

## **Planning Commission Minutes – August 18, 2009 Meeting**

### **Discuss Revisions to City Place PUD – Located north of Hamlin, East side of Rochester Road:**

*(Reference: Memo prepared by Derek Delacourt, dated August 14, 2009 and proposed amendments and Site Plan, prepared by Bruce Michael of Ojibway Development Partners, LLC had been placed on file and by reference became part of the record thereof.)*

*Present for the applicant was Bruce Michael, Ojibway Development Partners, LLC, 6631 Emerald Lake Drive, Troy, MI 48085, Mark Drane, Rogvov Architects, 30800 Telegraph Road, Bingham Farms, MI 48025 and Bill Gilbert, G&V Investments, 2565 S. Rochester Rd., Rochester Hills, MI 48307.*

*Mr. Delacourt advised that Staff had many conversations with the applicant over the last several years. In 2003, the City worked with the applicant on a mixed-use, dense PUD development north of the Bordine's site (City Place). The project approved was for office, residential - townhouses, condos - and seven live-work, four-story, commercial buildings along Rochester Rd. There was a standalone Fifth Third Bank developed as part of phase one, which was constructed. The City went through many processes with the development, from rezoning the underlying parcels to B-2, to rezoning to PUD to approving the Site Plans. The need to rezone the underlying zoning at the time was the impetus for the City to change its PUD Ordinance so that was no longer required.*

*Mr. Delacourt continued that Mr. Gilbert appeared before the Planning Commission subsequently to discuss a revised development option, which did not go through. Since that time, Staff had been talking with Mr. Gilbert about re-valuing the PUD to provide him flexibility going forward in this marketplace. They discussed the elevations, utilities, building footprints and other things in the original PUD and about replacing them with flexible standards to help market the site, while protecting the City to still get a high-quality development. Staff was not sure, without re-negotiating the PUD, how to accomplish that.*

*Mr. Delacourt recalled that since the original approval, the Master Plan and Zoning Ordinance had been updated to include flexible use districts. Those districts allowed properties to have mixed uses with certain design guidelines and standards, but they did not require the detailed drawings a PUD did. They would like input about moving the development forward based on a revised PUD, using the flex use one standards for portions of the site. The applicant would also like some of the flexibility of the PUD that would not be allowed under the flex use districts. He noted that there was a retail development proposed for the southwest corner of the site that the applicants would like to develop under the flex two standards. He summarized that 90% of the site would be tied to the flex one with any negotiated, additional protections or flexibilities, and a small portion of the site would be tied to flex use 2 with the same negotiated protections. Staff had discussed this to the point where they felt it was a valid plan to bring forward. They*

*felt it met the goals of the applicant to be able to re-market the site, whether in total or in phases, and developed under the flex districts, it would reflect a high quality development for the City. They felt that the best vehicle to use would be a revised PUD.*

*Mr. Anzek added some history about the site, particularly for the Commissioners who were not on at the time the process was approved. In 1996 or so, the subject property, the Bordine's property and the land to the north (Cavalier Office Building) were all identified in the Master Land Use Plan for mixed-use developments. It was that basis that supported the City Place PUD and the redevelopment of Bordine's. He felt that mixed-use for this corridor still applied. He believed that the key to successfully planning the area was to look at it holistically. They should not look at just the corner or one of the other pieces. Staff had always talked about making sure there would be access to and from all the remaining parcels. They would not want to do something that would hinder the rest of the site, and they needed to look at this as a whole, even though it could be developed gradually. Mr. Gilbert's previous plans were very exciting, but the buyers did not happen for him. He aggressively marketed the site, but nothing came to fruition.*

*Mr. Drane discussed the previous project, and said that it seemed like a good idea at the time. It was a very high quality development, but it was not very flexible. It went to market in 2004, but no one took hold of it, and then the market declined. Since then, the City had developed a form based zoning district with flexible business districts. The idea was to create districts that were not so compartmentalized. Previously, the PUD spelled out where everything went. He agreed that they would like to develop something more flexible that would work for everyone, using the PUD and the flex districts.*

*Mr. Kaltsounis stated that the PUD was based on the historic home on the site. He asked what was going on with the house.*

*Mr. Michael said that the house was still there and still not occupied, and they had to come up with a solution for the house. The original PUD showed the house being moved to the south end of the site.*

*Mr. Gilbert did not believe the PUD was predicated around the house - it was just there. Mr. Kaltsounis recalled that the PUD was based on certain criteria. Mr. Gilbert agreed it was a part of it, and they had to deal with the Historic Districts Commission, but he did not believe the motivation was centered around the house. Mr. Anzek clarified that the PUD was the tool to accommodate a mixed-use development.*

*Mr. Kaltsounis recalled that in 2003, the applicant showed pictures from one end of the room to the other to show what the development would look like, and he saw a world class development that he would not mind in his City. A few years later, another applicant came before the Commission with a proposed apartment complex that was significantly vinyl-clad. It went from one end of the spectrum to the other, and it was not accepted very well. He understood that the economy was bad, and that they might*

*have to meet in the middle, but he would like to see a world class development again. Regarding utilizing a rezoning to flex districts, he said he would be happy to see that done because they worked hard on the flexible business areas, and he would like to see them put to good use. He thought it would be a very good development, and he did not have a problem with flex two for the corner, or any issues with the proposal.*

*Mr. Delacourt said that for the previous PUD, there were negotiations over what every elevation would look like, where the streets would go, etc., and revising it would allow it to be reworked with flexibility, and allow those issues to be put off until the individual Site Plans came in. It could be one Site Plan for the entire site or individual plans submitted in conformance with the flex districts. The controls afforded the Planning Commission, including design, architecture, materials and other things, would be evaluated at the time of the individual Site Plan review.*

*Chairperson Boswell referred to the plan Mr. Michael had submitted, which showed a cross section of a road parallel to Rochester. He asked if that would be the location of the road. Mr. Michael said it was a general route; the intention was to provide an internal access road that would connect the entire property and to provide an access point into Bordine's. Mr. Delacourt advised that Staff would request that the PUD Agreement indicate a located access road, as approved by the Planning Commission.*

*Mr. Reece asked what kind of feedback they got from the market, in good times, as to why the initial proposal did not work.*

*Mr. Gilbert expressed that there was no one more disappointed than him. They spent years putting it together and negotiating it and tens of thousands of dollars in drawings, booklets and engineering. They tried to market the vision they had, which was supported by the City. One of the main problems was that a credible buyer would have to buy the entire 24 acres because it was so specific. The plans showed what could go where, and it was overwhelming. The mixed-use was a problem for financing. The maintenance was hard to work out for residential above retail or office. It became too confusing, and they found that because there were single-family, multiple-family, office and commercial builders, and they had predetermined the design for them, that it did not work. They tried to market it for years. There were people that wanted to do things in Rochester Hills. 60,000 cars went by that site a day, but people were looking for two to four acres to do something, so he could not even discuss it. The new districts were a blessing. They had been talking regularly with Planning about how they could move the project forward and market the property. With the flex districts, it would be perfect, and good for them and good for the City. He did not see how anyone in the neighborhood, and they had met countless times with the neighbors, could not agree to a development that was less dense and less in height. They were willing to give that up to get flexibility, which they did not have now. He added that they had been doing business in Rochester Hills for over 30 years, and they always had architectural control over everything they developed.*

*Mr. Michael stated that Detroit was not Chicago. Mixed-use buildings were done in Chicago with impunity everywhere, and they were successful. A lot of developers had multiple capabilities, but Detroit had never really been that way, except in some downtown areas like Royal Oak or Birmingham. Most developers did not have expertise in all the different land uses as needed for the mixed-use buildings. They did one type of development, but there were not many people in the market who had done mixed-use developments. They did not live as intensely as they did in Chicago or New York. With the new proposal, they would still have all the uses, but they would be able to pull them apart in separate buildings, which would allow different developers to get involved.*

*Mr. Dettloff agreed that it would be the perfect tool to allow the project to move forward. He mentioned that he recently attended an event where he heard glimmers of hope. Mr. Gilbert said that the way the market was going, it would be a lot easier for him, when things did turn, to get a builder to put his toes in the water and buy a four-acre parcel behind a bank, for example, than to try to market 20-plus acres.*

*Mr. Dettloff asked Mr. Gilbert if he had any potential prospects surfacing that showed a strong interest in the proposed uses. Mr. Gilbert said that Mr. Michael had an option on some of the property. A little while ago he talked to a plastic surgeon who wanted to build a place to do surgery, and it would be perfect as part of the project. There was a lot of vacant office in the City, but it was tired space. People liked new and exciting and up-to-date designs to work in. He believed that what they had to offer, almost a half a mile of frontage, was tremendous exposure, and it was very valuable. It was midway between two hospitals and a-mile-and-a-half from downtown Rochester. Mr. Michael's client wanted to move forward, and getting feedback was the first step, and then they would work on a document that addressed the concerns to satisfy the City. They were actually asking for less rather than more.*

*Mr. Dettloff asked if the financing end was secure. Mr. Michael said that the group he represented was very strong, and they could just write a check. They had interested end users, which really drove financing more than anything in today's market. Mr. Dettloff agreed that it sounded very positive.*

*Mr. Hooper said that he supported the overall concept and using the flexible use districts, but he remarked that the devil was always in the details. He recalled that the PUD was used because it offered the opportunity to bring in the mixed-uses. The adaptive use of the historic home and reduced curb cuts were used as the criteria to use the PUD and the overlay for the property. Going forward, he wondered if they really needed to use a PUD.*

*Mr. Gilbert said there was one area that needed relief. In the PUD, they proposed a minimum number of units of up to 300, so it was very dense. They had relief in several areas to get that, such as setback and buffer requirements from the wetlands. They would reduce the density and volume of the buildings, but still keep the relief for other*

areas. If there was a meeting of the minds and they had an outline, they would let the lawyers put the details together.

Mr. Delacourt indicated that it would be simpler to use the PUD. There was an underlying B-2 zoning with a flex business two overlay over the entire site. That was put in place to support the PUD. They did not want to have to amend the City's Master Land Use Plan and go through the rezoning process. If the Planning Commission was willing to look at this option, Staff felt it was the simplest way to do things. The PUD could be written to acknowledge the changes, and it would be the most straightforward.

Mr. Hooper said that he was all for reducing the four stories, and he felt it was positive for all the reasons heard. He thought that they would hear comments about being overbuilt and already at capacity, but it would be new and exciting stock. He mentioned that his dentist moved to the second floor of the Boulevard Shoppes because it was less expensive and a better building. Mr. Gilbert agreed that people liked new. He recently met someone who wanted to buy a new house in Rochester Hills, even though there were many deals on homes. There were not many new developments in town, except perhaps Country Club Village, but he said that would change, and there would be a market again. They were encouraged because Mr. Michael sought them out. They agreed to try to work through the process to get a project. Mr. Hooper added that he hoped they kept the architectural treatments like the Fifth Third Bank had - brick and limestone - which he felt was a very positive look. Mr. Gilbert agreed that it did come out great, but he said they probably went a little overboard with the first building of the development, with all the detail, and by trying to hit a market when everyone was saying it was way over the top.

Mr. Michael said that they had already established the architectural style for the corridor, and they would take a key from the Fifth Third Bank building.

Mr. Anzek reminded that there would be protections in a PUD. They had played devil's advocate, and they knew if they used the FB overlay, the applicant could start splitting the property and there could be demands for curb cuts. Staff felt that a PUD would be the best way to ensure that there were minimal curb cuts. There would be other questions, but he felt that the PUD protected and provided better flexibility. Mr. Gilbert added that they also discussed the possibility of getting a traffic light to line up with the street across Rochester, which he felt made sense. Mr. Anzek said that it was a moving target with MDOT, but Sandalwood was the only location they would approve a signal.

Mr. Schroeder said that he had liked the idea of the residential/commercial uses as a buffer, but it did not work. They had to go with the flow and get something that did work. They should get direction and proceed with the process, because a lot of detail had to be worked out, and it would not be worked out at the meeting. He agreed with the proposal.

Chairperson Boswell agreed with Mr. Schroeder, and he asked the applicants if they had gotten everything they needed from the Commissioners.

*Mr. Delacourt said that Staff had, and they would begin discussing it and including the residents. He was aware that there would be issues - Historic District issues, the flex two commercial, for example. Based on the input, he heard that the process was one they should move forward. He concluded that they would start to work out the details and provide drafts for the Commission to review.*