



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

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Legislative File No: 2024-0161 V2

TO: Mayor and City Council Members

FROM: Chris McLeod, Planning Manager, ext. 2572

DATE: March 21, 2024

SUBJECT: Request for conditional use approval for Lifetime Fitness (LTF Club Operations Company, Inc.) to allow for on premises alcoholic beverage consumption at 200 W. Avon Road, located on the north side of W. Avon, west of Rochester Road.

REQUEST:

Approval of a conditional use to allow for on premises alcoholic beverage consumption at Life Time Fitness (LTF Club Operations Company, Inc.), located at 200 W. Avon Road, zoned primarily I Industrial District and in part NB Neighborhood Business District.

BACKGROUND:

The applicant has filed for a Conditional Use Permit to serve and consume alcohol for the existing Life Time Fitness center. Alcoholic beverage sales for on premises consumption, accessory to a permitted use, requires a conditional use permit in the I Industrial District along with the NB Neighborhood Business District. The applicant is not seeking a quota license, they are proposing to transfer a liquor license that was previously assigned to Whole Foods. The City's Liquor License Committee met on the license transfer on Wednesday, March 20, 2024 and unanimously recommended approval of the license.

The applicant, LTF Club Operations Company d/b/a Life Time Fitness, have operated in the City for a number of years at their current location. Life Time Fitness has approximately 200 locations across the United States, and approximately 70 of those have alcohol sales, similar to the request being made. However, none of those sites that currently serve alcohol are located within the State of Michigan. The Rochester Hills location would be the first and likely the only location within the State that would be operated in this manner. It should be noted that Life Time previously applied for a liquor license which was ultimately not granted (see attached minutes from 2016 and 2017).

The application indicates that sales would occur in two main areas of the building/site. The first sales area would be the indoor café, which has a seating capacity of approximately 150 persons. The second area for alcohol sales would occur in the outdoor bistro area. This area has a dedicated seating area and would also service the larger outdoor seating areas that surround the outdoor pools and other activity areas. The stated capacity of these areas is approximately 600 persons. Therefore, based on the noted service areas, the total seating capacity where alcohol sales would be available would be 750 persons.

The application indicates that intended alcohol sales would be seven (7) days a week from 10:00 a.m. to 10:00 p.m. However, at the Planning Commission meeting, the applicant indicated that alcohol sales would occur during a shorter timeframe each day. The applicant indicated that sales at the indoor café would cease by 8:00 p.m. (the same time the café closes) and the outdoor sales would cease between 7:00 and 8:00 p.m. as the pool closes at 8:00 p.m. The applicants have provided backup material relative to the signage that would be installed around the building/exterior spaces, typical drinks that would be served, food menu, etc.

The issuance of the conditional use permit is a discretionary decision by the City Council based on five general criteria contained in Sec. 138-2.302 of the Zoning Ordinance as follows, which are included in the resolution:

- 1) *Will promote the intent and purpose of this chapter.*
- 2) *Will be designed, constructed, operated, maintained, and managed so as to be compatible, harmonious, and appropriate in appearance with the existing or planned character of the general vicinity, adjacent uses of land, the natural environment, the capacity of public services and facilities affected by the land use and the community as a whole.*
- 3) *Will be served adequately by essential public facilities and services, such as highways, streets, police and fire protection, drainage ways, refuse disposal, or that the persons or agencies responsible for the establishment of the land use or activity shall be able to provide adequately any such service.*
- 4) *Will not be detrimental, hazardous, or disturbing to existing or future neighboring land uses, persons, property, or the public welfare.*
- 5) *Will not create additional requirements at public cost for public facilities and services that will be detrimental to the economic welfare of the community.*

The Planning Commission recommended by a 7-1(1 absent) vote to recommend denial of the conditional use based on several findings as reflected in the attached documentation, at its March 19, 2024 meeting. Please refer to the attached Planning Commission minutes for further details. At the meeting there was one (1) resident who spoke in opposition of the request. The Planning Commission also received several emails leading up to the meeting that were in opposition of the request. The main issue raised by those residents was the potential for noise and the proximity of their homes in the new Groves development adjacent to Life Time.

RECOMMENDATION:

Finding that the proposed request to allow sales for on premises alcoholic beverage consumption does not meet the criteria of the Zoning Ordinance, the Planning Commission recommends that City Council denies the conditional use for Life Time Fitness, to allow on premises alcoholic beverage consumption, located at 200 W. Avon Road, File No. PCU2024-0002, subject to the findings and conditions noted in the attached resolution.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
Deputy City Clerk		

Contract Reviewed by City Attorney Yes N/A