



# PLANNING COMMISSION MINUTES

CITY OF NOVI

Regular Meeting

**June 27, 2018 7:00 PM**

Council Chambers | Novi Civic Center  
45175 W. Ten Mile (248) 347-0475

## ROLL CALL

**Present:** Member Anthony, Member Avdoulos, Member Greco, Member Howard, Member Lynch, Member Maday, Chair Pehrson

**Absent:** None

**Also Present:** Barbara McBeth, City Planner; Sri Komaragiri, Planner; Rick Meader, Landscape Architect; Darcy Rechtien, Staff Engineer; Thomas Schultz, City Attorney; Doug Necci, Façade Consultant; Maureen Peters, Traffic Consultant

## PLEDGE OF ALLEGIANCE

Chair Pehrson led the meeting attendees in the recitation of the Pledge of Allegiance.

## APPROVAL OF AGENDA

Moved by Member Avdoulos and seconded by Member Greco.

## VOICE VOTE TO APPROVE THE JUNE 27, 2018 AGENDA MOTION MADE BY MEMBER AVDOULOS AND SECONDED BY MEMBER GRECO.

**Motion to approve the June 27, 2018 Planning Commission Agenda. *Motion carried 7-0.***

## AUDIENCE PARTICIPATION

Donald Van Oast, 25887 Junction, said I live in Creeks Crossing subdivision of 29 houses on the far northwest corner on that map. I know this is a preliminary meeting, but just some questions that we had from the subdivision, I'm representing the sub. Understanding now where the project is going to be and there will be a rezoning, I would assume. Our concern is that there will be a piggy-back rezoning of the property that is west of the railroad tracks because right now it's undeveloped.

There's a couple wetlands and about ten years ago we got with the DEQ to try to determine if they were natural wetlands or manmade because CVS Drugs was going to try to take that entire piece of property. And obviously our concern is that as things piggy-back, that that land would not get rezoned. There's deer there, there's wild game there, and that's what our concern is because we're not sure where this is headed.

We're very happy for the development. It adds to the concept of the downtown Novi, which we never got to since the recession. But we are concerned about how the rezoning works in that area. As a matter of fact, we're very concerned. Because we did battle CVS at one time on the piece of property and I think at that time I thought we won the battle.

## **CORRESPONDENCE**

Member Lynch said there is one correspondence, which is the letter titled "Lakeview Community Residents Response to Robertson Brothers 'Lakeview' Project." It has some market studies, alternate plans, renderings. This is a project that we have not seen yet.

Chair Pehrson said for the record, the Master Plan and Zoning Committee had a meeting at 5:30 today and this letter was part of our packet, so this will be put in as part of the record going forward.

## **COMMITTEE REPORTS**

There were no Committee Reports.

## **CITY PLANNER REPORT**

There was no City Planner Report.

## **CONSENT AGENDA**

There were no items on the consent agenda.

## **PUBLIC HEARINGS**

### **1. THE BOND FKA THE DISTRICT JSP 18-10**

Public hearing at the request of DTN Management/Tricap Holdings for JSP 18-10 Planning Commission's recommendation to City Council for Preliminary Site Plan, Phasing Plan, Woodlands Permit, and Storm Water Management Plan Approval. The subject property is currently zoned TC-1 (Town Center One) and is approximately 7.74 acres. It is located on the west side of Flint Street in the south west corner of Grand River Avenue and Novi Road in Section 22. The applicant is proposing a mixed use development with two four-story multi-family residential buildings with a total of 253 apartments and a single-story commercial building (5,578 SF).

Planner Komaragiri said the subject property is located behind City Center Plaza between Flint Street and the railroad. There is an existing building on the property, which is not actively used at this time. The property is zoned Town Center One (TC-1) surrounded by the same on all sides except with Light Industrial (I-1) the south side across the railroad tracks. The Future Land Use Map indicates similar uses for the subject property and surrounding parcels. The applicant is currently not seeking a rezoning.

The site does not appear to contain regulated wetlands; however, the Walled Lake Branch of the Middle Rouge River flows through the southeast section of the subject site. Few of the regulated woodlands area are located in the southeast section of the site, along the Walled Lake Branch of the Middle Rouge River. They are predominantly cotton wood trees. The applicant is proposing to remove about 103 trees, about 70%, which would require 139 replacements, most likely paid into tree fund due to lack of space on site.

The subject property is approximately 7.74 acres. The applicant is proposing to redevelop the former Fendt Transit Mix Concrete Plant into a mixed use development with two four-story multifamily residential buildings with a total of 253 apartments and a single-story commercial building (5,578 SF). A minimum of 10 percent of commercial use of total development is required to qualify for a mixed use development.

Planner Komaragiri said the applicant is proposing a total 432 spaces for residential development, as recommended. The site improvements include a two level parking structure, site amenities such as a swimming pool, landscaped courtyards and related landscape improvements. The applicant is proposing a phased construction in three phases. The building's orientation is primarily toward Flint Street, with only a few of the building's windows opening onto the rear property line adjacent to the railroad tracks.

On-street parking is proposed along the realigned public road, similar to the on-street parking that is currently available along Main Street, east of Novi Road. The applicant is proposing to dedicate six parking spaces as a benefit to the Novi Public Cemetery visitors to provide convenient access to the cemetery through their property. The applicant and staff will continue to work together to coordinate construction timelines of the Flint Street realignment and of the proposed construction.

The site plan qualifies for a mixed use development and higher densities as the applicant is proposing 10 percent. However, the applicant is proposing to build the qualifying non-residential use in phase 3, of which the timing is undetermined. The applicant will be required to provide a form of agreement and/or financial guarantees acceptable to the City that assure the commercial component will be built within a certain time as suggested by applicant and approved by the City, which the applicant agreed to do at the time of Final Site Plan.

The applicant has been working with City staff for over a year trying to identify issues and trying to co-ordinate their design efforts with the City's Flint Street realignment plans. They have eliminated about 7 deviations since the pre-application meeting.

Planner Komaragiri said the applicant is proposing to dedicate the necessary right of way (approximately 1 acre) along the project's Flint Street frontage in order to accommodate the City's plans. It is indicated as the area shaded in grey in the image on top. A majority of the deviations that relate to items such as building setbacks and parking setbacks are a result of the shallow shape of the lot. Those areas are indicated as red in the bottom image. As you can see, they are very negligible encroachments into the setbacks. The motion sheet you have lists approximate distances into the setbacks and we will work with the applicant to identify the right number before they go to Zoning Board of Appeals.

The site plan currently requires an unusually long list of deviations from Planning, Engineering, Landscape and Facade for a site which is being developed as a permitted use. However, as mentioned, the subject parcel has an atypical shallow shape that limits conformance to certain code requirements.

Items in green are a result of shallow lot discussed earlier. Items in blue, which refer to unit density and unit mix are subject to further discussion by Planning Commission and City Council. Items in green are supported by staff, as we understand that alternate options are not available. In the Town Center (TC) District, the total number of rooms dictates the maximum density that can be attained for a specific site. Staff has determined that in order to not exceed the maximum allowable room count of 421 rooms, the development for the subject property cannot exceed 201 units, with a density of 23 dwelling units per acre. This number is calculated based on the site acreage of 7.74 acres, the percentage of unit mix the applicant is proposing (58% 1 BR units, 37% 2 BR units and 6% 3 BR units), and the recommended density by the code. The applicant is proposing 627 rooms with a total density of 33 DUA (Dwelling Units per Acre). City Council may approve the increase in the room count (421 allowed, 627 proposed) up to twice the number of rooms allowed and

thus the increase in density proposed (23 DUA approximate allowable, 33 DUA proposed). The Master Plan for Land Use recommends a density of up to 20 DUA for the subject property.

The applicant is exceeding the maximum percentage of 1 bedroom units (50% maximum, 58% proposed), which would require a Zoning Board of Appeals variance. The applicant has provided a narrative explaining the reasons for exceeding the maximum allowable percentage. The applicant states that their target renters mostly prefer to have smaller living spaces but more on-site amenities for active and passive recreation. They further state that the proposed unit mix tends to provide a more urban apartment living style than the traditional suburban style living.

Planner Komaragiri said items in maroon are temporary deviations which are a result of temporary gravel parking proposed by the applicant for the benefit of cemetery visitors. There are number of Landscape waivers required, but the applicant has worked to eliminate many and reduce the impact of others to the point where the waivers now can be supported.

Multiple deviations for Façade are being requested for all building on site including the parking garage. The façade review notes that in general the buildings exhibit interesting massing and the creative use of materials and colors, that these deviations are minor in nature and that the overall appearance of the building would not be significantly improved by strict application of the percentages listed in the Ordinance. The applicant has provided a façade board, which is in front of the podium. Our façade consultant, Doug Necci, is here tonight if you have any questions for him.

All reviews are recommending approval. The development is over 5 acres and is located in Town Center One (TC-1) District, which would require City Council approval based on your recommendation.

The Planning Commission is asked tonight to hold the scheduled Public Hearing, and is asked to make a recommendation to City Council to either approve or deny the applicant request. The applicants Albert Ludwig, Glenn Cantor and John Woods are here with their design engineer, Bob Emerine, if you have any questions for them.

Albert Ludwig from TriCap Holdings said with me from TriCap is Michael Horowitz and Glenn Cantor and the three of us have been working together since the 80's. We were with a little company called the Selective Group that got sold but we stayed together and we have been developing for a really long time. We were a bunch of young guys back then. We've developed thousands of homes and dozens of commercial buildings, office buildings over time and our three guys have been doing this for a really long time and together for most of that time.

This project was big so we thought we'd find ourselves a partner and we were lucky enough to come across a company out of Lansing called DTN Management. And from DTN, I have John Woods and James Chen here. They do stuff like this, they've done a couple recently in other parts of the state and Jon is going to get up and tell you a little bit about DTN.

Mr. Ludwig continued by saying that together we're going to do this project, and we also assembled a team of consultants that are all very familiar with Novi. Bob Emerine from Seiber Keast, he seems like he knows every site in Novi backwards and forwards. And all

the rest of our consultants – the traffic, the Village Green who consulted with us on the unit mix, King and MacGregor the wetlands and woodlands people, all the way down the line. Our consultant team, with the exception of the architect, knows Novi. They know how it works, they know what Novi is looking for, so we think we put together a really strong team there. For the architect, we're bringing in somebody out of Houston – a world-class architect that DTN was familiar with. They do projects like this all over the world, not just here. The architect couldn't be here tonight because he's in London, they're doing something in Dubai, they're a big company and they really know their stuff.

Mr. Ludwig said we've been working on this project since March of last year and our initial concept was to do an urban project. We weren't interested in building a traditional suburban apartment community, we didn't think that was the market. There's nothing really new and vibrant for the younger people that are today looking for these smaller units with lots and lots of open space and amenities, so that's been our vision since day one. We recognize that this site had issues in terms of its narrowness and with the road coming in and we understood that as we worked with staff, it got narrower with the land going to the right-of-way. So we were getting squeezed on an already narrow site.

Initially, we had three residential buildings and because of the narrowness and the loss of the land to the right-of-way, the third building was eliminated and the two other buildings became a little bit larger to come up with the plan as it sits today. This is result of many, many meetings with staff and their consultants and we've reached a point to where everybody is recommending approval, which we think is terrific. This is our first non-staff meeting and we hope that you guys support it, as well.

We were able to come up with cemetery parking but we don't want to pave that area now because we're not going to build the shopping center first, the shopping center needs to follow the residential units. We think that it's going to be a much stronger center with these buildings behind it so that is why it's Phase 3. At that time, we will pave the lot and put in that crossing to the cemetery, but as part of Phase 1 we have agreed to put in a gravel lot which requires more variances, naturally, but at least there will be a place where people can come and park. And my understanding is that the cemetery will restrict or eliminate access to the current roads and use just use those for maintenance. That's why the temporary parking spaces are proposed at this point in time.

Mr. Ludwig said I'm going to turn this over to John who can tell you more about the buildings and the lifestyle amenities that are involved, and more about DTN. And if you have any questions regarding the site, Bob Emermine is here to answer those.

John Woods with DTN Management said I'm also here with my colleague James Chen, who is our portfolio analyst. Before I get started I'd like to thank Sri, Barb, Rick, and the rest of the talented group in the Planning Department. This has probably been one of the more challenging projects I've worked on personally, probably one of the more challenging for DTN just from a planning perspective because as Albert noted, there are some challenges with the site.

We've recently done three urban projects in downtown Grand Rapids on a pretty tight site so I would stack this one up there as far as complexity, but probably also from an opportunity standpoint. We really look at this as being even a better opportunity for us as an organization, even more than the urban sites in downtown Grand Rapids.

I'd like to thank TriCap. Fortunately they invited us to come be involved in this project

several months ago. Just a little bit about DTN, we're a 45-year-old company founded in 1972 by two electrical engineers that really hated their jobs, so they thought when we were in school we paid a heck of a lot of money for student housing, so let's figure out how to raise some money and we'll get into the student housing game. So they did, DTN at this point is probably one of the largest privately-owned student housing operators and owners in the country. Although it's not a huge portfolio, it is privately owned and so we own and operate about half the beds on Michigan State's campus. Over time, that morphed into market-rate apartments in Lansing, it morphed into commercial and retail, and then we eventually ended up in Grand Rapids. So as we've bought a lot in Lansing, we've looked in other areas of the state and decided it made sense to invest and diversify. We had been looking at southeastern Michigan for about eighteen months when this opportunity came to us so we're extremely excited about it.

Mr. Woods said we're a company of about 700 employees, again primarily in Grand Rapids and Lansing with a portfolio a little under a billion dollars and we have 120 properties. I think something that is important to note, particularly for Novi, is that we're a very committed and passionate investor. So in 45 years, we've bought 122 properties and sold four, and each one had a very specific reason as to why it was sold so even thought at times it makes sense to sell properties because you can take profits or trade it in for something better, it's never been our philosophy. The first property that was sold, which was only twelve years ago, they literally interviewed the buyer for two and a half hours to make sure they understood how to effectively run the property and also understood the commitment to the community because it was a small community that they bought this first property in Holt, Michigan and it was a very important relationship that they had developed over the years. And that is something that I don't see that will be any different for us here.

Personally, I live close, James lives close as well, our owners are over here quite often. And no different than Holt, Michigan in 1972, we'll be just as committed to Novi, Michigan in 2018. On behalf of TriCap and DTN, we're really excited to present this project this evening. It's a very different type of residential housing design. We think it's absolutely great timing for Novi.

Mr. Woods said it is that mix, and I'm careful in how I use this term but internally we call it a suburban mix – it's kind of a suburban/urban building. But every community is different, so you can't just take an urban building you see in Atlanta or you see in downtown Detroit or even downtown Grand Rapids and just plug it into a community and think that it's going to work. And so part of the time that we invest into a project like this and that we spent with TriCap, we spent with engineers, and we spent with Sri and her team is trying to figure out what that balance is. Fortunately for us, you've got a pretty good ordinance to start with that really helped shape the elevation of this building. And of course through your façade consultant and Doug, and by the way Doug took my calls on a Saturday morning at 9 o'clock when he was on vacation with his family so I really appreciate that. But this project was just that complicated where it just took a team of this magnitude to develop what we did and personally we feel really good about it. We love the market, we think it's a great mix.

And what I think is really important to note about these buildings, and this what we've seen doing three of these downtown Grand Rapids, we've got about \$140 million investment right across from Van Andel and we've got another one that's a little bit more suburban around the corner. But these units and the reason they're developed the way that they're developed, and the buildings look the way they do, and the way we

program the common areas -- and common area is a loose term for all of the really cool spaces that you don't live in -- is that people in a building like this and a community like Novi, they don't just live in their unit. They live in the entire community, and that includes the building, but that includes the Town Center District. And that's why we feel this is such a great fit for it because people will not just live in their 900 or 1,000 square foot unit, they're going to live in the courtyards that are programmed both actively and passively, meaning if you want to go down and do some gaming in an open courtyard you can do that or if you want some quiet time you can go to a different courtyard. We have four of those designed into this building and I'd be happy to talk about those later because I think that's a very different programmatic element that does not exist in this community as far as I can tell.

The walkability or what I will call the semi-walkability of Novi, so people can walk over to Main Street, across the corner to the east side of Novi Road, or they can hop in an Uber and run over to Fountain Walk. It's very convenient. All of that is a really integral part of the design of this building. It's not just looking at the floor plate and saying what does this 600 square foot or 900 square foot or 1200 square foot unit represent, it's the totality of the design of the building.

And also, people are living differently in apartments and you've probably all heard this in the last couple of months but the percentage of household formation is now 70 percent rental of new household formations. So there still is, and I'm sure a lot of that was driven from the downturn, but it's also been a transition to the Millennial generation and I'm sure there will eventually be another transition but people are living in apartments much different than they have historically ever lived.

Mr. Woods said and one thing that we've seen when operating almost 9,000 apartment units and 15,000 student housing beds, some of which are hybrid, people years ago when they didn't have a choice. These are renters by choice, these are people that are making a clear decision that they want to live in an apartment unit. Our median incomes in our three buildings that are comparable to this, we have one in Lansing that is very similar to this, is almost \$9,000 a month. Those people can clearly buy homes, making over \$108,000 a year, so these are renters by choice. These are people that want to be here. And they've got other choices, whether they're condos, other apartments, but they want to be here.

Another thing we see in a renter by choice community is that you don't have the bunking up in rooms, and so you don't need 1,100 square foot or 1,000 square foot single units because you don't have two roommates. As a matter of fact, what we're seeing in Grand Rapids, which was very surprising to us, is even the two-bedrooms have only got singles in them. So people that have a little more discretionary income are turning the second bedroom into a den or a hobby room or whatever it happens to be, allow family to come bunk with them. It's being lived in differently when you're in a renter by choice environment. It's really a combination of all of those things that I've described that makes a project like this function but only in a community that it can function effectively, and we really feel strongly about Novi. We spend a lot of time thinking about and looking at these projects. And I'll tell you, there are very few communities in southeast Michigan that we think it will work. So again, when we were approached the better part of eight or nine months ago, we were like wow, yeah we'd love to talk about that because Novi is one of those communities.

Some other important features to note in a project like this, there are many more resident

amenities in this building and areas than you'll see in a typical suburban rental community. For example, a typical suburban rental community may have a 5,000 or 6,000 square foot clubhouse, some walking trails, maybe a dog park, some grilling stations. This building all-in probably has 25,000 square feet of common area in it. And a big chunk of that is the courtyards and those courtyards are fairly substantial.

In this building, not only will there be a traditional fitness facility but in our building in Lansing, we have a yoga and on-demand fitness room, which is really nice because if you don't want to go and push weights around you can go into the on-demand fitness room and hit a button to either join a live group in New York City or Detroit or wherever, or you can do a pre-recorded class. Actually, we've found that to be more popular than the people that want to go in and hit an elliptical for 45 minutes. A lot of active social engagement, either by choice – there's plenty of space here for people to be active in the community, and then we have a lot of space where people can have quiet time also, so you don't have to be socially over the top to live in a building like this. You can be somebody that doesn't need all of that, but this building accommodates both types of lifestyle.

Mr. Woods said multiple resident club rooms, I've tried to think of a better word to use than that, but our space, and I believe our Lansing building is an example of that, these are basically converted units that have a warming kitchen in them. People can use them for private parties, gathering spaces, and they're really kind of cool spaces. They might have some gaming tables, an expensive resort-style pool and gathering space, maybe not significantly different than some high-end suburban projects, but usually and particularly on this specific project, it's going to be a pretty over-the-top pool and gathering space, very cool. So the pool area opens up, you've got two big club rooms on either end where there are big doors that you can basically open it up into like an open-air environment for your pool area and it really changes the vibe, particularly when you're in the middle of the summer and you have hopefully not 60 and raining, but sunny and 85 degrees.

Business centers with high-speed technology; technology is a huge issue in these buildings. What we're finding in a couple of our buildings, we run fiber in everything, we've been running fiber for fifteen years. We happen to own a technology company and we've got probably eleven miles of fiber strung around Lansing, Grand Rapids, and a couple other markets. There's a real high demand for technology, people in these buildings are sometimes self-employed, sometimes they're working from home, but one of the biggest complaints we've gotten is, and this may sound crazy, but if you can't deliver Wi-Fi at high speed then you're out of luck, they don't want to live there. And so the business centers in our building in Lansing, actually a local Apple store uses it as a training facility because we have a one-gig Ethernet fiber cable in there and they can do some really cool business meetings in there. So they're very functional spaces in there, they're not just spaces that are colored up that we put fancy furniture in and it sits and collects dust and you clean it once a week. These are very functional, high-utilization areas.

Mr. Woods said it's a tough site and so we went through a lot of iterations and tried to mitigate as many of those deviations as we could. I don't know how many we started with but it was many more than that and fortunately, the Planning Department helped give us suggestions and recommendations on how to narrow those down and quite frankly tell us this is what makes sense to them and this is what doesn't make sense to them.

So I will tell you that as a developer, we are very appreciative of that and the process is very involved for planning review. To spend \$150,000 to be here tonight, we had to have

a pretty good feeling that there was a good opportunity that we would get a recommendation. But there was a tremendous amount of work that was provided to us to help us get here, as well and also turnaround time was absolutely incredible so thanks again, I can't emphasize that enough and again, we're really excited about this, we're really excited about being a part of your community at DTN, we're excited to be partners with TriCap, and thank you.

Mr. Ludwig said I thought John was going to get into this, but he didn't mention it. So I wanted to add on the unit mix, which is one of the items up before you. Early on, we had Village Green do a market study for us and their recommendation within that market study was 60 percent one-bedrooms. Now, one-bedrooms that we propose on this range in size from 600 to 1,000 square feet and anywhere in between, so there's a whole bunch of different kinds of one-bedroom. But it's important to us to meet the need of the prospective tenant and what we've been told is that 50 percent isn't enough, that's what the professionals are telling us for the market that we're going to attract with this building. So it worked out to be 58 percent is what we're asking for, but the study said that we should have 60 percent and nobody knows the market like they do.

Chair Pehrson asked if there was anyone in the audience that wished to address the Planning Commission regarding this project. Seeing no one, he asked if there was any correspondence.

Member Lynch said yes, we have one correspondence in support from Joseph Chuang, 25750 Novi Road.

Chair Pehrson closed the public hearing and turned it over to Planning Commission for their consideration.

Member Avdoulos said thank you, Chair Pehrson. One thing about this piece of property that was favorable is that we weren't looking at a rezoning, so the idea was to take the property and work with it, and work with the City. When I first opened our packet and saw all the variances, it was like ok, let's go through this step by step and see what the issues are. And knowing a little bit about that area and what is being proposed and how you have been working with the City to come up with this project, I think this is going to be very good for the community and I think it'll be a great benefit.

I like it; I think it's a nice, modern type of building that I think is appropriate basically for the area. I think that the scale of it works well with where it will be sited. The building and the property, the project within itself, has a lot of amenities and then right in front of it with the plaza where Panera is and all the other businesses, those are additional amenities that just are extended through the site.

There's a similar building in Detroit on Woodward, sort of by the Max Fisher building, called The Scott. I had toured that building with the developer and it did have a lot of one-bedrooms, those came furnished and I don't know if you'll provide furnished apartments, they had the amenities of the dog grooming, the bike racks, the pools, the lobby area, and so I get it and I think that this is something that will attract the right crowd. My daughter lives in DC and she lives in a 450 square foot studio that is probably more expensive than these just because she is in DC, but it's the same thing – that particular complex offers the amenities that she doesn't need a huge space. So I think it's a positive thing for the City.

The Façade Ordinance – I'm glad you've been working with Doug, our City Architect – that acts as our baseline to make sure that we maintain a quality level of materials. These materials may be not in the range of the percentages that we were looking for, but based on the design, the aesthetic of where the materials are being placed and how they're being used are appropriate, I think. I'm hoping that because you're up against the railroad track acoustically, I don't know if you're using more soundproof windows because I know that the back of the building that faces the train tracks don't have a lot of openings and the garage is there. I just want to make sure that as you're detailing and finalizing, you pay attention to some of those concerns so that as people are renting these, you're not getting any issues and the building doesn't become un-rentable.

Member Avdoulos said we've seen in other parts of the country similar developments for the type of business that we're into. Our architectural firm has done projects like this in Atlanta and all over the country and I think you hit it on the head with Novi being not quite urban, being suburban. This intersection between Grand River and Novi Road is a kind of interesting being, with Main Street not fully developed. Maybe this would help act as a catalyst for that.

We've got the living area to the east of this, which I think is working very well to so I think it's a good add and even though there's a lot of variances and it will go to Zoning Board of Appeals and City Council for waivers, I think based on the geometry of the site and everything that you've been doing for the last year or so working with the City, I'm glad that we've been able to work together and to put forward a good product.

Member Lynch said first of all, I'm glad to see the site develop and this really looks good. I noticed that there are a lot of deviations and that you'll go to City Council. The only thing I worry about is the density and I don't want to set precedent with that, but I think being in the Town Center District asking for 65 percent more density, it's really a City Council decision but I would just be cautious. This Commission has been very liberal, if you will, on allowing more density but not to the level of 65 percent. I know it's a difficult site. I just want Council, since they're the ones that will be making a decision as it says on the motion sheet and I am totally in support of the motion sheet, just be cautious that we don't set precedent without some justification when they do decide to allow whatever density is decided.

And the only other thing that stuck out to me, other than the beauty of the project, was this little stream that you have back there. I don't know how you're going to mitigate that. What we've done consistently is there is always going to be some type of conservation easement, and I know we're at virtually the beginning of the Rouge watershed, and it looks like you'll be working with the DEQ to figure out how you can mitigate some of that runoff, especially with the dog park being right there. I think it can be accomplished, I don't think it's a big sticking point but I do want you to focus a little bit of attention on what you do with that stream.

Member Lynch said other than that, I think the project is going to be beautiful. It is unique to Novi, it does fit that space. When I went over there and looked and tried to envision all of this that you've presented to us and what it is going to look like on that particular parcel, I think it's going to be great. It's going to be beautiful. I think it's a winner. It's beautiful, it's unique, I think it's really going to be a nice project. My only concern is that we don't set precedent by allowing such a large increase in density without some reasonable justification, and just being in the Town Center District may justify that. I just wanted it to make that clear in the minutes so that when Council reads the minutes, they

can at least see that the only concern that I have as a Commissioner is that I don't want to set precedent on allowing significant increases in density without clear justification.

Member Howard said I think this is a wonderful project. I am very excited to have something like this in Novi. I am almost scared to admit this, but I am a Millennial so this is very appealing to me. It was very interesting to go through and see some of those concerns, I think that you're completely spot on. When I talk to friends or colleagues or associates, what they're looking for even in terms of the density, it makes a lot of sense to me in terms of the façade. I wasn't necessarily happy that we need the deviations but when you see them in place, it's a gorgeous building. If it makes sense, then it makes sense.

My only concern would be traffic and I'm kind of going back to the density issue but if we are allowing such a high density in this area, I want to know that the traffic impact study is not just thinking about this from where we want to be in the future, but where we are now and how this is going to be addressed and sustained as we go through the phases of this project. I am also a fan of Panera and traffic in that area can just be a pain and while I understand that there are plans in place, I guess my concern is where we want to be versus where we are and as the project moves forward in those phases, making sure that we're able to kind of have a handle on those things.

Member Anthony said I think this is a great project, we've been waiting for this for a while. Just to follow up on the traffic question to the City, we've talked about the ring road development and that infrastructure and altering Flint Street. It looked from the Preliminary plans as though that may be a part of this. Did I read that correctly?

Planner Komaragiri said there are two different projects. The Flint Street realignment is a City project, and the developer is going to be doing residential mixed-use within his site. So the discussions have started and are ongoing to coordinate the timelines of construction, so both may run parallel or one might go after the other. We are still working on the details.

Member Anthony said ok, so that was my question was the coordination because it seems like it's vital on this one. I think a good justification for high density in this area is that this is our ring road area and that in the days of not being able to get a huge automotive manufacturing plant to pay taxes anymore, all communities now and especially suburbs need an area that's an urban village and high density and I think this is a perfect spot for that. With that, I really support it.

Member Greco said I have a question for the developer. Regarding the commercial development aspect of this, what is it? The only mention I heard was a shopping center, but what is the commercial development that is envisioned?

Mr. Ludwig said it could go in a couple different directions. It could be a stand-alone restaurant, it could be a small strip center with two or three or four retail spaces or service spaces – your typical hair salons or that type of use. You don't get shoe stores anymore, everybody gets that stuff online. So in our strip centers, it's mostly service tenants that we have. So if it does go that way, we would envision a multi-tenant building. AT&T, a hair salon, something like that. But again, it could be a single restaurant, like a Big Boy or Applebee's or something like that. We just don't know yet.

Member Greco said and with that, I do have a question for our staff and maybe our

attorney. With there being an agreement, and we don't really have a timeline yet on this, and the commercial part being an aspect of a development like this. So we have a restaurant or a strip mall that's not really in a high traffic area, it's off to the side. I know the ring road issue that Member Anthony brought up is a good one because that would significantly have an impact here. But a commercial development is subject to business conditions, right, so we've got two buildings that are very attractive, two buildings that a lot of Millennials are getting in and hanging out at the pool and the business center and then what do we do with a building that is maybe a restaurant that doesn't survive because the tenants aren't supporting it that much or a strip mall that ends up being empty. Does the developer have an obligation to fill it or does it just sit there once they set the rent and it doesn't get filled? Is there anything that we can do, or what are the tools available to make sure that it's a commercial development building that has commerce?

City Attorney Schultz said in the same sense that we can't control the occupancy of any building that you approve through site plan approval, the same is going to be true here. So what we've put in the motion is at least an indication that they are going to have an obligation to build something at some point, we don't know exactly what the agreement to that effect is going to be. It would be a phasing agreement, essentially, which would also pick up the spaces for the cemetery. But I don't know that there's anything that we can do to make sure that they fill the space, but we can make sure that they make the space available.

Member Greco said with regard to the agreement or the development in general, is it required for there to be a single owner for the entire development and this way the property management will be run by the commercial or will it just have to be the commercial separately?

City Attorney Schultz said there's no requirement that it remain the same owner. They or some successor will have an obligation to fulfill the site plan or whatever is in the agreement will kick in. If they transfer it, we're fine with that as long as the obligation goes with the land.

Member Maday said back to the commercial development part, I envision with this development the commercial building supplying things that the people living in the community that we're developing need, like nail salon, like carry-out food. I mean, if we're looking at the Millennials, that's kind of what they're after that they don't want to drive some place. It would be nice if it had tenants that made sense for the tenants.

I love the building. I think everyone that talked kind of addressed my concerns. The traffic is a big concern for me; we can't stop development but I'm hoping and it sounds like the City is doing everything we can to work with the development – I'm not quite sure what all of it meant, but I think it meant that the lights are going to be timed in certain ways to help with the traffic. I'm assuming we're going to do everything that we can as the City to help with that because we all know that intersection is awful. But I can't argue with the density because it is exactly what works in that area.

Member Maday said the other question that I had, and it's not really a concern, but it's bothering me. So we're not worried about the one-bedrooms because that's what everybody wants and I agree and think you guys know better than we do. But then why are we worried about the impacts on the school? Why does the study say that there could be 60+ kids going to Parkview if we're really trying to develop this for the Millennials instead of the families?

Mr. Woods said this very issue came up in a Planning Commission meeting I was at about a year ago because the local residents were concerned about the strain on the school system. And the reality is, there aren't a lot of school aged children in these buildings and they typically contribute, even in the more suburban-style apartments, they contribute about a third of what a single-family development contributes. So it's far less, and I can forward you that information, but that's from the National Multi-Housing Council and those are some statistics that we shared because of that level of concern. In this building, you're not going to have many school-aged children, I'd be very surprised. And yes to your point on the one-bedrooms, realistically you could do 100 percent one-bedrooms and we could fill immediately, but the projects don't work economically because we need more rental income from the two's and the three's. We've got projects in Grand Rapids that are close to 70 percent, but the rents are \$3.20 a foot, so if it's a 380 square foot unit you're paying \$1300 a month for, and people get sick of them after about a year. When they make enough money to move out, then they move out and you're constantly backfilling. This isn't like that, these aren't 380 square foot units, they're 600 square foot units so we're expecting a little more of a stable rent.

Member Maday said that's kind of what I was hoping you'd say because you've had experience with these types of properties and I would hope that they're for the Millennials and not for the families.

Mr. Woods said and I'll share that in a previous life before DTN, I worked for one of the largest property management companies in the country – we managed 40,000 units in 22 markets and it's consistent across the board, whether you're in Atlanta or you're in Novi. Your mixes will probably be comparable but your sizes and styles will vary.

Chair Pehrson said I, too, support this particular application. This is one time where I think a couple of the members have mentioned about density; typically, that's the one thing that none of us like to see, but here in this particular location, it's what this area needs for the 'downtown.' We need that kind of density, we need more of that. Unfortunately, it brings some more traffic, but I think from what I saw is the Traffic Impact Study that the City is doing and we will do everything we can to try to eliminate some of that. I'm very impressed with this particular project and the renderings I saw, and I wish you great success.

Motion made by Member Greco and seconded by Member Avdoulos.

**ROLL CALL VOTE TO RECOMMEND APPROVAL TO CITY COUNCIL THE PRELIMINARY SITE PLAN MADE BY MEMBER GRECO AND SECONDED BY MEMBER AVDOULOS.**

**In the matter of The Bond fka The District JSP18-10, motion to recommend approval to City Council the Preliminary Site Plan based on and subject to the following:**

- 1. The applicant shall provide a form of agreement and/or financial guarantees, along with final site plan submittal, acceptable to the City to assure that the commercial component will be built within a certain time as suggested by applicant and approved by the City.**
- 2. City Council finding per Section 4.82.2.b. for allowing an increase of maximum number of rooms allowed (421 allowed, 627 proposed) based on justification provided by the applicant in their response letter dated June 22, 2018;**

3. A City Council waiver for exceeding the maximum allowable front yard building setback per Section 3.1.26.D (10 ft. maximum allowed, approximately 15 ft. proposed) *due to unusual shallow shape of the subject property;*
4. City Council approval according to Sec. 3.6.2.Q. for allowing an increase in the minimum required parking setback as listed in Sec. 3.1.26.D for seven parking spaces designated for public use (10 ft. maximum allowed, approximately 7 ft. proposed) *as the applicant has clearly demonstrated that the minimum parking setback area is met in the remainder of the site;*
5. City Council variance from Sec. 11-239(b)(1),(2) of Novi City Code for absence of hard surface for parking lot and driveway for proposed temporary parking lot of six spaces in Phase 1 *as the requirements will be met at the time of Phase 3 construction within a certain time mutually agreed between the applicant and the City;*
6. City Council variance from Sec. 11-239(b)(1),(2) of Novi City Code for absence of curb and gutter for parking lot and driveway for proposed temporary parking lot of six spaces in Phase 1 *as the requirements will be met at the time of Phase 3 construction within a certain time mutually agreed between the applicant and the City;*
7. City Council variance from Sec. 11-239(b)(3) of Novi City Code for absence of pavement markings and layout including end islands for proposed temporary parking lot of six spaces in Phase 1 *as the requirements will be met at the time of Phase 3 construction within a certain time mutually agreed between the applicant and the City;*
8. A section 9 waiver for the following deviations *as the overall appearance of the building would not be significantly improved by strict application of the percentage listed in the Ordinance:*
  - a. not providing the minimum required brick (30% minimum required) on the east (28% proposed), north (28% proposed) and south (26% proposed) facades for Building 1 and 2;
  - b. exceeding the maximum allowed percentage of EIFS (25% maximum allowed) on all facades (proposed: East-28%, North-38%, South- 35% and West- 48%) for Building 1 and 2;
  - c. not providing the minimum required brick and stone (50% minimum required) for TC-1 district on the north façade (48% proposed) for Building 1 and 2;
  - d. not providing the minimum required brick (30% minimum required) on all facades (proposed: North -23%, -West 8%, South- 8% and East- 17%) for Commercial Building;
  - e. exceeding the maximum allowed for Cast Stone (50% maximum allowed) on all facades (proposed: North-55%, West-76%, South- 76% and East- 64%) for Commercial Building;
  - f. exceeding the maximum allowed percentage for Ribbed Metal (0% allowed) on all facades providing the ribbed metal (proposed: North-12%, West-6%, South- 6% and East- 9%) for Commercial Building;
  - g. exceeding the maximum allowed concrete for west facade for parking structure (0% allowed, 100% proposed) in lieu of providing the minimum required brick (30% minimum required, 0% provided);
  - h. exceeding the maximum allowed cast stone for north and south facades for parking structure (0% allowed, 100% proposed) in lieu of providing the minimum required brick (30% minimum required, 0% provided) ;
9. Landscape waiver from Sec. 5.5.3.B.ii for lack of berm and screening *as the applicant proposed a line of arborvitaes along the property line to soften the view*

*toward the railroad tracks and industrial site beyond in lieu of required landscape screening;*

10. Landscape waiver from Sec. 5.5.3.B.ii for reduction in required greenbelt width between right-of-way and parking areas along Flint/Bond Street (20 ft. width required, a range of 10 ft. to 20 ft. provided). A 2.5 foot brick wall screening the parking and additional landscaping in the narrower areas help to compensate for the lack of space in the areas with just a 10 foot greenbelt;
11. Landscape waiver from Sec 5.5.3.F.ii.b(1) for reduction in number of total number multifamily unit trees provided (147 required, 127 provided) *as the reduction is only 14% from the total requirements and the site is otherwise well-landscaped;*
12. Landscape waiver from Sec. 5.5.3.F.ii.B(2) for reduction in number of interior roadway perimeter trees(1 tree short) provided *due to conflict with fire access lane (grass pavers);*
13. Landscape waiver from Sec 5.5.3.D. for deficiency in foundation landscaping coverage around parking deck *due to limited space available along the southwest side, toward the railroad. Large arborvitaes are proposed in that are to help screen the view to the railroad and industrial site;*
14. Landscape waiver from Sec. 5.5.3.C.(3) Chart footnote for not proposing required parking lot perimeter trees for temporary gravel parking proposed to be constructed for use by visitors to Novi Cemetery in Phase 1 (11 trees required, 0 proposed) *as the landscape requirements will be met at the time of Phase 3 construction within a certain time mutually agreed between the applicant and the City;*
15. The following variances would require Zoning Board of Appeals approval:
  - a. A Zoning Board of Appeals variance from section 4.82.2 for increasing the maximum percentage of one bed room units allowed for this development (50% maximum allowed, 58% proposed) *(based on applicants response that a 60% unit mix is recommended based on their internal marketing survey and assessment);*
  - b. A Zoning Board of Appeals variance from section 3.27.1.D for allowing parking in side yard for commercial building(around 49 spaces) *due to unusual shallow shape of the subject property and the inability to park in the rear yard;*
  - c. A Zoning Board of Appeals variance from section 3.27.1.D for allowing parking in front yard for residential section (around 38 spaces, 9% of total 432 spaces) *due to unusual shallow shape of the subject property and the inability to park in the rear yard;*
  - d. A Zoning Board of Appeals variance from section 3.27.1.D for allowing parking in side yard for residential section (around 50 spaces,12% of total spaces in east and 35 spaces 12% of total spaces in west) *due to unusual shallow shape of the subject property and the inability to park in the rear yard;*
  - e. A Zoning Board of Appeals variance from section 4.82.2.e for reduction of minimum building setback for Building 1 on east side (15 ft. required, a minimum of 12 ft. proposed for an approximate length of 12 ft., total building length is 283 ft. ) *due to unusual shallow shape of the subject property;*
  - f. A Zoning Board of Appeals variance from section 4.82.2.e for reduction of minimum building setback for Building 2 on east side (15 ft. required, a minimum of 8 ft. proposed for an approximate length of 16 ft. , total building length is 283 ft.) *due to unusual shallow shape of the subject property;*
  - g. A Zoning Board of Appeals variance from section 4.82.2.e for reduction of minimum building setback for parking garage on west side(15ft. required, 5

- ft. proposed for entire structure, total building length is 283 ft.) *due to unusual shallow shape of the subject property;*
  - h. A Zoning Board of Appeals variance from section 5.7.3.E. for allowing an increase of average to minimum light level ratio for the site (4:1 maximum allowed, 4.81 provided)*due to site layout and site shallow depth;*
  - i. A Zoning Board of Appeals variance from section 5. 7.3.K for exceeding maximum allowed foot candle along south property line abutting railroad tracks (1 fc maximum allowed, up to 1.7 is proposed for a small area);
  - j. A Zoning Board of Appeals variance from section 3.27.1.H. and Sec. 5.4.2 for allowing two loading areas in the side yard for residential section *due to unusual shallow shape of the subject property;*
  - k. A Zoning Board of Appeals variance from section Sec. 5.4.2 for reduction in minimum required loading area for each of the two loading spaces in residential section (2,830 square feet required, 644 square feet provided) *due to residential nature of the development that does not require larger loading areas;*
  - l. A Zoning Board of Appeals variance from section 3.27.1.I. for reduction in width of the sidewalk along a non-residential collector (12.5 feet required on both sides, 8 feet proposed on west side and 10 feet asphalt path proposed on east) *as it aligns with City's current plans for Flint street realignment;*
  - m. A Zoning Board of Appeals variance from section 5.3.2. for reduction of minimum parking bay depth for spaces proposed in Parking garage (19 ft. minimum required, 18 ft. proposed) *as the depth is limited by the pre-fabricated manufacturers specifications;*
16. The findings of compliance with Ordinance standards in the staff and consultant review letters and the conditions and the 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. *Motion carried 7-0.*

**ROLL CALL VOTE TO APPROVE PHASING PLAN MADE BY MEMBER GRECO AND SECONDED BY MEMBER AVDOULOS.**

In the matter of The Bond fka The District JSP18-10, motion to recommend approval of the Phasing 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 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. *Motion carried 7-0.*

City Attorney Schultz said just for clarification, this is also a recommendation for approval. Just to clarity, it's not in the motion sheet.

**ROLL CALL VOTE TO APPROVE WOODLAND PERMIT MADE BY MEMBER GRECO AND SECONDED BY MEMBER AVDOULOS.**

In the matter of The Bond fka The District JSP18-10, motion to recommend approval of the Woodland Permit 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 the plan is otherwise in compliance with Chapter 37 of the Code of Ordinances and all other applicable provisions of the Ordinance. *Motion carried 7-0.*

**ROLL CALL VOTE TO APPROVE STORMWATER MANAGEMENT PLAN MADE BY MEMBER GRECO AND SECONDED BY MEMBER AVDOULOS.**

In the matter of The Bond fka The District JSP18-10, motion to recommend approval of 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 the plan is otherwise in compliance with Chapter 11 of the Code of Ordinances and all other applicable provisions of the Ordinance. *Motion carried 7-0.*

#### **MATTERS FOR CONSIDERATION**

##### **1. APPROVAL OF THE JUNE 13, 2018 PLANNING COMMISSION MINUTES**

Motion made by Member Lynch and seconded by Member Anthony.

**ROLL CALL VOTE TO APPROVE THE JUNE 13, 2018 PLANNING COMMISSION MEETING MINTUES MADE BY MEMBER LYNCH AND SECONDED BY MEMBER ANTHONY.**

*Motion to approve the June 13, 2018 Planning Commission Meeting Minutes. Motion carried 7-0.*

#### **SUPPLEMENTAL ISSUES**

There were no supplemental issues.

#### **AUDIENCE PARTICIPATION**

Todd Keane, 2300 Austin Drive, said this evening we had a preliminary meeting with members of the Commission and Staff and Robertson Brothers. Me, personally, I think it went rather well. I think it went well for myself and the citizens in the area. I wanted to thank all of the members that were present and the staff. I think we all can agree that that area in question really needs some updating. I welcome the day that Robertson Brothers can get the density to acceptable numbers so that I can stand behind them in the future while they request variances to deal with the challenges of the property. I say myself, I don't know about my neighbors and friends. But thank you for tonight.

Rachel Sines, 2219 Austin Drive, said I just wanted to thank you. As many times as we've been here talking, I feel like we've actually been heard after our meeting today and I wanted to thank you all for listening to us. I think there's just a few things – we would like to keep it as individual parcels at a 21 count, personally I would like front-facing garages, it would be less intrusive to the neighbors that exist there already. Those are my major issues currently. Thank you.

Dorothy Duchesneau, 125 Henning, said I, too, would like to thank Planning Commission

for their patience and listening to us for these last five months. The 2016 Master Plan gave some very, very conflicting visions for what Pavilion Shore Village ought to be or ought to become. And none of the residents, none of the people who live around the lake disagree that it needs to be improved. Our visions were a little different than those of you that had input into the Master Plan, that's the only thing. Please look at the correspondence that's in your packet for tonight. These are suggestions, requests, from those that live in the area. Not just from the two communities, but those that have to drive through it and drive around it. We have met with the developer enough that there has been some give and take on his part, there's been some give and take on our part, he's asked for your input back to him – I guess we've kind of hit the wall where we're at because he wants to hear from you. But hopefully, we can make his plan number four a win for the residents, a win for the City, and a win for the developer. Thank you.

Gary Zack, 359 South Lake Drive, said I'm here primarily to support my neighbors in Shawood Lake since I don't live in that immediate area. But I do have a great love for the Shawood Lake subdivision, it's very unique as you all know. And I think what's important there is a few things. I think the traffic is a concern, as it always is, so we really have to be careful with the density and hopefully they can get the density down to what the City has in the new Master Plan, 7.3 per acre I believe it is, because I think that will help with that.

I also think it's very important to have housing there that matches the existing area, just like the previous project where it perfectly fit in the location because it's Town Center, when they are talking about the three story townhomes in that, that just doesn't fit in this area. Now the single family homes, the cottage style look, that's a lot more aligned. So I'm just hoping that that, and also I think the on-street parking doesn't fit the area because you just don't have it. This is kind of a rural part of town as opposed to the Town Center, which is more urban. So I'm hoping that in the final plan, they can come up with something that just fits that area as perfectly as the previous project fit the Town Center.

John Thomson, 2350 Shawood, said I live in the Shawood Heights subdivision area and my wife and I are pretty much directly impacted by this latest development plan. I didn't hear what the last gentleman's name was but I agree with him in pretty much everything that he said. I think that we would like to see somewhat of a continuance of the neighborhood that we live in without the added high-rise type of community that the developer is intending. We'd like to keep the Planning Commission's idea of 7.3 density. Thank you for your time.

## **ADJOURNMENT**

Moved by Member Lynch and seconded by Member Anthony.

## **VOICE VOTE ON THE MOTION TO ADJOUR MADE BY MEMBER LYNCH AND SECONDED BY MEMBER ANTHONY.**

**Motion to adjourn the June 27, 2018 Planning Commission Meeting. *Motion carried 7-0.***

The meeting was adjourned at 8:06 PM.