

memorandum

DATE: August 30, 2022
TO: Sara Roediger, Planning and Economic Development Director
FROM: Jill Bahm & Joe Tangari, Giffels Webster
SUBJECT: Zoning Issue Discussion – FB Districts

Previous Discussion/Actions

- **August 16, 2022.** A public hearing was held at a regular meeting of the Planning Commission. The PC approved a motion to recommend that the proposed amendments be adopted by City Council with the following changes:
 - Uses: Remove self-storage from use list.
 - Places of interest: Add a conservation area option to the “places of interest.”
 - Landscape standards: Clarify that landscape and buffering requirements will be applied based on the use, rather than the underlying zoning district.
- **August 10, 2022.** A public open house was held at City Hall and approximately 40 people attended. Several Planning Commissioners were present and, with staff and consultants, had dialog with property owners of FB-designated parcels as well as adjacent to FB parcels. Poster displays provided an overview of the process and changes; an overview presentation was provided about 30 minutes into the open house and general questions were entertained. The forum allowed for people to have one-on-one discussions and offered opportunities to provide comments, either in person, on comment sheets or via the QR link to an online questionnaire. Those comments are provided separately.
- **July 25, 2022.** The Planning Commission and City Council had a joint meeting to discuss the draft zoning changes to the FB district standards. There was general support for the changes proposed and no changes were identified.
- **July 19, 2022.** The Planning Commission reviewed the revised amended FB district text. The following changes were made, based on Planning Commission direction:
 - The intent statement was enhanced to further make clear that redevelopment associated with the FB district standards will ultimately reduce previously developed impervious surfaces, which benefits users of the site as well as the natural environment.
 - The requirement for a primary entrance to face a street in the “lawn frontage type” has been removed.
 - In Section 138-8.601 Places of Interest, the “art installation” place type has been removed.
- **June 14, 2022.** The Planning Commission discussed proposed setback changes and agreed to increase the setback for buildings over two stories in height. There was general agreement on the proposed changes to larger sites accommodating up to four stories (with conditional approval). Additionally, there was consensus on the new places of interest section. Some Planning Commissioners asked for an increase in desirable building materials.
- **April/May 2022:** Over the past two Planning Commission workshops, discussion has focused on specific properties with the FB overlay designation. Staff has prepared maps and charts that

summarized the Planning Commission's direction to add/remove parcels (**see attached FB Overlay District 10+ Acre Parcel Map**). Generally, the word "density" has been used also to describe the concern over recent development. As we have noted previously, "density" may represent more of a symptom of standards than an actual standard to address. It is often the case that the certain number of dwellings per acre or square feet per lot can look and feel different based on the form of the development. Based on what we've heard from Planning Commissioners, the issues appear to be related to building height, especially when adjacent to single-family homes, a lack of open spaces within developments and parking in multiple family developments (which was addressed in 2021).

- **January 31, 2022:** At a joint meeting of the Planning Commission and City Council in January of this year, commissioners and council members discussed some of the concerns over developments using the FB overlay. City Council set a moratorium on development applications using the FB overlay option to allow the Planning Commission time to study the concerns and refine the ordinance as needed.

The remainder of this memo is from the introduction of the topic to the Planning Commission and is provided here as background information.

Introduction

Along with discussions about non-residential uses, conversations with staff have addressed the need to review the FB districts to see if the original intent of the districts is being achieved. As such, this memo provides a review of what uses are permitted and at what intensity, and can serve as a starting point for a discussion of the level of street, site and building design standards desired, and which parcels are appropriate for form-based standards.

Master Plan

The 2012 Future Land Use Map included three Business/Flexible Use categories to accommodate a range of residential, office, and commercial uses as standalone uses, or within mixed use buildings or areas. The descriptive text that supported those categories was included in the 2018 Master Plan. The general intent is "...to encourage the introduction of additional uses into existing commercial areas...in each flex area." These areas then would allow for non-commercial uses on commercial sites or provide for the wholesale redevelopment of commercial site in accordance with the intended uses in each flex area. The envisioned mix of uses included residential, public, institutional, office, business and personal service uses, and retail; these uses could be located within "single-use or mixed-use buildings or within a mixed-use area or site designed as an integrated development."

Per the original concept (2012), the flexible use areas are intended to serve two functions:

1. To substantially correspond with conventional uses and development patterns of the five business zoning districts, B-1 through B-5, typically located along arterial or collector roads and at major intersections. These conventional areas typically include a range of old and new commercial, service and office developments that do not contain residential uses.
2. To provide "responsiveness and incentive" for property owners to redevelop older commercial developments, specifically, with a wider range of uses and "careful consideration of appearance, design and function with the ultimate goal of encouraging the redevelopment of older commercial sites in order to enhance property values and the overall appearance of the City."

Future Land Use Map

The Master Plan includes a future land use map that shows the Residential Office Flex primarily at intersections. Commercial Residential Flex 2 and 3 are found at intersections and also along the Rochester Road corridor, south of the City of Rochester.

Zoning Districts & Permitted Uses

The Zoning Ordinance provides for three Flex Business Overlay Districts. The standards are optional and allow all of the uses permitted in the underlying district as well as additional uses intended to allow more flexibility. Standards are form-based, meaning they regulate building form and design in order to create public spaces with a specific character.

The ordinance includes considerable provisions for street types, “street networks and blocks” and street design. There are also standards for interior streets as well – these include a “main street” and “minor street.” These standards would apply with a large-scale development; this suggests the assembly of parcels is envisioned.

The FB districts also include building design standards that regulate façade transparency, building materials, building height, and encroachments. Building heights are regulated as follows:

- FB-1 District. 2 stories or 30 feet.
- FB-2 District. 2 stories or 30 feet. Heights may be increased to a maximum of 3 stories or 45 feet with:
 - At least 100 feet of frontage on Rochester Road
 - Building setback of at least 100 feet from any single-family residential zoning district located outside of a form-based overlay district
 - Building setback 50 feet from any other conventional zoning district located outside of a form-based overlay district.
- FB-3 District. 3 stories or 45 feet. Heights may be increased to a maximum of 4 stories or 60 feet with:
 - Rochester Road frontage
 - Building setback at least 125 feet from any single-family residential zoning district located outside of a form-based overlay district
 - Building setback at least 75 feet from any other conventional zoning district located outside of a form-based overlay district.

Additional uses are defined in the FB section. These include dwellings in mixed-use buildings and live/work units, all of which are permitted in each of the FB districts. There are a few other uses that are permitted in the FB districts that are not permitted in other underlying districts, including one-family detached dwellings (permitted in FB-1 and conditional in FB-2), essential services, public parking, non-commercial recreational facilities and “educational uses,” such as schools and vocational training. General commercial uses and indoor recreation uses are permitted in the FB districts; they may be permitted in the underlying districts.

Of note in these provisions is the ability for the Planning Commission to provide waivers of certain requirements, which the Planning Commission has tended to grant, as in many instances the specific requirements don’t make sense for an isolated property being developed under the FB overlay. Section 138-8.604 includes a process and criteria for modification.

Discussion

The Planning Commission has reviewed several projects in the FB districts over the years as listed in the table on the following page. Many of them have been residential developments that allowed for more units than may have otherwise been permitted in traditional districts. Several projects have included a request for modification from the standards. The Planning Commission has expressed some concerns with these requests and it may be time to re-evaluate the standards.

Constructed, Approved and Proposed Flex Business Developments

Project Name	Square Footage/# of Units	Project Status
Bebb Oak	94 units, 10,245 sq. ft. retail & 3,503 sq. ft. drive-through restaurant	Proposed
Avon & Rochester Mixed Use	26,575 sq. ft. retail/office with drive-through	Approved
Priya	172,779 sq. ft. senior living	Approved
North Row	20 units multiple-family	Approved
Tienken Traillofts	12 units multiple-family	Approved
RH Trio	125 units multiple-family, 10,500 sq. ft. retail & 10,500 sq. ft. office	Under construction
Cedar Valley	86 units multiple-family	Phase 1 constructed
Culver's	4,062 sq. ft. drive-through restaurant	Constructed
First State Bank	6,100 sq. ft. bank with drive-through	Constructed
Genisys Credit Union	3,528 sq. ft. credit union with drive-through	Constructed
Goddard School	10,992 sq. ft. day care	Constructed
KLM Bikes	2,280 sq. ft. retail addition	Constructed
Winchester District Redevelopment	146,105 sq. ft. retail	Constructed
Pines of Rochester Hills	50 units assisted living	Constructed
Steinmart	5,590 sq. ft. retail addition	Constructed
Stonecrest	100 bed senior living	Constructed
Silver Spoon	3,986 sq. ft. restaurant	Never built

Given the available properties identified on the future land use map and zoning map, and the number and size of parcels likely to redevelop, the FB districts could be consolidated and simplified. Areas outside of the Rochester Road corridor may no longer need the FB designation. The Rochester Road corridor and some of the other areas may benefit from flexibility with respect to land uses; however, there may be few parcels that could see the level of redevelopment envisioned by the Master Plan/Zoning Ordinance. The Bordine's site may be one such location, the Ferber site another – and these redevelopments could potentially be better served by identifying the specific standards that apply to larger sites. This combination of strategies would encourage redevelopment in the corridor at a scale that may be more appropriate and tailor zoning standards to match the practical aspects of how this corridor developed over time.

The FB districts could be consolidated into one set of flexible zoning standards that accomplish the following:

- Set a minimum lot size for parcels to qualify for FB district flexibility
- Allow for a mix of residential and commercial uses
- Refine standards for allowing the additional story (3 or 4 stories as currently allowed) – with setbacks from single-family residential districts and defined “public benefits” provided by the project, such as:
 - LEED accreditation to encourage sustainable building and site design
 - Additional public amenities geared at encouraging walkability, like street furnishings, bike racks and enhanced landscaping.
 - Integrated non-residential uses that support local residents like offices, retail and restaurant spaces.

Update the “outdoor amenity space” standard. This term is not defined in the ordinance and the standard states a “minimum area of 2% of the gross land area of the development” is required but that “the emphasis of the amenity space requirement is on the quality rather than the quantity of the space.” An alternative could be to better illustrate what is intended by this standard, which is likely intended to reflect placemaking elements within a site. Reframing this standard as “Places of Interest” reflects the type of spaces that are intentionally and integrally designed to serve users of the site as well as passersby. A “menu” of options could be added to help define the range of places of interest. Such options could include: boardwalks, green spaces, plazas, and outdoor dining.