

Chairperson Brnabic opened Public Comment at 7:02 p.m. Seeing no one wishing to speak and no communications received, she closed Public Comment.

NEW BUSINESS

2020-0361

Request for a Tree Removal Permit - City File No. 20-009 - for the removal and replacement of as many as 36 trees for Rochester Hills Surgery Center, a proposed 60,000 s.f. medical building on 3.34 acres, located on South Boulevard, west of Dequindre, zoned O-1 Office Business, Parcel No. 15-36-376-014, Brad Chojnacki, The Alan Group Constructors, LLC, Applicant *(Reference: Staff Report prepared by Kristen Kapelanski, dated September 9, 2020, Site Plans and Elevations had been placed on file and by reference became part of the record thereof).*

Present for the applicant were Brad Chojnacki, The Alan Group Constructors, 1800 Brinston Dr., Troy, MI 48083; Scott Bowers, Bowers + Associates, 2400 South Huron Parkway, Ann Arbor, MI 48104; and Paul Tulikangas and Bret Buchholz, Nowak & Fraus, 46777 Woodward Ave., Pontiac, MI 48342.

Mr. Kapelanski summarized that the applicant was proposing to construct a 60,000 s.f. medical office building, which would employ about 60 people. The site was zoned O-1 Office Business, which permitted medical offices. The applicant had indicated that the facility was geared more towards outpatient procedures and surgeries, so there would be a little less turnover than a typical medical office might have. The site was surrounded on the east and west by O-1 zoning, with medical offices to the east and a vacant parcel to the west; M-59 was to the north; and there was a recreation area to the south in Troy. She advised that all reviews had recommended approval. The applicant was seeking approval of the Site Plan, a Natural Features Setback Modification and Tree Removal Permit, as well as a recommendation for a Wetland Use Permit. A parking modification of 31 spaces had been requested, and the applicant had noted the expected lower turnover at the facility as the reason for the request. 36 trees would be removed with the majority of replacements paid into the City's Tree Fund. The existing onsite wetland close to M-59 was part of a former agricultural drain and of low ecological quality, and ASTI had recommended approval of the Wetland Use Permit and Natural Features Setback Modification.

Mr. Boughton said that as he reviewed the first construction plans, it came to light that the neighboring parcel to the west had the Van Maele Drain running diagonally through the center. He believed that an onsite

drain/grading easement should be required of the applicant as part of Engineering's preconstruction checklist. That would allow the neighboring parcel to relocate the drain nearer to the M-59 right-of-way, which would allow for maximum development of the parcel in the future. Ms. Kapelanski had suggested that it could be a condition of site plan approval.

The applicants introduced themselves. Mr. Bowers stated that they were developing an ambulatory surgery center that would be approximately 60,000 s.f. and three stories. The primary materials on the building would be brick, precast concrete stone, glass and some metal accents. There would be mechanical on the roof fully screened with a metal screen wall all the way around the perimeter. The site plan contained 144 parking spaces. On the first floor, there would be an outpatient surgery center; the second floor would have a cardiac cath lab; and on the third floor would be an endoscopy center. They had done some wetlands remediation against M-59 for which they received permits. They changed the drain from a diagonal across the site to run parallel with M-59 and down the west side of the parcel. They proposed to remove 36 regulated trees, and they were providing extensive landscaping. He asked if there were any questions.

Chairperson Brnabic mentioned the parking justification that had been included in the packet. She noticed that Mr. Bowers had not mentioned the ear, nose and throat (ENT) facility or the mobile MRI, and she asked if they were still planned. Mr. Bowers agreed, and said that the MRI would sit near the main entrance off in its own screened area. The ENT would be a tenant on the third floor. Chairperson Brnabic asked if the hours of operation would be 6 a.m. until 9 p.m. Monday through Friday, which Mr. Bowers confirmed. She had also noticed, under barrier-free parking in the staff report, that eight spaces were required, but only seven were being provided. She wondered why they did not include eight spaces.

Ms. Kapelanski explained that the applicants would need to add another space, which she did not feel would be too difficult. Mr. Tulikangas agreed that only seven were shown, so they missed that, and they would incorporate an additional barrier-free space.

Chairperson Brnabic brought up the request to have fewer parking spaces. She saw that they would employ 60 people, but they included 40 smaller-sized spaces for employees and 28 out of the 144 being provided as extra spaces. She asked how they projected those 28 spaces would be used. Mr. Bowers said that they would be for a guest that drove

separately which, he claimed did not typically happen. The operation was ambulatory surgery, and someone had to accompany a patient, so it was generally a one car task. They considered the overlap of people coming and leaving at the same time, however, the majority of the spaces were for the surgery center, where patients would come and leave at different times. Chairperson Brnabic asked if that would be adequate for someone driving separately. She believed there could be several people in a family driving separately for whatever reason. Mr. Bowers said that they believed it would be adequate. They consulted the doctors who rented at their other surgery centers, and it was adequate for their needs.

Mr. Gaber said that the parking was based on how the building would be used now, and the parking was 31 spaces short. He pointed out that if the site plan was approved, there was no guarantee that the uses, and employee and patient numbers would be the same. A lot of times, medical practices moved. In the future, those extra 31 spaces might be needed, depending upon the tenant mix and what type of practices were there. He cautioned the Planning Commission that although it was what the applicant was currently intending, there was no guarantee that what was planned would happen, and that it would not change in the future if it did. He explained that he was trying to justify the shortage. If it were five or six spaces, he could understand it, but the request was for a modification of 31 spaces. He asked the applicants to address that.

Mr. Chojnacki responded that the facility was being specifically built out as a surgery center on the first floor at great cost, and he maintained that it would never be turned into anything else. If there were ten patients in a day, they would come in the morning and leave in the evening. They were confident in the amount. It was his understanding that the City was considering a new parking Ordinance, and he felt that it would be in line with that. The intent was that the entire facility would be used as an ambulatory surgery center and not to have doctor's offices there. Rent-wise, he maintained that it would be prohibitive to put in doctor's offices.

Mr. Gaber said that he understood the justification that the capital cost to build out the first floor was such that it would not be anything else, but the second and third floor could be in the future. He did not know what would happen five or ten years down the road. He was not sure how long the leases were, and Mr. Chojnacki said that they were 20 years.

Mr. Gaber had observed that there were a lot of medical buildings along there, starting with Wellpointe at Dequindre and going to John R. He saw

that not one of those buildings were built at the front setback. They were all recessed much further than that, and he believed that all but one had at least one aisle of parking in front of the building, plus a drive lane between the building and South Boulevard. He understood that the applicant had the right to develop the way it was proposed, but he did not know how it would look consistent with the rest of the corridor. He thought that the proposed building would totally stick out like a sore thumb. He asked the applicants to address the site design in that regard.

Mr. Bowers advised that there was a drainage ditch and easement in the rear against M-59, and to protect that and create a better landscaping feature in front of it, they had to pull the parking away from the property line. Without creating a parking aisle and only one sided parking, they pushed the building towards South Boulevard. The main crux of that portion of the design was to be able to use the property and protect the drainage ditch to the north.

Mr. Gaber pointed out that all the landscaping would be hidden from view at the back of the site, and there would be a bare building on the road where the traffic would be with no screening. Mr. Bowers responded that there would be quite a bit of foundation plantings there. Mr. Gaber said that it was a nice architecturally drawn building, but the front façade was very stark, with one long run of the same thing from the tower on the west to the east side. There were no architectural features or anything to break up the long expanse. He wondered if anything could be done to mitigate that.

Mr. Bowers agreed that they could add some accents to the façade to give it a little different movement, if that was preferred. Mr. Gaber felt that it needed some landscape height and architectural features. He said that he would still prefer the building to be set back, because he thought that it would look funny. He questioned having all the landscaping in the back where no one would see it, other than people parking in the lot. He claimed that no one on the expressway would notice it. He questioned the thoughts about the layout of everything, and he said that he would prefer to see something different. He also questioned the parking. He thought that 31 spaces was a significant amount for a modification request, and he was not sure he felt comfortable approving that.

Mr. Bowers said that they did discuss the building being moved forward with the planners. There were a fair amount of existing trees they wanted to save towards the rear of the property. Mr. Tulikangas agreed, and he added that the building position seemed to be beneficial towards the Tree

Ordinance requirements.

Mr. Weaver thought that Mr. Gaber was right - every other building was pushed back a bit. He observed that the landscape plan was inconsistent with the rendering, in that the rendering did not show exactly what was going on with the landscaping. He also wished to see a little more architectural pizzazz and perhaps some vertical, columnar trees to help break up the large, three-story building that would sit on top of the roadway. He agreed that 31 parking spaces was a little too much to swallow. If it was a little closer to the requirement, he might agree, but he thought that there should be a few more spaces provided.

Dr. Bowyer agreed with Mr. Gaber and Mr. Weaver about the parking. If it was just a few, she felt that it might be different, but 31 was a lot, and in the event that the building was not going to be used as proposed, they would be short of parking. She said that she did like the front of the building, but she thought that they needed more landscaping to break up the starkness. She asked if they would be putting in a left turn lane, which Mr. Bowers verified. She thought that it was a nice building.

Mr. Kaltsounis asked how many parking spaces were required, and Ms. Kapelanski advised that it was 171. In the applicant's materials, they were looking at net square-footage, which a lot of communities used. The City looked at gross square-footage, which included closets, stairwells, and basically every square-inch of a building. Based on that, the applicant would need 171 spaces. Mr. Kaltsounis noted that they were providing 144, and they estimated needing 116. Mr. Bowers explained that it was 116 plus 28 overlap spaces. Mr. Kaltsounis said that they were talking about an 18% reduction, which was probably the most the Commission had ever considered. The time they came close to that was with Lifetime Fitness, and he remarked that they were still paying for it. He asked the applicants what would happen when the building changed uses from what they hoped it to be. Mr. Chojnacki responded that whatever use went in, they would have to have enough parking, otherwise, the tenants would not want to be there. They would have to find a similar use with similar demands for parking. Mr. Kaltsounis asked if that was something they wanted to go forward with - being deficient in parking and not being able to rent the building. Mr. Chojancki stated that they were confident that the spaces they were requesting were what they needed to rent the building. He advised that the building was fully rented. They had a master lease, and it was the parking needed. Mr. Kaltsounis said that he was on the fence. He referred to the parking justification, which showed ten employees for the endoscopy lab. If there was a psychiatric facility there,

he stated that the number could skyrocket.

Mr. Kaltsounis asked how the applicants felt about the façade questions. He agreed that it was pretty straight. He liked the glass on the back and side, which was shown as brick on the other side. He asked if the corner brick could be replaced with the glass that was on the southeast corner and if trees could be added. Mr. Bowers thought that they could come up with a design that would be pleasing, where they could add a vertical element to change the look. Mr. Kaltsounis suggested that now would be the time to decide. It would be a big change in direction, and he asked what they would actually change, if necessary. Mr. Bowers said that originally, they had the southeast corner as glass to mimic the front tower. If they made that a little wider, it would break up the façade. He could speak to Mr. Tulikangas about putting some columnar, deciduous trees along South Boulevard to provide movement along the façade. Mr. Kaltsounis said that the back of the building had a lot of features and distinction, but along South Boulevard, it was straight across, and there was not much to catch the eye. He wondered what the other Commissioners thought about adding glass in the corner and deciduous trees.

Mr. Hooper said that regarding parking, the Ordinance required one space per 350 s.f. of floor area. He asked if there was an Ordinance change for that on the agenda. Ms. Kapelanski explained that later on the agenda, they would be discussing multiple-family parking. Mr. Hooper asked about the one space per 400 s.f. for non-residential, and Ms. Kapelanski said that it was for the FB district. For O-1, it was one space per 350 s.f. She felt that the applicant had alluded to the difference between net and gross square-footage. A lot of communities based parking on net square-footage. Mr. Hooper clarified that net would be where the square-footage was taken off for electrical rooms, lobbies, elevator shafts, stairwells, closets, etc. He thought that would be about 20% of the building or more. He asked the applicants if they had a rough idea. Mr. Bowers said that they had about 75% useable floor area. There was an atrium and a big vestibule. Mr. Hooper referred to sheet A1.0, which showed the west part of the building as not useable. The rest was for the recovery and operating rooms.

Mr. Hooper brought up the grading easement Mr. Boughton had mentioned. He asked if the thought process was that instead of relocating the drain on the far west side of the property that cut into the existing drain diagonally across the neighbor's property, it would be continued and shifted onto the neighbor's property. He asked if that was the purpose for

the grading easement.

Mr. Boughton said that the drain would be part of the plan for future development of the parcel to the west. It would allow the realignment to push the drain back to the north and run it parallel to M-59 along the north property line west and re-align it wherever the west property line was, to allow for the most buildable area. Mr. Hooper said that he could see that. He thought it would be good if something could be worked out with the neighbor so that the drain was shifted off the subject property line completely, and grading was done for the neighbor to the west. That would create significantly more useable area in the northwest corner that would be available for parking.

Mr. Hooper said that the thing that was unique about the proposed development was that the outlet of the drain was on the property. That was forcing non-development of the north part of the property by M-59. It was different than the properties to the east. He asked if there had been any thought about enclosing the drain rather than leaving it as an open excavation.

Mr. Chojnacki said that through their permit process, EGLE had stated that there was no way they could enclose it. Mr. Hooper considered that the drain was the driving factor as to why the building would not be placed against the north side of the property.

Mr. Boughton added that the Van Maele Drain went on a diagonal from the discharge from Spencer Park and Carter Lake across M-59. It went from northeast to southwest and then joined in with two or three parcels to the west to the drain that abutted South Boulevard. It then flowed west to west of John R and discharged to the City of Troy. Mr. Hooper said that development of the property to the west would do the same thing - straighten the drain along the northern property line and eliminate the diagonal cutting across the parcel. Mr. Chojnacki said that they would have no problem granting a temporary grading easement to the neighbor when they wanted to develop. Mr. Hooper asked if they had talked to the neighbor about regrading temporarily and having the drain on the eastern part of that property temporarily knowing that they would move their drain to the far north, straighten it out and reconnect. It would allow the applicant much more buildable area. Mr. Chojnacki agreed; he said that the problem would be getting a permit from EGLE, because they considered it a linear wetland. The neighbor would have to mitigate that and go through the permit process with the City and EGLE and work out a deal for a land bank. Mr. Hooper said that eventually, it would be what the

neighbor had to do, anyway. The diagonal outlet shown would eventually go away, which Mr. Chojnacki confirmed.

Dr. Bowyer noted that the facades of the two buildings to the east were in a similar line as the proposed building. The proposed building would be against the sidewalk, and there was no place for trees, but the other buildings had trees next to the pathway. When they talked about changing the façade to break it up, she wondered how it would be different from the other buildings which had similar styles.

Mr. Reece asked how many cath labs would be on the second floor, and Mr. Chojnacki stated that the intent was to have two. Mr. Reece asked if they would be individual or if there would be a swing lab. He explained that a swing lab was where the labs were interconnected by a partition, and patients would be moved through a lot quicker than with independent labs. That would require additional parking, because the number of patients and support visitors would increase, which was a big concern. He asked who the tenant would be on the third floor. Mr. Chojnacki said that there was one master tenant for the entire building, and they had doctor groups that would move in. There would be an ENT on the third floor with procedure rooms and a small endoscopy suite. Relative to the parking, Mr. Reece felt that it was under-parked based on his experience in doing medical facilities for almost 40 years. He thought that it would be problematic. He noted the Unisource complex in Troy, which was similar, where people had to drive around at peak times to find parking. He said that the third floor sounded like it would be more of a doc in a box type rather than a concentrated practice, and there would be more patients for that use group. To him, the building looked like it was sited backwards on the site. There would be a stark façade along South Boulevard and the entrance in the back, and he had never done a facility laid out like that. To him, a patient or visitor would not know the building until they got into the site. People would normally drive into a site and the entrance would be right there. He also had concerns about the way the building was sited, and he was concerned that too much was being crammed onto the site to meet the ROI. He did not think that they were concerned about the future parking requirements. He had issues with the parking and the way the building was sited.

Chairperson Brnabic noted that a 20-year lease had been mentioned, with one master tenant, and she asked if that was correct. Mr. Chojnacki stated that it was. She asked if that tenant could lease space to different medical providers over the years. Mr. Chojnacki said that they would enter into long-term leases with doctors that were owners of the surgery

centers. They partnered with doctors and entered into long-term leases to match the master tenant's. Chairperson Brnabic stated that she also had concerns with the shortage of parking. She knew that the applicant considered that an additional person could show up for procedures over a driver and patient, but she was not sure if 28 spaces would be enough. They showed employee spaces based on the size of the spaces, but it appeared that there would be 23 employees using the regular customer parking. She also was concerned with the possibility of changes that might be needed, and she questioned whether the Commission needed to see the plans again. She said that she would wait to see everyone else's opinion regarding that.

Mr. Gaber felt the same way that Mr. Reece did with respect to the parking and the location of the building. He did not feel that it was harmonious, and he would have a hard time approving it in its current state. He thought that having the landscaping in the rear did not do any good. There were 28 specimen trees, and only seven were being preserved. He did not think that the building made sense for the corridor, and he could not approve a modification of 31 parking spaces. For all of those reasons, he recommended that they postponed the matter to allow the applicants to consider any modifications they wished to make before coming back for approval.

Mr. Dettloff agreed with Mr. Gaber and Mr. Reece about the parking, the siting of the building and the appearance off of South Boulevard. He asked if the operation would be affiliated with a health care provider in the local area or it would be a totally independent group. Mr. Chojnacki said that it would be an independent group. Mr. Dettloff asked if a 20-year lease was signed or if it would be signed. Mr. Chojnacki stated that it was signed. Mr. Dettloff referred to Ascension and Beaumont, for example, and he asked how the interaction between those facilities would work with the proposed facility. Mr. Chojnacki said that there would not be direct interaction. The idea was that the doctors could come to the facility and do cases. It would be an easier and better environment for the patients. There were a lot of procedures that could be done outpatient, and more and more of them were being done that way. Their focus was on ortho/spine, pain management and cardiology. It would not be a typical general surgery center, and certain practices would be the primary focus. Mr. Dettloff asked if a Beaumont doctor could use that facility, which Mr. Chojancki confirmed.

Chairperson Brnabic asked for a show of hands in favor of a postponement, and she saw all hands raised. She stated that some

changes needed to be made, and she was sure the applicants were taking notes of the concerns.

Dr. Bowyer asked how many parking spaces would be needed for the portable MRI, and if it was going to be there five days a week. Mr. Bowers advised that it would not take up any parking spaces; it had its own slot in front next to the generator. Dr. Bowyer asked if it would look like a portable trailer, and if it would be there permanently. Mr. Chojnacki said that it would look like a trailer, and it would be on a route so that it would be there one day a week depending on demand. Chairperson Brnabic reminded that there would be three employees for the MRI, so employee parking would be needed.

Mr. Kaltsounis agreed with the other Commissioners. He felt that there were a lot of challenges, and one of the biggest was in regards to the drain. The drain would open some parking spots. He agreed with Mr. Reece about his evaluation, because he had built a lot more hospitals. Seeing a plan where the second and third floors were empty did not give Mr. Kaltsounis confidence in the numbers, and he felt that was shared by the other Planning Commissioners. There were a few items that needed to be worked on before the applicants came back. Hearing no further discussion, he moved the following:

MOTION by Kaltsounis, seconded by Reece, in the matter of City File No. 20-009 (Rochester Hills Surgery Center), the Planning Commission ***postpones*** the requests for a ***Tree Removal Permit, Wetland Use Permit, Natural Features Setback Modification and Site Plan*** until the next available meeting.

Chairperson Brnabic opened the Public Hearing at 7:55 p.m. Seeing no one wishing to speak and no communications received, she closed the Public Hearing.

A motion was made by Kaltsounis, seconded by Reece, that this matter be Postponed. The motion carried by the following vote:

Aye 8 - Brnabic, Dettloff, Gaber, Hooper, Kaltsounis, Reece, Bowyer and Weaver

Excused 1 - Neubauer

Chairperson Brnabic stated for the record that the motion had passed unanimously. She said that the Planning Commission hoped to see them again soon with the changes as discussed.