

**SEPTEMBER 7, 2022
COMMITTEE MEETING
DRAFT MINUTES**



MASTER PLAN STEERING COMMITTEE
September 7, 2022 at 6:00 p.m.
Activities Room
45175 Ten Mile Road, Novi, MI 48375
(248) 347-0475
MINUTES

1. Roll Call

Members Present: *Planning Commission:* John Avdoulos (Chair), David Dismondy, Ed Roney (Alternate)
Council: Mayor Pro-Tem Dave Staudt
Staff: Lindsay Bell, Victor Cardenas, Ben Croy, Barb McBeth, Mike McCready, Rick Meader

Members Absent: Ramesh Verma (*excused*)

Support/As Needed: Charles Boulard, James Hill, Beth Saarela

Consultants: John locoangeli (Planner), Lia Michaels (Engineer)

2. Approval of Agenda

The September 7, 2022 agenda was unanimously approved.

3. Approval of the August 3, 2022 Committee Meeting Minutes

The August 3, 2022 minutes were unanimously approved.

4. Discussion Items

A. Developer / Real Estate Summary

~and~

B. Real Estate Market Analysis and Land Use

John locoangeli said last week, Barb, Lindsay, and I met with developers and large-property owners who came to discuss what they envision happening in Novi over the next 10 to 15 years, particularly regarding their properties. To simplify this, I combined the results from developer real estate summary and our own firm's summary on the market analysis into one PowerPoint. I want to start with some bottom-line numbers; the Novi housing market is the third fastest growing housing market in the region. It is listed as one of the top 10 places to live in the state. From 2010 to 2020, there was a 20 percent growth in households, which surpassed SEMCOGs forecast. Novi has a much younger population than the state average, likely due to the number of young families residing in the city. One of the primary reasons people choose to live in the city is because of the excellent public school system.

Mr. locoangeli said one thing we found on the survey sent out to the public was a demand for more affordable housing with smaller footprints. That was also something we heard from one of the developers we met with last week – there is strong demand for homes between 1,200 and 2,000 square feet. There is a strong preference for single family housing, and a demand for aging in place options. Built-to-rent and mixed-use residential developments were also strongly preferred by both residents and developers. In the interviews, some of the developers expressed concern that the market is close to being built-out. There's also concern from the real estate community about what will happen to Twelve Oaks Mall over the next 5 to 10 years. There is a decline in office space demand and a high demand for outdoor dining at restaurants because of Covid-19.

Mr. locoangeli acknowledged there were several key areas of particular interest to developers and real estate professionals:

- Twelve Oaks Mall
- Both sides of Grand River Avenue between Beck and Novi Roads
- The former Trinity property off the M-5 interstate and Meadowbrook Road
- Twelve Mile Road between Beck and Cabaret Roads
- Beck Road south of Grand River Avenue

Mr. locoangeli mentioned that the Las Vegas real estate convention would be a good place for the city to look for national development recruitment.

Community Development Director Charles Boulard said was that to make sure we keep our occupancy rates up in existing retail space as opposed to creating new retail space?

Mr. locoangeli replied, yes – that is where the trends are at present.

Mayor Pro-Tem Staudt said I know a lot of developers, and I've watched hundreds of projects come through the City. I find it interesting that the developers told you that they want to build smaller units. I've never heard that from any of the developers – they chuckle when they hear it because they know that building small homes in Novi doesn't make them any money. They can build fewer buildings that are much larger and make more money. When you met with these developers, did you ask if they are willing to take the lead in buying property and proposing units like this, or were you just talking to talk?

Mr. locoangeli said the indication I got was that a 1,700 to 2,100 square foot home is going to require more density than the ordinance allows in many cases.

Mayor Pro-Tem Staudt said we don't argue about density. We used to, but we haven't in the past 5 or 6 years because we realized it isn't realistic to expect three homes to an acre anymore. Did you call them out and ask when they are going to make these proposals to us?

Member Bell said I can give an example of one they've already built: The Pulte development, Villas at Stonebrook, was mentioned specifically as smaller units that were very popular.

Mr. locoangeli asked Member Meader whether the wetland mitigation requirements are a city or state requirement since some of the developers mentioned that it would be nice to be able to buy wetland mitigation credits from the state rather than find space to mitigate in the city.

Member Meader said that those requirements are city policy.

Community Development Director Boulard mentioned that an issue with allowing developers to purchase mitigation credits is the city often loses out on the benefit of the wetland. He also suggested that perhaps there is a balance where the city allows mitigation credits to be purchased for outside the city if, for example, the wetland is mitigated within the same watershed.

C. 2022 Master Plan Survey Summary

Mr. locoangeli stated that the survey results showed that many of the survey takers approve of the work being done by the city administration and staff, which is not always the case in other communities. Housing availability and affordability are not high enough, per these results. People that are renting would like the opportunity to buy a house, but the housing values keep rising; their income level is not rising to match that, so they are unable to afford a home. Several people noted that there is a lack of 'starter' homes for young families to move into. Another key theme was the appreciation of all Novi's natural features. However, some people think that Novi is becoming overdeveloped; this is also tied to discontent with traffic congestion. In terms of retail, integrative mixed-use developments that resemble a downtown are popular among the survey takers, which matches national trends.

Member McBeth mentioned she found it surprising that regional malls came last in the survey for commercial redevelopment support. She thought that many would be interested in the reimagining or redeveloping the Twelve Oaks Mall.

Chair Avdoulos agreed with Member McBeth and mentioned that it could be due to Covid-19. He said he was shocked by the amount of people outdoors in downtown areas during the worse parts of the pandemic. I think those survey results reflect the transition to outdoor entertainment.

Mr. Boulard mentioned that while many malls will disappear, hopefully Twelve Oaks will stay financially healthy as one of the area's premier malls. Nevertheless, there will have to be retrofitting to ensure its success.

5. Next Steps

Mr. Iocoangeli said at next month's meeting, I will turn it over to Lia to discuss thoroughfare planning.

6. Audience Participation and Correspondence

There were not any audience members at the meeting.

7. Adjourn

The meeting adjourned at approximately 7:15 PM.