

DISCUSSION

2018-0426 Neighborhood in Rochester Hills, 147 single-story, ranch style rental units with attached garages on 29.96 acres located near the southwest corner of Avon and Dequindre, zoned R-3 One Family Residential with a MR Mixed Residential Overlay, Parcel No. 15-13-476-005, Redwood USA, Applicant

(Reference: Plans and cover letter, prepared by Bergmann Associates, had been placed on file and by reference became part of the record thereof.)

Present for the applicant were Richard Batt, Redwood Living and Paul Furtaw, Bergmann Associates, 7050 W. Saginaw Hwy., Suite 200, Lansing, MI 48917.

Ms. Roediger advised that staff met with the applicants for a concept review meeting at the end of September to go over proposed ideas for the site. Because the site was somewhat challenging, they would like to use the Planned Unit Development (PUD) process. She explained that the site was zoned R-3 One Family Residential with an MR Mixed Residential Overlay, but to accommodate what the applicants wished to do, they would propose a PUD. Staff wanted to make sure that the Planning Commission was on board before the applicants went too far. As part of the Master Plan, the City was looking at diversifying the types of housing offered in the City, and they had heard there was a need for ranches that were more affordable. The idea seemed interesting, and staff felt that it merited some additional investigation.

Mr. Batt stated that Redwood was an owner/developer/manager of single-story ranch-style apartment neighborhoods. In the next couple of weeks, they would pass the 10,000th unit built, which he added would be in Michigan. They had about 3,000 units in Michigan. They were in Commerce Twp., White Lake Twp., Macomb, Shelby, Washington Twp. and Canton Twp. They began in Michigan about six years ago, when he maintained that no one wanted to come to Detroit. They felt that it was a great area, and they were very happy with how things had gone. They owned the first unit they had ever built, and they had never sold anything. They were long-term operators. The company started in 1991, and they started doing ranches in 2002. When he first came on board six years ago, they had 2,000 units, and now they were up to 10,000.

Mr. Batt noted that the product was empty-nester targeted. They did not age restrict, and the average age in the community was mid 50's. The

people that were not empty nesters were typically millennials or local residents that wanted to stay in town. They did not offer amenities such as a pool or courts, mainly because the residents came from within a three mile radius, and they already took part in those kinds of activities in the community. When he first came to Michigan, he met with Rochester Hills' planning staff, who were not sure there was a spot for them. He advised that they would have an onsite property manager and a maintenance person, but there could be a third person with 150 units. He stressed that they were not absentee landlords, and they controlled their neighborhoods. There were pages of things people were not allowed to do, and if people became a disturbance, they would be evicted. The owners were very big on peace and quiet. Every unit had its own two-car garage, two bedrooms, two baths, private patio and full driveway - they were houses. Every tenant would undergo a background and credit check. He claimed that they did not normally have a problem with traffic, because their residents travelled in non-peak hours. He realized that there was a lot of traffic in that area, but their statistics showed how much traffic their development would produce, and it was nowhere near what a regular single-family neighborhood with half the number of homes would produce. They would have about 1.5 cars per unit and 1.7 residents per unit. He maintained that even though the site plan looked somewhat dense, they were not dense with people. Typically, there were not a lot of children in the neighborhood, so there would be a minimal impact regarding the schools. He went over the usual renters' occupations.

Mr. Batt indicated that they were responsible developers. They would develop around the wetlands. He acknowledged that sometimes there might be some impact, but they tried to avoid them. He advised that the rent would be \$1,800-1,900 per month, which he thought was affordable for Rochester Hills. He believed that there was a real need for their product in the community. He asked if there were any questions.

Chairperson Brnabic observed that the information packet listed rents between \$1,200 and \$2,200 in their neighborhoods, and she noted that Mr. Batt said it would be \$1,800 or \$1,900 for Rochester Hills. Mr. Batt said that was right. The demographics in other communities did not support the higher rent, and they would lease for less other places for various reasons. Chairperson Brnabic said that she liked the concept of ranch-style units, and she liked the floor plan. She had viewed one of their developments in Shelby, although she was not able to look at the inside. There seemed to be a decent amount of siding, and she saw a variation of mixed colors. She asked if that was generally how their homes were designed - using four or five different colors of siding with

stone. Mr. Batt said that they did not always design that way, but he learned that people liked to say that they lived in the "green" house or in the "red" house, so there was a reason for that. It helped people identify where they lived to others. Chairperson Brnabic said that in her opinion, she would prefer to see a little more brick on the front facades. Otherwise, she did not have a problem with the proposal, although she would rather see for sale than for lease units. Mr. Batt thought that they could do some work on the brick, but they would try to maintain a balance of managing the costs to keep the rentals in the affordable range.

Mr. Schroeder noted one unit that was uncolored. Mr. Batt said that it was the maintenance garage. Mr. Schroeder asked if the units had basements, which they did not.

Mr. Kaltsounis said he realized that the plans had not been reviewed by staff, but he noticed that some of the homes went through the wetlands. He asked if that was the case. Mr. Furtaw said that they were not sure yet, and they were doing due diligence and flagging the wetlands to get DEQ concurrence. It had not been vetted. Mr. Batt said that their wetland consultant had been to the site, and he indicated that there might be some tinkering with the plan. Mr. Kaltsounis suggested that they were at the point where they could avoid the wetlands.

Mr. Kaltsounis asked if there would be sidewalks. Mr. Furtaw responded that sidewalks would be integral to the road, but they had not been detailed, and sidewalks would be proposed throughout the development. Mr. Kaltsounis stressed that as a walkable community, sidewalks would be important. People would want to walk to Yates. Regarding Chairperson Brnabic's comment about brick, he had been saying for many years that he could not stand the look of siding monsters. He did like how the textures were alternated on the buildings. Mr. Batt said that they could be building a six-plex, so their product had to evolve to something more pleasing. They found that alternating the textures with stone and brick was very effective. Mr. Kaltsounis asked if the project would be a PUD.

Ms. Roediger said that they had discussed what the best route would be. The density being proposed exceeded the maximum for the MR district, so she stated that a PUD would be the likely route. Mr. Kaltsounis said that some developers tried to cram a lot into a certain area where it should not be. When he first looked at a proposed development, he looked to see what was around it. For the subject site, there was a high density apartment to the north as well as open land to the south, so it

would probably be the area he would put a denser development. Mr. Batt said that their development would have about five units per acre, and the apartment complex had about 15. Mr. Kaltsounis said that he appreciated that the proposal was not the typical tall townhouse development.

Mr. Reece asked Mr. Batt if their pro forma was based on 147 units, which was confirmed. Mr. Reece asked if they would still strive for 147 units if the site plans came back showing wetlands. Mr. Batt concurred that they would. Mr. Reece said that he agreed about the brick. He understood there was a balance between affordability and the City's desire to have a little more brick on the facades, and he would be interested to see what was done to address that. He asked if a traffic study would be completed, pointing out that the intersection was horrendous. Mr. Furtaw said that Ms. Kapelanski talked with the City's Engineer, and had clarified that there would be a traffic study required. Mr. Reece asked the turnover rate or average length of a lease for the units. Mr. Batt said that the average length was a year. Typically, people stayed two or a little more, because empty nesters did not like to move often. They had people who leased for up to ten years. Regular apartment community turnover was a little less than a year. Mr. Reece said that he found two years to be a short period of time even for empty nesters. Mr. Batt said that he was not sure that they had enough experience because of how much they had built in five years. He did not think their statistical population was quite there yet.

Mr. Reece indicated that if a PUD was used, there would be some give and take. He asked what would be in it for the City. The developer would get to overbuild, but he wondered what the City would get out of it.

Ms. Roediger said that the Master Plan talked about offering different types of housing, and affordable housing was a priority for City Council. The applicants would be developing a property on the edge of landfill property (although the subject property had come back clean). The development would be the middle housing that was missing in the community. They showed a dog park on the plans, and they would brainstorm about ways to improve pedestrian access in the area. Mr. Reece asked the plan for the corner of Avon/Dequindre. He wondered who owned it and if it would remain undeveloped. He asked Mr. Batt if he had approached the owner. Mr. Batt said they did, but the owner showed no interest, although Mr. Batt added that it would be tough to develop because of the topography. Ms. Roediger said that she had not heard anything about it. There had been interest in the past for some type of retail development at the corner. Mr. Reece said that he agreed with Mr.

Kaltsounis that it was a good location for the development, and they would see how the density came out after the engineering.

Mr. Dettloff said that Mr. Batt had mentioned no basements, and he wondered where there would be additional storage areas. Mr. Batt said that it would be in the garages. Mr. Dettloff thought that there would be stacked washers and dryers. Mr. Batt advised that there would be a laundry alcove that did not need a stacked washer and dryer, so someone could have regular-sized. Mr. Dettloff asked what the average square-footage was. Mr. Batt said that there were a couple of different floor plans. One unit was 1,294 s.f., and an end unit was 1,300. The yellow units had sunrooms, and they got up to 1,700 s.f. The other unit was 1,440 s.f.

Mr. Hooper believed that if they went the PUD route that 35% masonry was required. Ms. Roediger reminded that the Planning Commission could modify that requirement. Mr. Hooper thought that the guidelines showed 35% masonry on the front facades. He would like to see how that came out. He said that the number of units would be determined after the utilities, the wetlands and other things. He did not think that people would be able to make a left turn out of the development. He suggested that it would be right in, right out only. He asked what seniors wanted as far as amenities in other communities. Mr. Batt said that the City provided the best amenity, which was the Trail. It was the most popular thing that empty-nesters used for exercise. Mr. Hooper asked if the City owned the right-of-way to put in a pathway to the corner. He wondered if a pathway could be connected around the southwest corner of Avon and Dequindre. Ms. Roediger said that the right-of-way was challenging at that intersection. She noted that there would be some improvements to Avon in the following year, so she believed that the Avon pedestrian access would be improved as part of that project. Mr. Hooper asked about access across Avon to the kayak/canoe landing. He knew it was a popular spot. Mr. Batt was not sure how to accomplish that, and Mr. Hooper said that it was just an idea for different amenities. He agreed with the statements about ranch units, and that there was a need. Developers said they could not do them because of the price point and the value of the land being too expensive. They needed two stories to be able to generate a good return on investment. Mr. Batt said that the subject property was unique and gave them an opportunity. Mr. Hooper said that he was encouraged to see it explored further.

Mr. Anzek felt that it was an interesting project, and he agreed that it would be very desirable in the City for empty-nesters. He asked if they were

planning to use the wetlands for water storage. Mr. Batt said that they typically did not do that. Mr. Anzek asked if the little basin they showed would be sufficient. Mr. Furtaw said that it was purely conceptual, and they had not gotten into any detail. Mr. Anzek observed that the topography would be challenging, and it would be challenging going east on Avon, which was why the access would be difficult. People exiting would not see the traffic coming around the curve. He asked about the maximum slope they could have to build units side by side. Mr. Furtaw believed that the prototypical maximum was two feet between units. Mr. Anzek considered that they could not just pour one big slab for six units. Mr. Batt agreed. They typically absorbed a lot of topography between buildings. They were capable of building with steps, and they had to be in eight-inch increments. One building could be two units and a step, for example. They would probably not do it for every unit; it would be every other. Mr. Anzek said that another concern would be that those types of developments with two-car garages looked like a neighborhood of garage doors. That was all people would see, and the entrance got tucked away. He would like to see, where feasible, that all the end units' driveways were turned. Mr. Batt said that they tried to do that. The drawings had a limited amount of information. They were doing actual surveys, and that would change things. Mr. Anzek asked if they had any concerns that the western and southern property line was at a landfill. Mr. Batt stated that they did not. He said that it was not unusual for them to be near some things that were considered undesirable. They had a lot of communities by highways or railroad tracks. The big issue for them was whether a property was clean, and if it had to be designated as a facility and disclosed environmentally. If it was a clean site where tenants would not get sick, they were o.k. with it. He noted that there was a fairly substantial tree buffer between the development and the landfill, and they would not overlook the landfill. He had walked the area and did not notice a smell. Mr. Anzek recalled that the city had been involved in a long legal battle about the smell of the compost pile, so it might take more than a one or two-day visit. Mr. Batt said that they would continue to visit. Mr. Anzek said that he really liked the design and style and the fact that it would be a home for rent. He thought that it would be ideal for empty-nesters, and he knew that there were a lot of them in town.

Chairperson Brnabic asked the applicants if they had any questions for the Commission. Mr. Batt said that they were good and had gotten some good information. He thought that people had spoken positively, and he appreciated the process, which not every community had. He remarked that he would much rather go through a discussion than walk in and get his head handed to him.

Chairperson Brnabic stated that the Commissioners appreciated the process as well. It gave them the opportunity to give feedback to help eliminate problems, if any, down the road.

Discussed

UNFINISHED BUSINESS

2018-0095 Master Plan Work Session - Giffels Webster

(Reference: Draft 2018 Master Land Use Plan, prepared by Giffels Webster, had been placed on file and by reference became part of the record thereof.)

Present for the discussion were Rod Arroyo, Jill Bahm and Eric Fazzini of Giffels Webster, 1025 W. Maple, Birmingham, MI 48009.

Ms. Bahm stated that they were presenting the final working draft of the Master Plan update. The next step in the process, if it met approval, would be for the Planning Commission to make a recommendation to City Council to release the draft plan to adjacent communities and required reviewing agencies for a 42-day comment period. Subsequently, there would be a Public Hearing for the Planning Commission to adopt the Plan. She reminded that it was a final draft, and the motion to recommend distribution would keep the ball rolling. There would still be opportunities to refine, if necessary, before the final Plan was adopted.

Chairperson Brnabic noted page 80, Zoning District and Density Value where R-4 was listed at 3.6 units per acre, where currently in the Ordinance, it was 3.4. All the other density values remained the same from the current Ordinance, and she questioned whether that was an error or if it was intentional. Ms. Bahm stated that they did not change anything intentionally, so they would make sure they were all in alignment with the actual values.

Chairperson Brnabic referred to page 84, and she stated that she was taken aback to see the illustrations for a four-story building. Before the Open House at The Village, Ms. Bahm had asked Commissioners their thoughts on the concept of the four-story style building. They were going to include the concept in the presentation at The Village to get the community's thoughts, but that did not happen. When the