 2009.

The forecasts for future office and industrial floor space demand included in the 2007 Assessment were based on capturing all of the City of Novi workforce growth due to housing growth and do not account for demand based on County household growth or regional relocations. Thus, the forecast does not reflect all demand.

In addition to updating the demand forecast to reflect the City's revised housing trends, adding a portion of Oakland County's employment growth outside of the City of Novi to the forecasted demand makes the forecast more realistic. The workforce in southeastern Michigan is highly mobile reflected by the fact that the average person in the region spends 26.5 minutes commuting to work. The City of Novi historically has capture a large portion of the regional workforce and will most likely continue to do so into the future.

It should be noted that if additional areas are planned for residential development, or if the permitted residential densities are increased, the number of dwelling units forecasted at build-out will increase and this will increase the forecasted demand for office and industrial space. In

addition, major demographic shifts could also change the housing forecast. These forecasts are generated using average worker to floor space demanded and actual conditions could vary considerably depending on the utilization of the floor space by individual businesses. As with any forecast, the facts used to develop the forecast should be monitored and adjustments made to keep it current.

Methodology

The Chesapeake Group's Market Assessment estimated workforce growth based on dwelling unit growth and computer modeling derived from data collected from numerous trade journals and federal government surveys and reports. The models also generated forecasts for office and industrial employment growth and floor space demand based on the workforce growth. These forecasts used existing types of employment ratios for the "Low 2015" forecasts and a ratio based on national employment type trends for the "High 2015" forecast. The Assessment's industrial floor space demand forecast included a low floor space demand forecast based on a typical manufacturing plant needing 500 square feet of space per employee and a high forecast

Table 1 - City of Novi Office and Industrial Employment and Floor Space Demand Forecasts Based on City of Novi Household Growth

	Low 2015 Forecast*	High 2015 Forecast*	Low 2018 Forecast**	High 2018 Forecast**	Build-Out Forecast**
Forecasted Household Growth (Dwelling Units)	3,200	4,800	2,700	3,700	5,700
City of Novi Forecasted Employment Growth (all categories)	4,364	6,067	3,682	4,677	7,205
Office Employment Growth Forecast	1,591	2,574	1,342	1,984	3,057
Office Floor Space Demand Forecast at 250 sq. ft. / employee	397,750	643,500	335,602	496,031	764,156
Industrial Employment Growth Forecast	1186	1639	1,001	1,263	1,946
Low Industrial Floor Space Demand Forecast at 500 sq. ft. / employee	593,000	819,500	500,344	631,698	973,156
High Industrial Floor Space Demand Forecast at 1,000 sq. ft. per employee	1,186,000	1,639,000	1,000,688	1,263,396	1,946,313
	*Source: 2007 City of Novi Market Assessment, by The Chesapeake Group		** Household growth based on 2009 Retail Demand Forecast, City of Novi Planning Division. The employment forecast in these columns is based on applying the low and high employment forecast ratios developed by the Chesapeake Group. The high ratio was also applied to the Build-Out forecast.		

based on a typical warehouse operation that needs about 1,000 square feet of floor space per employee. The Chesapeake Group's Market Assessment indicated that although all of the workforce generated by dwelling unit growth may not work in Novi it would be reasonable to plan for this since all of these new employees could find work in Novi. It should also be noted that over the past ten years, the City of Novi has captured much more than its population share of Southeastern Michigan's industrial and office development.

The revised forecast uses a revised housing (residential growth) forecast from the 2009 Master Plan Review Retail Space Demand Forecast calculates future floor space demand using the same employment and floor space ratios depicted in the Chesapeake Group's 2007 Market Assessment including the Assessment's use of a low and high range of industrial floor space demand per industrial employee.

The second and third column in Table 1 depicts the Chesapeake Group's 2007 Market Assessment's estimated low and high housing, employment, office employment, office floor space demand, industrial employment and industrial floor space demand based on 500 and 1,000 square feet of industrial space per industrial employee forecast through 2015. The last three columns depict a low and high housing, employment, office employment, office floor space demand, industrial employment and industrial floor space demand based on 500 and 1,000 square feet of industrial space per industrial employee forecast through 2018 and at residential build-out.

Table 2 - City of Novi Office and Industrial Floor Space and Area Demand Forecast Based on City of Novi Household Growth

	Low 2018 Forecast (2,700 new dwelling units)	High 2018 Forecast (3,700 new dwelling units)	Build-Out Forecast (5,700 new dwelling units)
Office Floor Space (sq. ft.) Demand Forecast at 250 sq. ft. / employee	335,602	496,031	764,156
Office Acreage Demand Forecast at 8,000 sq. ft./acre	42	62	96
Low Industrial Floor Space (sq. ft.) Demand Forecast at 500 sq. ft. / employee	500,344	631,698	973,156
Low Industrial Acreage Demand Forecast at 10,000 sq. ft./acre	50	63	97
High Industrial Floor Space (sq. ft.) Demand Forecast at 1,000 sq. ft. per employee	1,000,688	1,263,396	1,946,313
High Industrial Acreage Demand Forecast at 10,000 sq. ft./acre	100	126	195
Combined Office and Industrial Low 2018, High 2018 and Build-Out Acreage Demand Forecast	92 (42+50)	188 (62+126)	291 (96+195)

The amount of land area needed to satisfy the demand generated by employment growth for office and industrial floor space can be calculated by multiplying the updated floor space demand forecast by a floor space per acre factor for office and industrial developments. A factor of 8,000 square feet per acre was used for office uses and 10,000 square feet per acre for industrial uses (see Table 2).

Table 3 - Oakland County (without City of Novi) Office and Industrial Employment, Floor Space Demand and Land Area Demand Forecasts

	Low 2015 Forecast	High 2015 Forecast
Estimated Household Growth (Dwelling Units)	19,200	34,500
Forecasted Employment	25,900	46,600
Office Employment Forecast	9,500	17,100
Office Floor Space (sq. ft.) Demand Forecast @250 sq. ft. / employee	2,382,000	4,300,000
Office Land Area Demand Forecast (acres) @250 sq. ft. floor area / employee and 8,000 sq. ft. per acre	300	530
Industrial Employment Forecast	7,000	12,600
Industrial Floor Space (sq. ft.) Demand Forecast @500 sq. ft. / employee	3,500,000	6,300,000
Industrial Land Area (acres) Demand Forecast @500 sq. ft. floor area/ employee and 10,000 sq. ft. per acre	350	630
Industrial Floor Space (sq. ft.) Demand Forecast @1,000 sq. ft. per employee	7,000,000	12,600,000
Industrial Land Area Demand Forecast (acres) @1,000 sq. ft. floor area/ employee and 10,000 sq. ft. per acre	700	1260
Total Low and High Office and Industrial Land Area Demand Forecast 2008-2015	650 (300+350)	1,790 (530+1,260)

Source: Base data from 2007 City of Novi Market Assessment, by The Chesapeake Group.

Since office uses are permitted in the industrial districts and many forms of industrial uses are permitted in the City's OST office zoning district, the office and industrial acreage forecast was combined. This produced a Low 2018 demand forecast of an additional 92 acres of land needed for combined future office and industrial uses and a High 2018 demand of an additional 188 acres of land needed for future office and industrial uses. At residential build-out the demand climbs to a total of 291 acres needed to accommodate future office and industrial uses.

In addition to the 1,800 acres of land currently developed for office and industrial uses, there is additional land planned for office and industrial uses throughout Novi. Currently, the City of Novi has 900+ acres of vacant or underdeveloped land zoned or master planned for office uses and 300+ acres of vacant or under developed land zoned or master planned for industrial uses. Based on the Chesapeake Group's 2015 Oakland County employment forecast (without the City of Novi forecast), depicted in the 2007 Market Assessment, the County could generate a demand for between 650 to 1,800 acres of land to accommodate the additional office and industrial floor space demand based on the additional workforce (see Table 3). This equates to about an additional 80 to 220 acres per year for the whole County. Additional demand may be generated by the relocation of current businesses.

It is possible that the City of Novi could capture 20% of the County office and industrial floor space demand generated by the growth of the County workforce outside of the City of Novi. If so, office and industrial uses could occupy an additional 16 to 45 acres in the City per year. Added to the 9 to 19 acres of demand generated by City of Novi workforce growth, the average annual demand would have a range of 25 to 64 acres. With 1,200 acres of land planned or zoned for office or industrial uses in the City, the area available for office and industrial uses may be a 19 to 48 year supply (see Table 4).

Table 4 - Estimated City of Novi Office and Industrial Land Area Demand

	Low Forecast	High Forecast
Oakland County 2015 Low and High Office and Industrial Land Area Demand Forecast Generated by Other Than Novi County Workforce Growth Per Year (8 years)	81	224
Low and High Potential Land Area Demand Forecast for Office and Industrial Land in Novi Generated by Other than Novi Employment Growth in Oakland County Per Year (20% of County Total)	16	45
City of Novi 2018 Low and High Office & Industrial Land Area Demand Forecast Per Year Generated by City of Novi Workforce Growth (10 years)	9	19
Total City of Novi Low and High Office & Industrial Land Area Demand Forecast Per Year	25	64
Years of Available Supply Based on a Total of 1,200 Acres of Available Office and Industrial Land In Novi	48	19

It should be noted that additional residential growth beyond the estimated number of dwelling units at build-out will likely generate additional local industrial and office floor space demand and reduce the amount of land available to capture outside of the City of Novi demand generated by Oakland County employment growth. In addition, the amount of space per worker can vary greatly depending on each businesses utilization of floor space.

City of Novi Potential Office & Industrial Development Parcels

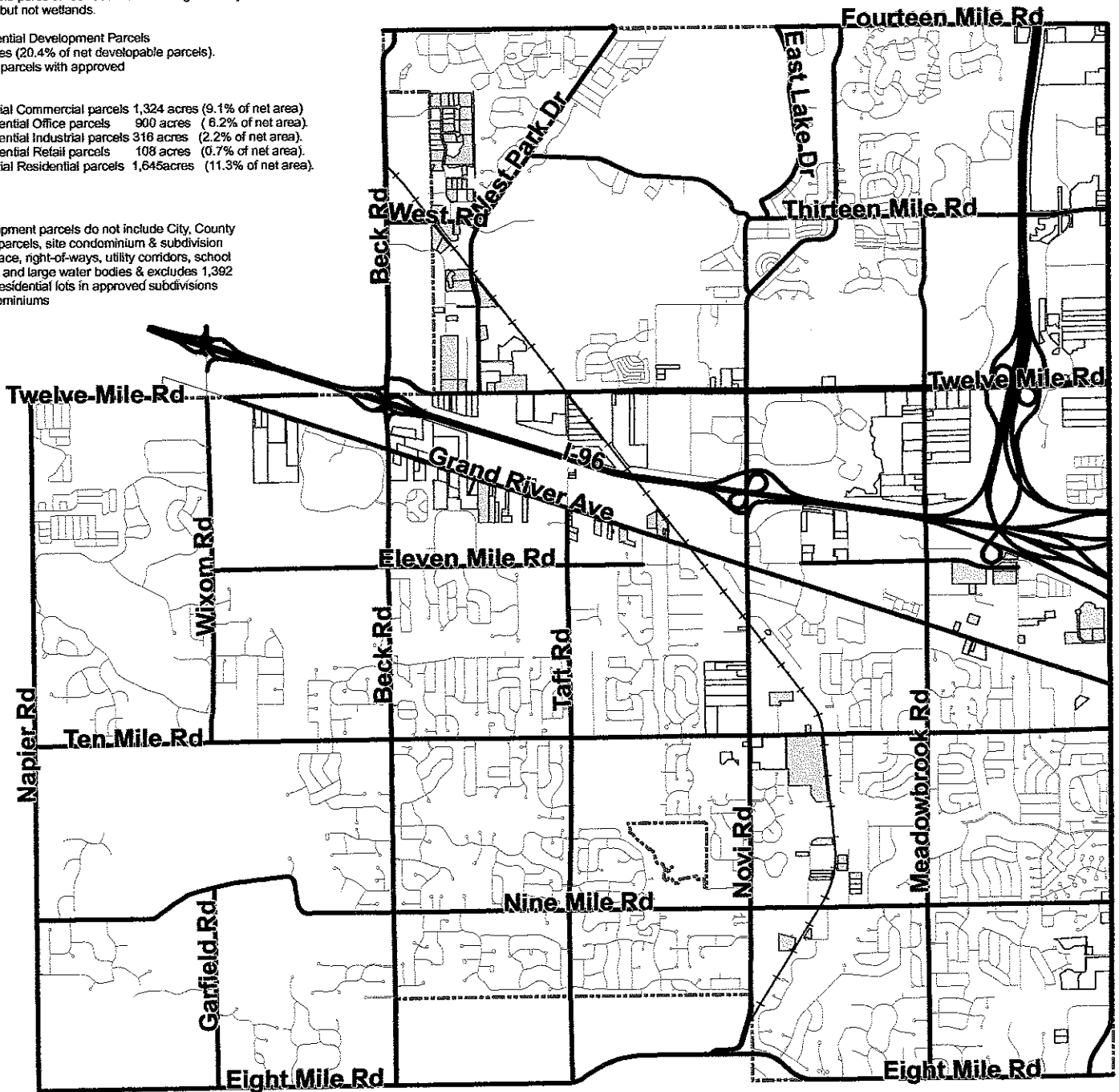
Notes:

City of Novi=20,020 acres gross 14,570 acres net in developable parcels. Surface water and right-of-ways excluded but not wetlands.

Total Potential Development Parcels
2,969 acres (20.4% of net developable parcels).
Excludes parcels with approved site plan.

All Potential Commercial parcels 1,324 acres (9.1% of net area)
 potential Office parcels 900 acres (6.2% of net area).
 potential Industrial parcels 316 acres (2.2% of net area).
 potential Retail parcels 108 acres (0.7% of net area).
 All Potential Residential parcels 1,645 acres (11.3% of net area).

* Development parcels do not include City, County & State parcels, site condominium & subdivision open space, right-of-ways, utility corridors, school property and large water bodies & excludes 1,392 vacant residential lots in approved subdivisions or condominiums



Potential Development Parcels



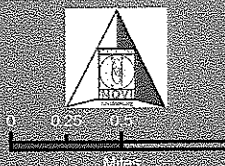
Potential Industrial Parcels



Potential Office Parcels



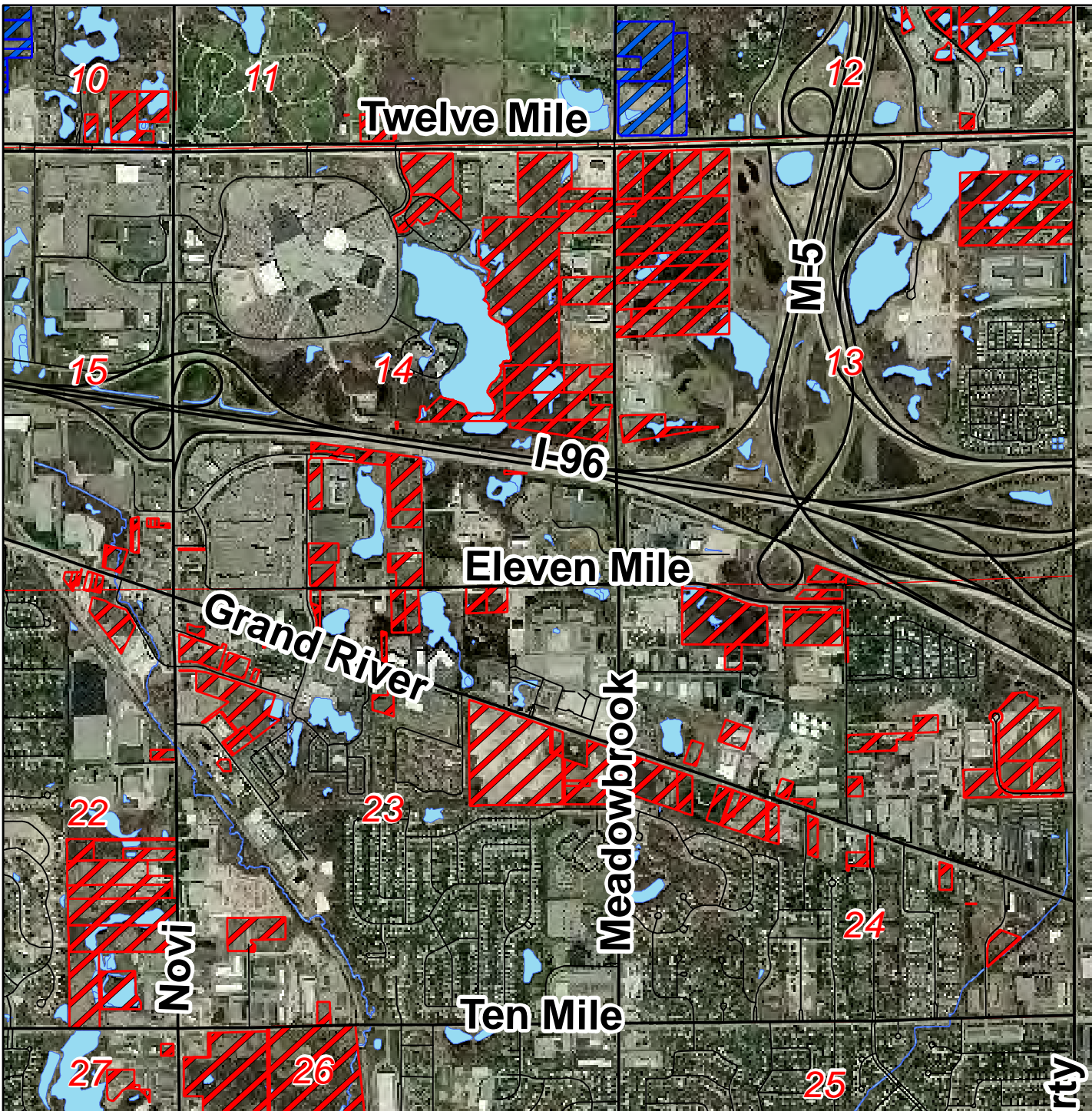
CITY OF NOVI
 PLANNING DIVISION
 45175 W. TEN MILE ROAD
 NOVI, MI 48376-3024
 (248) 347-0475
 MARK SPENCER, AICP, PLANNER
 GREAT8D - 3/19/09





MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and uses the most recent aerial photography available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm sources and accuracy information related to this map.

Sec. 13, 14, 23 & 24 Air Photo & Potential Development Parcels

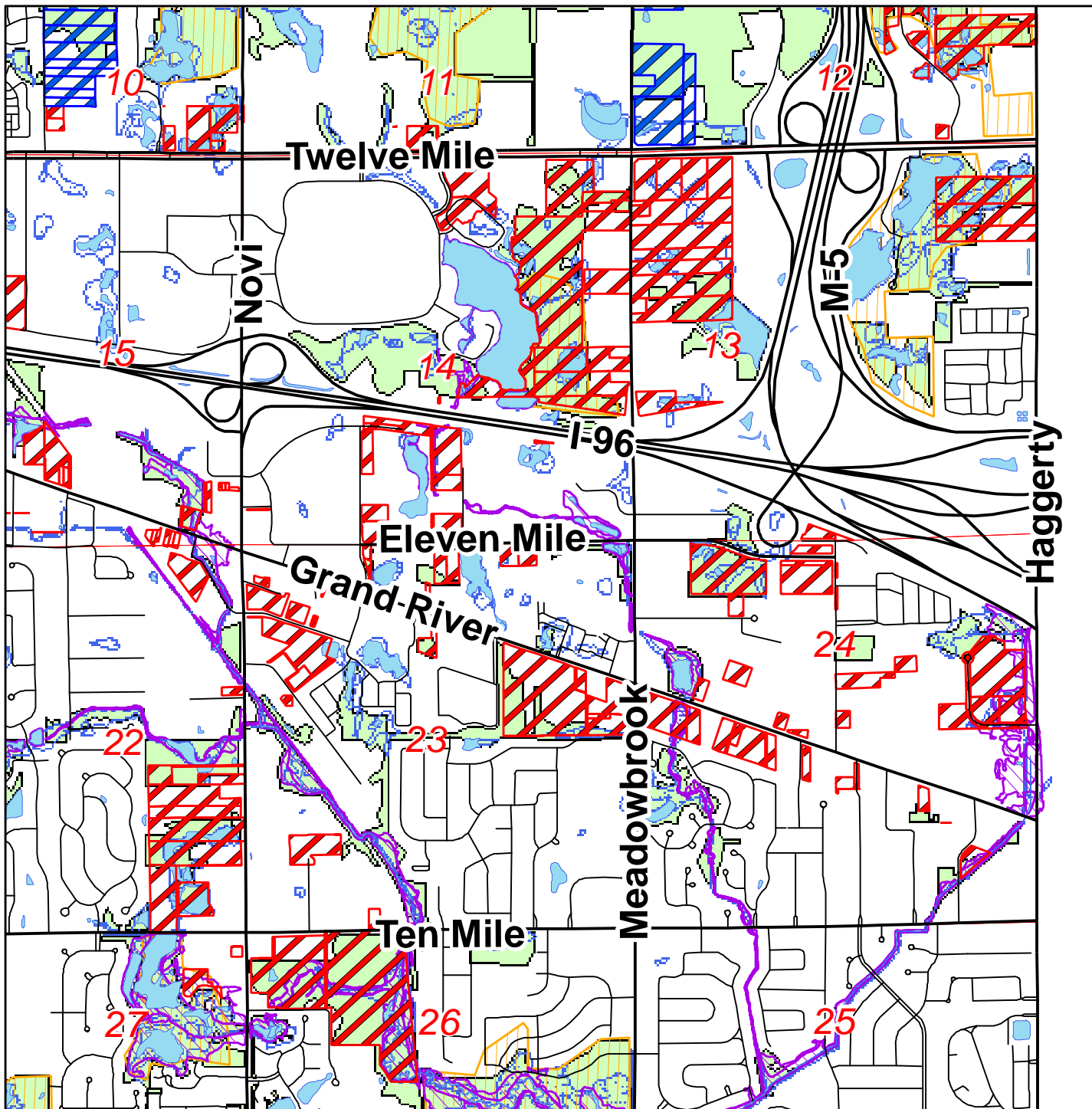


Potential Development Parcels



-  Potential Commercial Development
-  Potential Residential Development



Sec. 13, 14, 23 & 24 Woodlands, Wetlands, Flood Zones & Habitat Priority Areas Potential Development Parcels



Potential Development Parcels

-  Potential Commercial Development
-  Potential Residential Development



Flood Hazard Area

-  100 year flood zone A
-  100 year flood zone AE
-  Habitat Priority Areas
-  wetlands
-  Regulated Woodlands























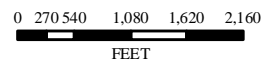
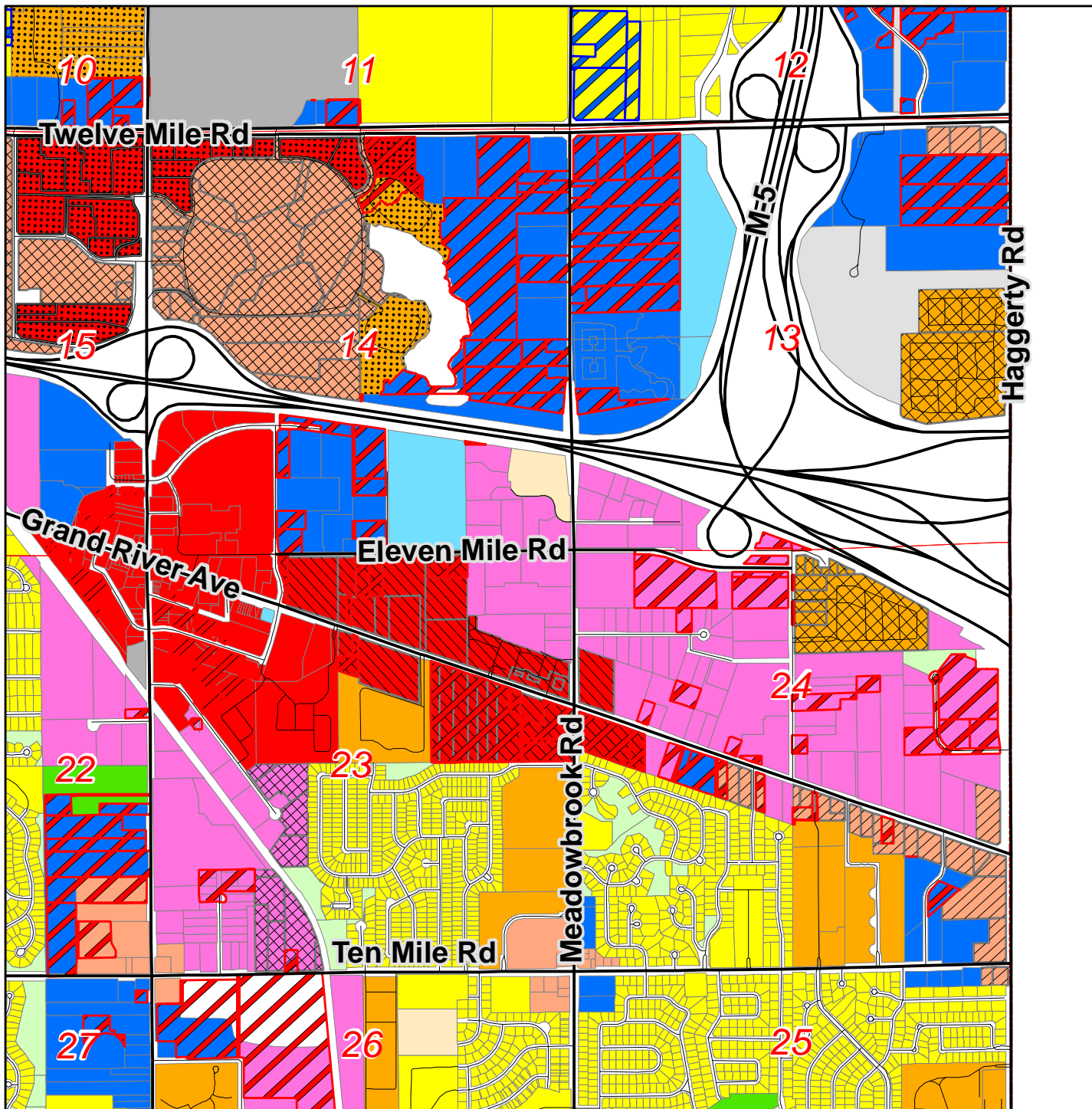
Sec. 13, 14, 23 & 24 Future Land Use & Potential Development Parcels

Potential Development Parcels

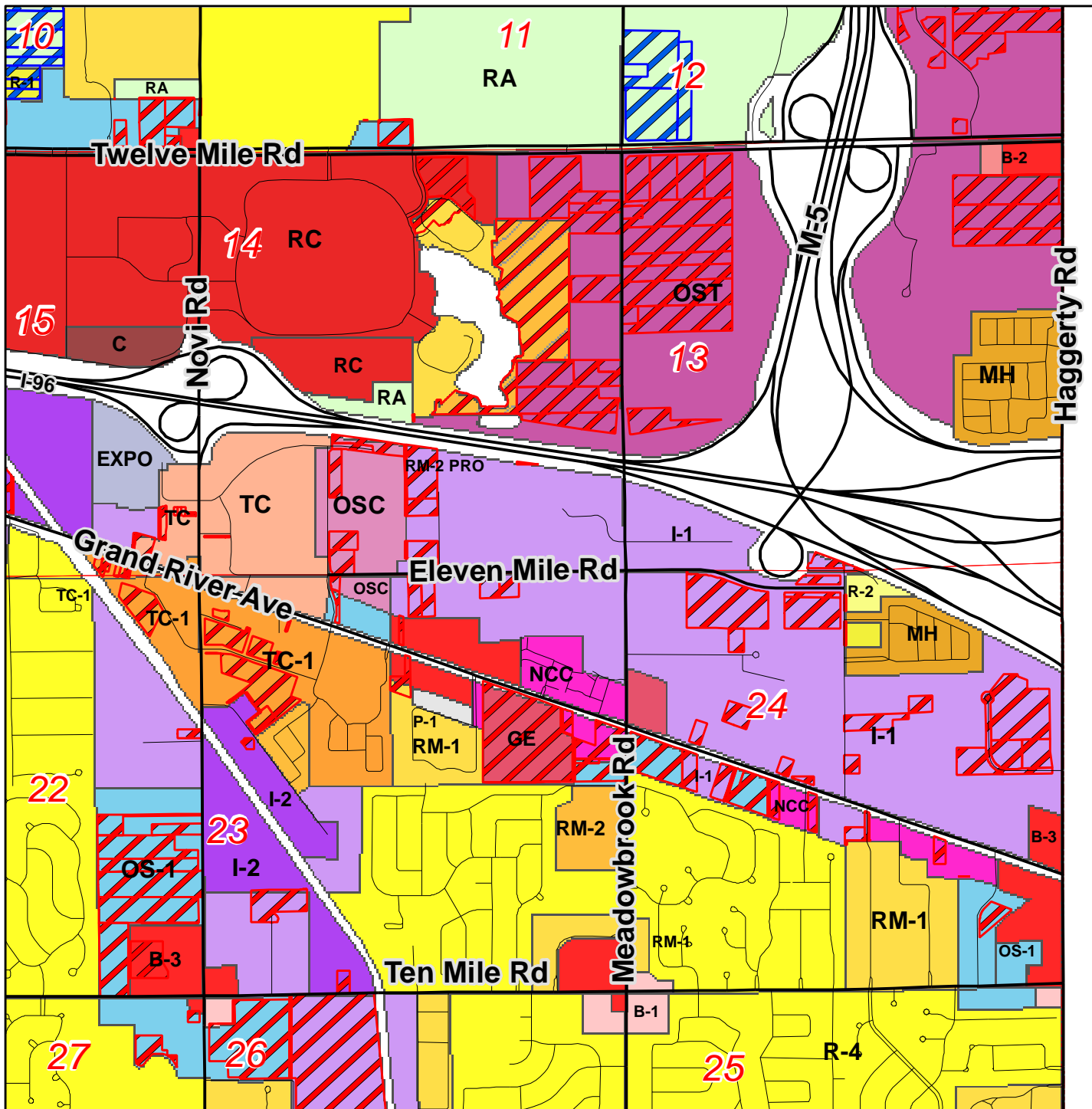
-  Potential Commercial Development
-  Potential Residential Development

LAND USE CLASSIFICATION

-  SINGLE FAMILY
-  PUD
-  MULTIPLE FAMILY
-  PD1
-  MOBILE HOME PARK
-  OFFICE
-  LOCAL COMMERCIAL
-  COMMUNITY COMMERCIAL
-  REGIONAL COMMERCIAL
-  TC COMMERCIAL
-  TC GATEWAY
-  PD2
-  LIGHT INDUSTRIAL
-  HEAVY INDUSTRIAL
-  PUBLIC
-  EDUCATIONAL FACILITY
-  PUBLIC PARK
-  PRIVATE PARK
-  CEMETERY
-  UTILITY



Sec. 13, 14, 23 & 24 Zoning & Potential Development Parcels



Potential Development Parcels

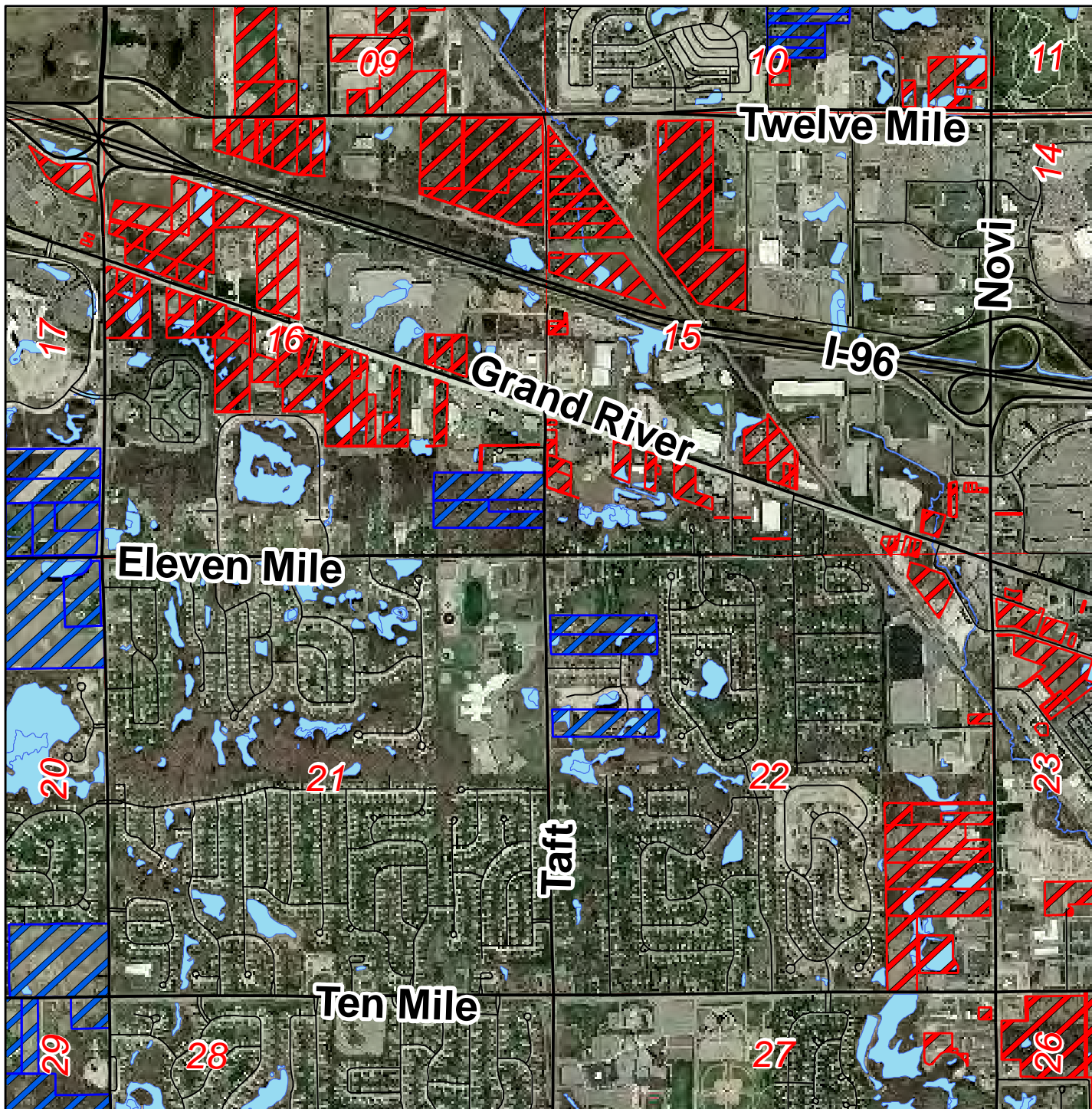
- Potential Commercial Development
- Potential Residential Development

Zoning



- R-A: Residential Acreage
- R-1: One-Family Residential District
- R-1 PRO: R-1 With Planned Rezone Overlay (PRO)
- R-2: One-Family Residential District
- R-3: One-Family Residential District
- R-4: One-Family Residential District
- RT PRO: Two-Family Residential District With PRO
- RM-1: Low-Density Multiple Family
- RM-2: High-Density Multiple Family
- RM-2 PRO: RM-2 with Planned Rezone Overlay
- MH: Mobile Home District
- B-1: Local Business District
- B-2: Community Business District
- B-3: General Business District
- C: Conference District
- EXO: OST District with EXO Overlay
- EXPO: EXPO District
- GE: Gateway East District
- FS: Freeway Service District
- I-1: Light Industrial District
- I-2: General Industrial District
- NCC: Non-Center Commercial District
- OS-1: Office Service District
- OS-2: Planned Office Service District
- OSC: Office Service Commercial
- OST: Office Service Technology
- RC: Regional Center District
- P-1: Vehicular Parking District
- TC: Town Center District
- TC-1: Town Center -1 District



Sec. 15, 16, 21 & 22 Air Photo & Potential Development Parcels

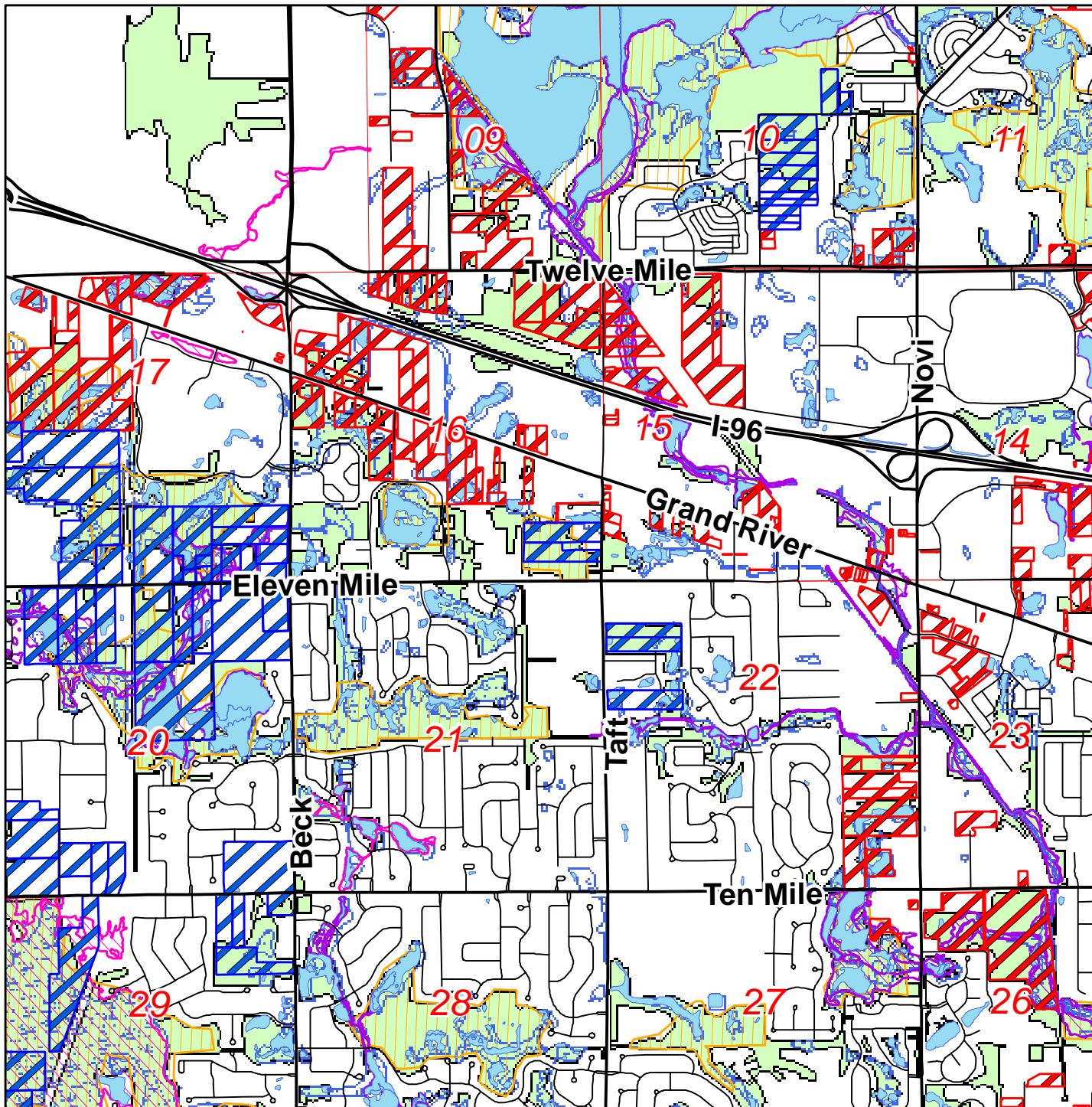


Potential Development Parcels



-  Potential Commercial Development
-  Potential Residential Development



Sec. 15, 16, 21 & 22 Woodlands, Wetlands, Flood Zones & Habitat Priority Areas Potential Development Parcels



Potential Development Parcels

-  Potential Commercial Development
-  Potential Residential Development



Flood Hazard Area

-  100 year flood zone A
-  100 year flood zone AE
-  Habitat Priority Areas
-  wetlands
-  Regulated Woodlands























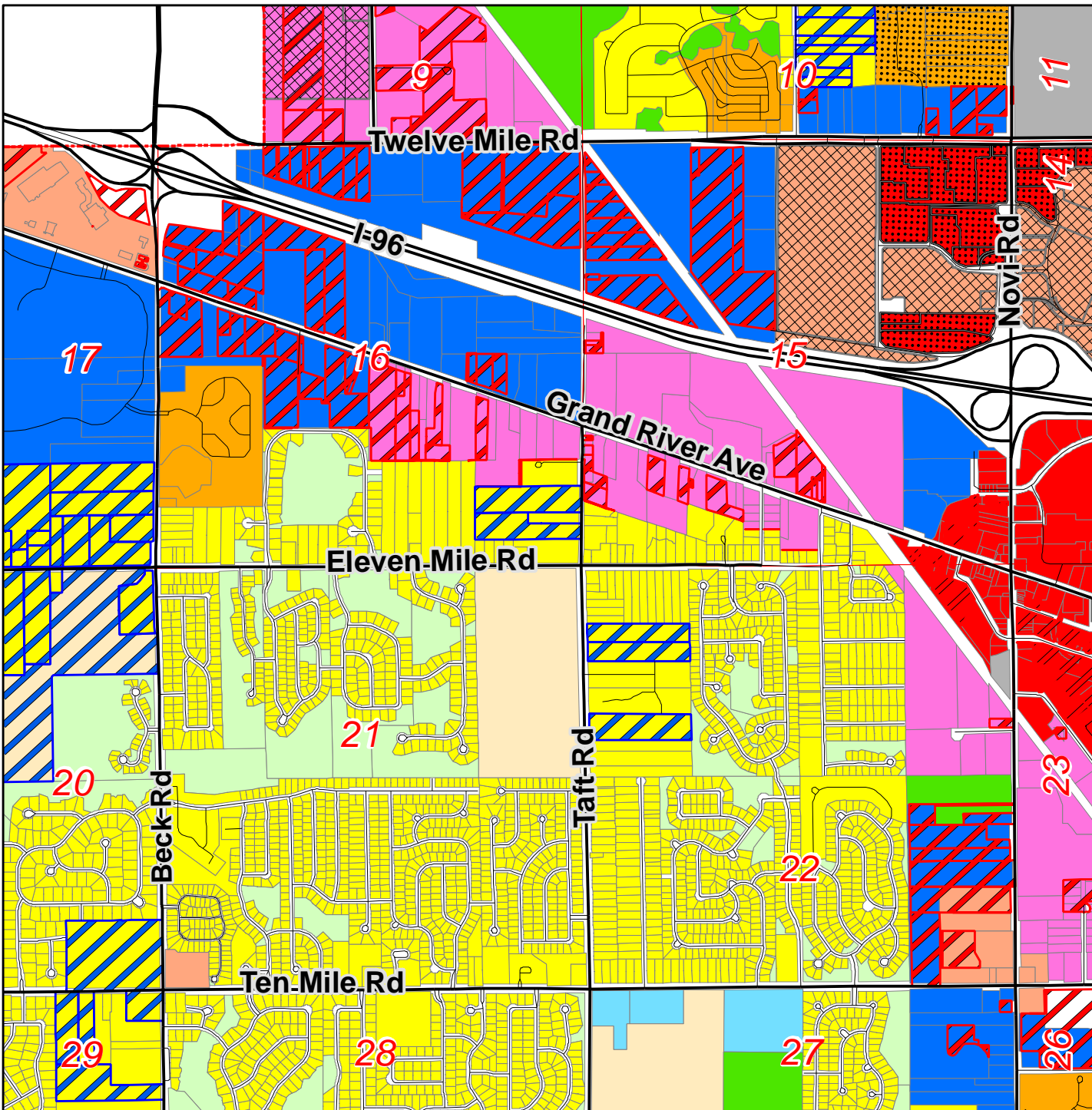
Sec. 15, 16, 21 & 22 Future Land Use & Potential Development Parcels

Potential Development Parcels

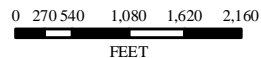
-  Potential Commercial Development
-  Potential Residential Development

LAND USE CLASSIFICATION

-  SINGLE FAMILY
-  PUD
-  MULTIPLE FAMILY
-  PD1
-  MOBILE HOME PARK
-  OFFICE
-  LOCAL COMMERCIAL
-  COMMUNITY COMMERCIAL
-  REGIONAL COMMERCIAL
-  TC COMMERCIAL
-  TC GATEWAY
-  PD2
-  LIGHT INDUSTRIAL
-  HEAVY INDUSTRIAL
-  PUBLIC
-  EDUCATIONAL FACILITY
-  PUBLIC PARK
-  PRIVATE PARK
-  CEMETERY
-  UTILITY



/sec 15 16 21 22 development parcels.mxd

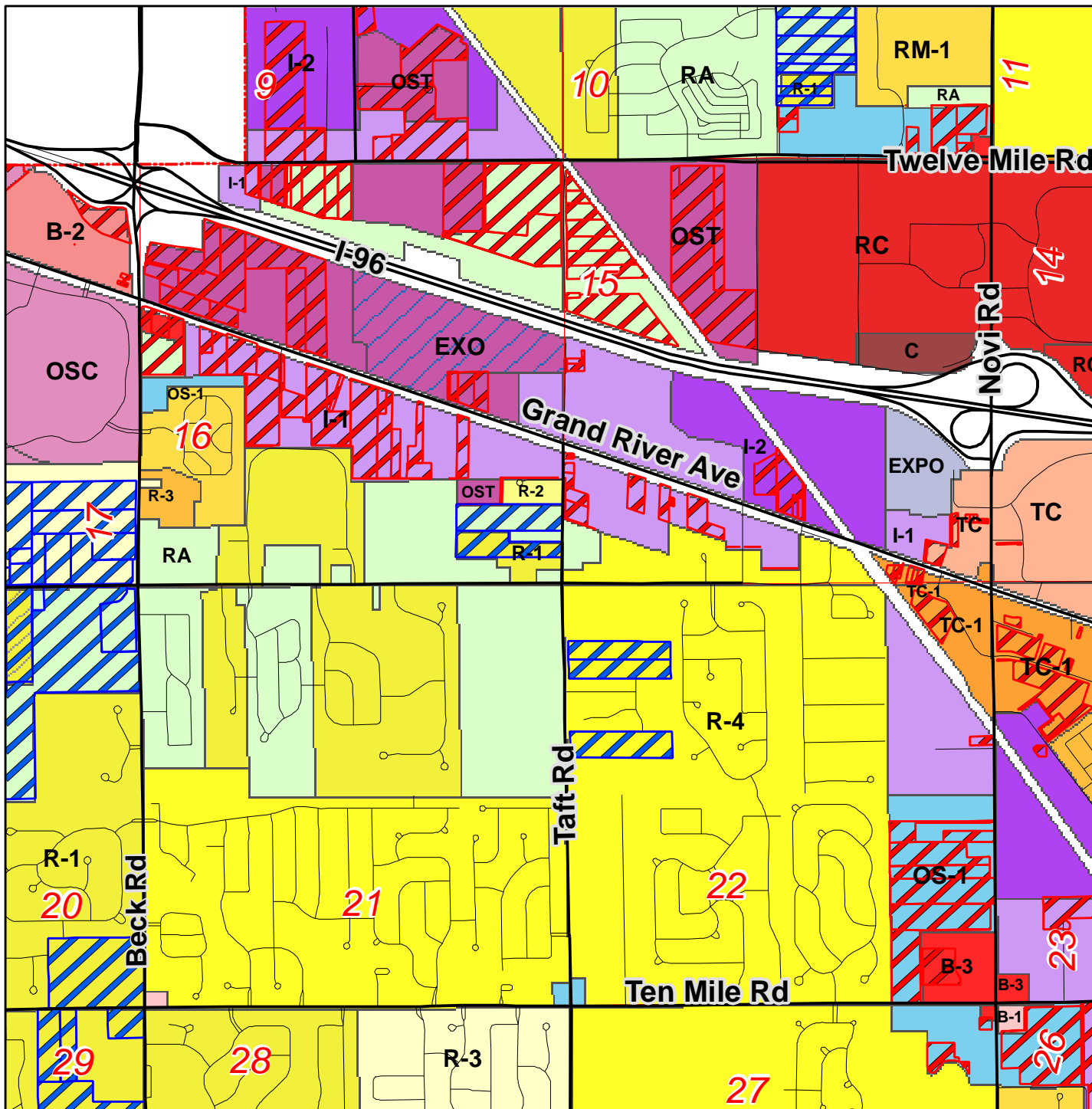


Created by Mark Spencer, AICP
3/26/09

NOVI PLANNING DIVISION
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NOVI, MI 48375-3024
(248) 347-0475
WWW.CITYOFNOVI.ORG



Sec. 15, 16, 21 & 22 Zoning & Potential Development Parcels



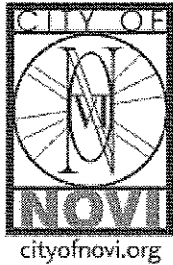
Potential Development Parcels

- Potential Commercial Development
- Potential Residential Development

Zoning

- R-A: Residential Acreage
- R-1: One-Family Residential District
- R-1 PRO: R-1 With Planned Rezone Overlay (PRO)
- R-2: One-Family Residential District
- R-3: One-Family Residential District
- R-4: One-Family Residential District
- RT PRO: Two-Family Residential District With PRO
- RM-1: Low-Density Multiple Family
- RM-2: High-Density Multiple Family
- RM-2 PRO: RM-2 with Planned Rezone Overlay
- MH: Mobile Home District
- B-1: Local Business District
- B-2: Community Business District
- B-3: General Business District
- C: Conference District
- EXO: OST District with EXO Overlay
- EXPO: EXPO District
- GE: Gateway East District
- FS: Freeway Service District
- I-1: Light Industrial District
- I-2: General Industrial District
- NCC: Non-Center Commercial District
- OS-1: Office Service District
- OS-2: Planned Office Service District
- OSC: Office Service Commercial
- OST: Office Service Technology
- RC: Regional Center District
- P-1: Vehicular Parking District
- TC: Town Center District
- TC-1: Town Center -1 District





MASTER PLAN & ZONING COMMITTEE
City of Novi Planning Commission
March 19, 2009 at 7:00 PM
Novi Civic Center – Conference Room C
45175 W. Ten Mile, Novi, MI 48375
248.347.0475

CALL TO ORDER

The meeting was called to order at 7:07 PM.

ROLL CALL

Present: Members Victor Cassis, Andy Gutman, Michael Lynch and Michael Meyer

Also Present: Barbara McBeth, Deputy Director of Community Development; Mark Spencer, Planner; Kristin Kolb, City Attorney

APPROVAL OF AGENDA

The Retail Vacancy Rate discussion was removed from the Agenda.

Moved by Member Meyer, seconded by Member Lynch:

VOICE VOTE ON AMENDED AGENDA APPROVAL MOTION MADE BY MEMBER MEYER AND SECONDED BY MEMBER LYNCH:

A motion to approve the March 19, 2009 Agenda as amended. Motion carried 4-0.

AUDIENCE PARTICIPATION AND CORRESPONDENCE

Paul Bosco: The Committee suggested that Mr. Bosco hold off on his rezoning request until after the May 5th millage vote on the parkland. Mr. Bosco's request for an Office zoning would be reviewed in a different light if the millage passes. Ms. McBeth asked Mr. Bosco to send a letter to the City asking for his request to be placed on hold, or whatever his preference might be.

Mr. Bosco asked about submitting the traffic study. Mr. Spencer responded that he could seek a Waiver of that requirement from the Planning Commission. That could be a viable option once the Master Plan review has been completed, since a traffic overview is one component of Committee's study. Mr. Spencer added too, that the traffic review will likely be incorporated into the site plan process of the park, along with the planning of a shared access. The Planning Staff recommends this planning feature to reduce the number of driveways because it will help maintain a residential character throughout the corridor.

The Committee discussed that the subject area has been in a state of flux with the development of the Providence campus. The Committee will again review this area to determine whether the Master Plan designations are current or require change.

Joe Drolshagen: Northern Equities' Joe Drolshagen attended the meeting to hear the Committee's comments regarding the OST District.

Matt Quinn: Attorney Matt Quinn, representing the Weiss property owners, noted that the potential for a Multiple Family Residential designation for this Special Planning Project Area could negatively affect the utilities and was therefore probably not a viable option.

Mr. Quinn thought that the viable option for this Study Area was Option 3, which recommended Commercial along Ten Mile, and the balance of the land recommended for Office. Most of the balance land is covered in wetlands and is non-buildable.

John Kuenzel: A letter from John Kuenzel, written on behalf of the Echo Valley, was read at the meeting. The subdivision's residents continue to support the maintenance of the Single Family Residential zoning designation in the southwest quadrant section of the City. He supported Multiple Family Residential and Retail near the Ten Mile and Novi Road Area. He was concerned that self-reporting retail vacancy rates would be misstated (Mr. Spencer said that Staff knowledge of the centers would help ensure the accuracy of these numbers).

MATTERS FOR DISCUSSION

1. Master Plan for Land Use Review

Special Planning Project Area 1 Land Use Review

The traffic review should be available for the next meeting. Mr. Spencer encouraged the Committee to review the retail information and ask questions on anything that they might feel needs clarification. Industrial and Office reports will be forthcoming.

The Committee discussed senior housing. The once-approved senior housing plan for the land south of Central Park Estates was never built. The Maples of Novi project is moving slower than anticipated. Fox Run is not completed at this time. If properties realistically providing senior housing, though not specified for senior housing (The Enclave, sections of Island Lake, etc.) were counted, it may provide a different picture of Novi's supply of this commodity. Any Multiple Family Residential zoning could accommodate senior housing as well. The Legacy Parc proposal was considered an "active adult" community. Fox Run was cited as another senior housing [continuum of care] project. Mr. Spencer said that areas with a high density and mixed use areas can both accommodate Multiple Family Residential senior housing projects. Some Master Plans do cite "senior housing" specifically; others are careful not to cite an "age specific" designation. Mr. Spencer said that the Oakland County Housing Needs Report from a few years back could be redistributed to the Committee for their review.

Ten Mile Associates (Wisne) property

A representative for the Wisne property did not attend the meeting.

Natural Features Review

There are about 18 acres of wetlands and a floodplain on this site. They are mixed with scrub shrub and woodland wetlands of generally high quality. There are sixty acres of regulated woodlands. There are priority habitat areas in the southeast portion of the Study Area. The County identified this site as a hub site or linkage in natural habitat areas in the county. This area is the corridor along the Walled Lake Branch of the Middle Rouge River. Chatman Creek is also on this site. The Oakland County Green River Corridor Vision Map identifies this river corridor as a high quality worth special consideration. These areas are identified as such so as to make it easier to procure grant funding for stream bank rehabilitation, recreation facilities, etc. This effort was put into place because the County was witnessing deterioration of the states' waterways. Mr. Spencer suggested that the Committee could consider language for the Master Plan that would encourage this site to be developed under an option that would ultimately preserve the natural features.

Historically, the railroad corridor in Novi has been master planned for Industrial. Mr. Spencer's Industrial Review should be completed in the next week or so. The Committee must decide whether there is a demand for this designation. I-1 does permit office uses, indoor recreation facilities, quasi construction-oriented, etc. Some communities are holding onto their railroad corridors in case the manufacturing industry returns to the states.

Utilities Review

The Multiple Family Residential designation would increase the contractual capacity of the sewer plant by 2.5%. The Office and Industrial scenarios would not have as negative of an effect as the Multiple Family Residential.

Mr. Spencer asked the Committee whether they wished to discuss the Wisne site or whether they wished to wait for a representative to attend the meeting. He reminded them that they have reviewed a proposal

for Office and Retail on Area 1 and a portion of Area 2. There is adjacent Multiple Family Residential. The current Industrial zoning on the site could also be considered. Mr. Spencer was looking for feedback from the Committee.

The Committee did not like the concept of changing the Wisne designation to Multiple Family Residential. The railroad is too close to the site for a decent residential offering.

The Committee discussed how to mix the various uses to make the most sense of the land. Regarding the information provided by Staff, only Alternative 1 and Alternative 3 seemed plausible. Alternative 3 offered Local Commercial along Ten Mile and also offered Industrial/Office elsewhere. This seemed acceptable to the Committee. The Light Industrial designation would allow both Office and Industrial uses.

Alternate use and/or recommended uses

Member Lynch suggested that the Committee designate Local Commercial as shown on Alternative 3, and designate Industrial/Office as shown as Office on Alternative 3.

Member Cassis suggested that Light Industrial replace the Industrial/Office term in Member Lynch's suggestion, because Industrial would limit the height and impact of an Office use.

The meeting attendees firmed up the designations. One piece would be named Light Industrial and one section would be named Local Commercial. Or, the whole of the south area could be named Research Technology, a new designation.

Mr. Spencer asked the Committee to provide Findings for these designations. Their comments were:

- The railroad tracks are not compatible with Residential for the eastern portion of the study area.
- The natural features provide a natural boundary for the separate designations.
- The Light Industrial designation is more effective than an Office designation; it works with the surrounding designations as developments will be low-rise.
- Adequate roads exist to serve Light Industrial and Commercial designations.
- Local Commercial is acceptable along Ten Mile as the area needs this service.
- Preserving the Industrial designation along the rail-transit corridor may help provide for the return of manufacturing.

Mr. Quinn was asked to comment on these designations. He responded that he was seeking Commercial close to Ten Mile, east to the nature area along the railroad track and west to the Walgreen's. Offices are proposed along the Novi Road frontage, which is proposed for Industrial and will accommodate his Applicant's request to develop Office. There are no real plans for the southerly land; it was Industrial and it makes sense that it's next to the Sports Club. Mr. Quinn's opinion was that Multiple Family Residential is not going to work because of arsenic left over from the orchard trees. No Residential is going to work. The Light Industrial will fit in and gives the Applicant options. He also liked the idea of a "Research Technology" designation, as he thought this designation was missing in Novi and in other municipalities as well.

The Committee did not endorse the City spending more money on a Traffic Study for this Study Area. One study was completed a few years ago in conjunction with the intersection improvements, and the Weiss property will be submitting one with their proposal.

Sections 1, 2, 11 & 12 Discuss potential studies or future land use changes OST/Office portion

These four sections were also discussed at the March 5, 2009 meeting. Previously the Committee discussed whether the land east of M-5 should be given a designation such as Research Technology. Is there a possibility of adding a Commercial component? This could be done within the Zoning Ordinance, like the OSC District, or this could be done by selecting pockets to designate for Commercial services.

Mr. Drolshagen clarified that part of their Office corridor is built out and they did previously seek to add a Starbucks location to service the buildings. They considered that perhaps they should be seeking to add more service to their park to emulate the College Park development in a nearby municipality. He asked

for clarification about the difference between OST and Research Technology. Mr. Spencer said the OST is a zoning designation; Research Technology is being discussed as a Master Plan designation.

Mr. Spencer clarified that the Committee could consider leaving the current designations in place. Based on the discussions, the Committee might also look at identifying potential commercial nodes for this area in the Master Plan. The next step is to determine how to integrate this concept into the Zoning Ordinance. As an example, language could specify that any Commercial use must be located along an arterial road, but access must be through an internal road. On the Master Plan level, an area may be circled to identify where a Commercial business might be located. The Committee may wish to limit the locations of Commercial, i.e., not allowing it to be internal to an office park, because that might limit the drive-by traffic that would support the service. Ms. McBeth suggested that this be discussed further at another meeting, once Staff has prepared some language to review. The Committee can determine how to introduce the Commercial element – limiting, for instance, the size of the project, percentage of the park, location within the park, access into the site, etc.

The Staff will also prepare language regarding the Research Technology designation. The Committee will return to these sections (specifically the area east of the freeway) at a future meeting.

Sections 3, 4, 9 & 10 Discuss potential studies or future land use changes

The Committee determined that most of the undeveloped land is within the Beck North Industrial Park, Beck West Industrial Park, and Novi Corporate Campus. There are also some Single Family Residential parcels along Dixon Road and 12½ Mile. Mr. Spencer noted that all parkland will be reviewed at a later time.

Mr. Spencer said that some parcels in the Novi Corporate Campus have been rezoned to Office. This may be an area where the Research Technology designation might also apply. Mr. Spencer offered that Staff could prepare a Study on this area similar to the area east of M-5 from the previous discussion.

The Committee thought that most of this area would require very strong arguments in order to change any of the standing designations.

Sections 17, 18, 19 & 20 Discuss potential studies or future land use changes

The Committee discussed the potentially-developable land in these sections and found that no Master Plan designation changes were necessary.

MINUTES

Moved by Member Lynch, seconded by Member Cassis:

VOICE VOTE ON MINUTES APPROVAL MOTION MADE BY MEMBER LYNCH AND SECONDED BY MEMBER CASSIS:

A motion to approve the February 19, 2009 minutes. Motion carried 4-0.

ADJOURN

Moved by Member Lynch, seconded by Member Meyer:

VOICE VOTE ON ADJOURNMENT MOTION MADE BY MEMBER LYNCH AND SECONDED BY MEMBER MEYER:

A motion to adjourn.

The meeting adjourned at 9:01 PM.

Future Meetings

April 2, 2009
April 16, 2009
May 7, 2009
May 21, 2009
June 4, 2009
June 18 2009

Transcribed by Jane L. Schimpf,
Customer Service Representative
March 26, 2009
Date Approved: