



Rochester Hills

Minutes

Planning Commission

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Chairperson Deborah Brnabic, Vice Chairperson Greg Hooper
Members: Susan Bowyer, Sheila Denstaedt, Gerard Dettloff, Anthony Gallina, Marvie Neubauer, Scott Struzik and Ben Weaver

Tuesday, April 19, 2022

5:30 PM

1000 Rochester Hills Drive

CALL TO ORDER

Chairperson Brnabic called the Special Worksession to order at 5:30 p.m., welcomed attendees and explained that City Council recently placed a six month moratorium on development using the Flex Business overlay districts due to growing concerns in regard to building height, location and density. Although there are other items included in the packet the primary item for the worksession will be discussion of the Flex Business overlays. She welcomed the new Planning Commissioners, Anthony Gallina and Sheila Denstaedt. She also welcomed Jill Bahm and Joe Tangari from Giffels Webster, who will be guiding the discussion tonight.

ROLL CALL

Present 8 - Susan M. Bowyer, Deborah Brnabic, Sheila Denstaedt, Gerard Dettloff, Anthony Gallina, Greg Hooper, Scott Struzik and Ben Weaver
Absent 1 - Marvie Neubauer

Others Present

Sara Roediger, Planning and Economic Development Director
Kristen Kapelanski, Planning Manager
Jennifer MacDonald, Recording Secretary

PUBLIC COMMENT

There was no public comment regarding non agenda items.

DISCUSSION

[2022-0209](#) Zoning Ordinance Amendments Work Session - Giffels Webster

Ms. Roediger said that to ensure enough time to dig deep into the FB Moratorium, a special worksession was warranted rather than a discussion at a normally scheduled meeting which tend to get filled up with the business of the City. She explained that the worksessions are a chance to informally discuss areas of the ordinance that should be tweaked, and since there are a number of people in attendance from the public who want to speak about specific properties, the plan was to walk around the City geographically and look at the various FB overlay areas. She noted that the commissioners each have a map of all of the FB locations in the City. She commented that when reviewing the

various sections, if anyone from the public wants to speak about that particular area they can speak at that time. She cautioned that the intent is not to get too deep in discussion on any one property; however, she acknowledged that it is important to allow the property owners to provide their thoughts.

Residents in attendance said that they want to understand the process and procedures for future meetings. Ms. Roediger replied how tonight's meeting goes will be reviewed, and based on that review it will shape the next worksession.

Ms. Bahm explained that this discussion will be informal and they would take questions during the presentation. She said that in addition to the FB discussion they want to introduce the consolidation of several other zoning districts. She noted that they've looked at expanding some uses to allow more flexibility. She explained that an overlay district is a new set of standards that goes on top of the existing zoning districts, and it is a way of making changes to the ordinance without actually rezoning a property. An overlay is an option, and is a tool that's used in communities all over to allow for flexibility of uses, or to have a unified set of standards where there might otherwise be different standards, between office and business/retail zoning for instance.

Ms. Bahm explained that the intent section of the zoning ordinance explains what we are trying to accomplish with the set of standards. She stated that something to keep in mind as the conversation progresses is that the intent is to encourage and incentivize the redevelopment of older commercial properties, to enhance property values, improve the overall appearance of the City, and permit a wider range of uses including residential uses, with careful consideration of appearance, design, function, and providing public spaces that are walkable and take into account traffic impacts. In the 2018 Master Plan, as Giffels helped the city through that process, two themes came up again and again - the need for more housing choices, primarily from older residents in the community who commented that as they think about retiring or downsizing there are not a lot of options to stay in the City, and secondly the issue of traffic. With the FB overlays, the provisions provide some ways to address those items, to provide more housing options, and to create more walkable areas and therefore alleviate the need to drive as much.

Ms. Bahm said that there are some opportunities to refine these standards, focusing on some of the larger sites. She explained that the intent is to frame the discussion about some of the locations as places where the kind of mixed use envisioned could be accommodated. She stressed that today the intent is to target locations. She stated that they are suggesting consolidating the three overlay districts, FB-1, FB-2, and FB-3, which escalate in intensity, and instead look at having one district. She commented that we might consider removing the designation from some already developed sites or some that are unlikely to be developed in the way that is envisioned. The designation could be removed from sites that are landlocked and cannot integrate with surrounding uses in a way that is meaningful or would not create a walkable area. She offered that at future meetings we can talk about the uses, street design standards, and some of the design and landscape provisions. Ms. Bahm provided an overall map showing the properties currently zoned FB, and said that the discussion will go

by sections. She stated that they'd like to think about areas that are underutilized or areas that are likely to be redeveloped in the next 3-5 years.

Ms. Roediger asked if there is interest to start with the properties that members of the public are here about. She directed attendees to the map showing the area of Rochester Rd., south of downtown Rochester. She said what we attempted to do was to show the logical groupings of parcels and how much acreage was there, thinking about what could be developed there, and whether there is the mass or the likelihood of some of these parcels really coming together for development. She pointed out that on Cloverport a residential property that is concerning residents has the FB overlay. She explained that Rochester Road was one of the main corridors where we wanted the FB; however, if some of these individual properties don't make sense to have the overlay then we could consider removing it off some of the parcels.

Resident Jeff Gabrielson from 301 Cloverport said that he doesn't believe that the intent of the FB overlay district was to allow for a road to be constructed on a residential property in their subdivision to access the industrial property located to the south. He stated that there would be many safety issues if this was allowed.

Another resident said the City has not been able to provide a reason why the FB overlay was added to this particular parcel, and if a road was allowed it would allow a commercial development to dump out onto an unpaved residential road.

Dr. Bowyer said that you will see that elsewhere a house might be surrounded by commercial properties. She asked why it was decided that one property was FB-1 and one was FB-2.

Ms. Roediger responded that at the time, the thought was most likely that they were transitioning the intensity. She explained that the main difference between the various overlays is building height permitted. She said as to why this was done for the Cloverport property, it was probably that they were squaring it off. She asked the commissioners if they have thoughts on this parcel, and whether the overlay could just be removed from it.

Dr. Bowyer said it would make sense to remove it off of both of the back properties and just square it off, so it would stay on the General Business zoned properties.

Mr. Weaver asked if property values would be reduced with the removal of the overlay from some properties.

Ms. Roediger responded that she didn't think so.

Chairperson Brnabic asked for confirmation that the auto dealerships have an FB-3 overlay.

Ms. Roediger said that is correct. She said that although there has been thought of consolidation, the first thought should be what areas are appropriate for this type of development.

Mr. Hooper asked if there are any issues with removing the overlay on certain properties, and suggested there should be minimum parcel size requirements in order to be able to use the overlay, suggesting possibly three acres.

Ms. Roediger responded that we have a legal opinion from City Attorney John Staran. She noted there would still always be a right to develop with the underlying zoning.

Staff and the commissioners discussed the possibility of two or three acre minimum acreage requirements.

Ms. Kapelanski commented that something to keep in mind is that even with a smaller parcel that doesn't meet the minimum acreage, they would have the option for an FB development if they combined with adjoining parcels.

Ms. Roediger asked if there is any opposition to removing the overlay and shifting the line to the east, so that parcels which don't have Rochester Rd. frontage will not have the FB. She said that on the east side of Rochester Road there were some people who wanted to extend the overlay back further; however she pointed out that there has been a straight north-south line established already and suggested keeping the line where it is seems to make sense. She asked for any comments.

There was some discussion of the industrial property that backs to Cloverport and whether the FB overlay should be added there. Ms. Roediger said that would allow for a potential multi-family residential development.

Mr. Struzik said that if he lived there he would rather back to a residential development than an industrial one.

Mr. Hooper cautioned that we want to be careful about spot zoning.

Ms. Roediger responded that is still an industrial corner, and she noted that gyms are allowed in industrial zoning. She asked whether that location is the right place for a large industrial property. She added that the FB overlay gives some options for development that are probably more desired than an industrial development.

A resident asked if adding the FB overlay on that property would give them the same problem that they are trying to avoid, and asked what would the impacts to the neighborhood be. She asked if commissioners were in agreement that the overlay should be removed from the residential lot on Cloverport.

Ms. Roediger said that the challenge with that site is that the City will not allow a residentially zoned property to be used for nonresidential uses. With the property to the south of Cloverport zoned Industrial, it could not be accessed through other properties on Rochester Rd. that are not zoned Industrial. She suggested that neighbors probably would not want to see an industrial development there. She said in being realistic about what could be constructed there, if the FB overlay was added then hopefully it could be included as part of

an adjoining FB property for development. She noted that it seems to be the recommendation to be taken forth in the future is to remove the overlay from the lot on Cloverport, and also to extend the overlay north to cover the industrial parcel.

Ms. Bahm noted there is a hard line to the extent of the FB overlay on the east side of Rochester Rd., and it would be the same on the west side.

Ms. Roediger said that we need to think about the future. With regard to the property at the northwest corner of Avon and Rochester, she explained that if they wanted to redevelop the industrial property to apartments for instance, it would handicap them by not allowing that flexibility of use. She stated that it would make sense in that location, and stressed that it depends on the market.

Ms. Roediger pointed to the next map for Auburn Road.

Bruce Michaels with Three Oaks Communities and a representative from Rochester Housing Solutions stated that they are a real estate developer with a unique housing mission. He explained that they only develop for-sale residential communities that include housing for developmentally disabled adults along with the general public. He discussed their history and noted that they developed another project in Saline, and stated that their plans combine attached condominiums with detached condominiums on the same parcel. He said they've had many discussions with City staff about this project for over a year and they have presented preliminary plans. Very recently they found out about the moratorium and they are stuck since they have people that have committed to purchase some of these units. They are here to see if this is the kind of project that the commissioners would be OK with or not, and to also find out if they can keep the process moving in processing this application.

Ms. Roediger said that she indicated to Mr. Michaels that the moratorium states that the City cannot process any plans or expend resources reviewing plans. She stated that hopefully the Planning Commission can provide a sense of what their thoughts are for this type of development. She commented that we wouldn't want to have them wait six months to find out that we would remove the overlay from that parcel. She stated that they are presenting a creative way to accommodate more dense development along Auburn Road and provide this new type of use for the community.

Mr. Struzik asked what would be the maximum height permitted under the FB and the number of floors for this development.

Mr. Michaels responded that it theirs would be two stories.

Mr. Struzik said he wouldn't want a four story building in that area. He commented that he likes the idea of not allowing the heights that we see of Rochester Road be allowed on Auburn Rd. He said that it would not be too drastic if there was a transition with the higher density on the main road.

Dr. Bowyer asked what the density of this project would be.

Mr. Michaels responded that the overall density would be 6 units per acre, with nine units per building, and five buildings.

Mr. Dettloff asked how many detached units there would be, and Mr. Michaels responded eleven.

Mr. Hooper commented that with the wetlands and other conditions he thought the applicant may not be able to get that kind of yield out of that particular property.

Ms. Roediger said with regard to the big picture, it looks like there is an agreement for two stories especially along the south side of Auburn. She pointed out one area on the map, and noted that we've struggled with particular parcels noted in blue, and explained that a number of things have been proposed there. She explained that it is now zoned O-1 which is very limiting in what is allowed. For the future, she explained that we've talked about consolidating O-1 and B-1 to open up more possibilities. She noted that particular section might be a good candidate for FB as well. She pointed out that anyone who has driven by that greenhouse in the last decade would see that it could use an incentive to be redeveloped. She said it sounds like we're good at keeping the properties with the overlay in this quadrant as shown.

Mr. Dettloff asked how things that are currently in the pipeline are proceeding, from a developer's standpoint, or if they are frozen now due to the moratorium.

Ms. Roediger responded that anything that was a formally submitted application with the fee paid will be allowed to continue through the process.

Mr. Michaels stated that they have put a lot of work into the project but had not formally submitted plans for review. He asked if there was any way that their parcel would be presented to be released from the moratorium at the next City Council meeting.

Ms. Roediger said that she didn't know how that would be possible since there will be changes to the FB district provisions once the moratorium is finished. She said there have been many discussions of potential developments using the FB overlay provisions. She asked if there was anyone else present from the public here to speak about a specific property.

A resident stated that he lives in Albert Terry house, a historic home near the intersection of Auburn Rd. and Livernois, and he explained that they are not part of the surrounding neighborhood. He sees the changing of the overlay now to be more of a taking in his property value. Even if someone wants to turn it into a museum type setup or a park, for the property value alone it takes it from having a land value of about a million dollars as being able to be commercial developed, losing the overlay and allowing only single family value would drop his value to only \$350,000.

Ms. Roediger said that this would be discussion for the Planning Commission. She stated that the question is in this intersection does it make sense to keep the overlay. If the answer is yes, then the next question is to what extent. She

mentioned that this quadrant is going to be pretty intense, and also to the north. She pointed out that there could be potential redevelopment of the gas station if we kept the FB overlay there.

Dr. Bowyer said that she likes the way this is now with the FB-1 and FB-2 on it, and she doesn't want to see more stories there. The commissioners agreed the overlay should be kept in this quadrant.

Mr. Struzik commented that where the overlay abuts the residential neighborhood it should allow for no more than two stories.

Ms. Kapelanski asked whether the gas station parcel and the parcels around it, even if combined would they be large enough to support any sort of FB development.

Ms. Roediger stressed that if a two or three acre minimum is defined for development, then the overlay can remain and they would not meet the requirement to develop using it.

Ms. Kapelanski suggested that the overlay could be extended in this area. The commissioners discussed removing it from a property near that intersection and adding it to another.

Mr. Struzik commented that gas stations will be going away in coming decades, and he would like to see them to have the ability to develop into something different. He said he would not like to see vacant gas stations sitting on corners for long periods of time.

Ms. Roediger responded that this is why another memo is included about eliminating the B-5 zoning district. She explained that the goal also is to change the underlying zoning to get rid of the B-5, however she stated that this is another discussion to be had. She noted we are adding to a parcel at this intersection and not taking away.

A resident suggested that if commissioners are just squaring properties off would it end up with the same issue as on Cloverport but in another location.

Ms. Roediger said that is why the review will be parcel by parcel, to ensure that the zoning is not arbitrary. She commented that we'd like to see this gas station change someday, and at 0.8 acres that is not going to happen. She stressed that we'd like to give them some options with additional land. She commented that we're being very sensitive to the nearby residential properties.

Mr. Struzik said that the kind of things that we want to get rid of are the situations like the overlay permitting the road through the residential street like the Cloverport situation. He stated that they want to encourage redevelopment of gas stations, to allow them to redevelop 5 or 10 or 15 years sooner than they would have otherwise.

Ms. Roediger commented that we do not want to create islands of density that do not make sense.

Chairperson Brnabic asked if this would allow for gas stations to be flipped over in 5-10 years to electric vehicles.

Ms. Roediger said that with the B-5 district these properties are pigeonholed so that they can only develop for automotive uses. She commented that what if a restaurant wanted to come in at that location, and she noted that this redevelopment would be encouraged. She pointed out that there would be conditional use requirements for gas stations so that they would not be popping up all over town, but it would open up options for other uses. She mentioned the Avon and Rochester development, and stated that this was allowed only because of the FB overlay.

Chairperson Brnabic said she is aware of many stations within the city that have moved to update and renovate their stations and added to their convenience stores, over time became nonconforming, and the ZBA has granted variances so those stations can continue to operate.

Ms. Roediger said that we're not looking to phase them out, but to provide opportunities if they want to develop otherwise.

Chairperson Brnabic questioned the status of the Speedway at Avon and Rochester and whether it is moving forward at all.

Ms. Kapelanski explained that they are taking a pause as there was a change in ownership; however they should be moving forward as she heard from them this week.

Ms. Roediger asked if there was anyone else in attendance at the meeting looking to discuss a particular property. There was no additional public comment.

Mr. Michaels asked when the moratorium ends. Ms. Roediger responded that the second reading was approved last Monday, so the moratorium would run for six months after the publication date of the ordinance.

Discussed

ADJOURNMENT

The worksession was adjourned at 6:53 p.m. prior to the start of the regular Planning Commission meeting.

*Deborah Brnabic, Chairperson
Rochester Hills Planning Commission*

