



Rochester Hills

Minutes

Planning Commission

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Chairperson William Boswell, Vice Chairperson Deborah Brnabic
Members: Gerard Dettloff, Dale Hetrick, Greg Hooper, Nicholas O. Kaltsounis,
David A. Reece, C. Neall Schroeder, Emmet Yukon

Tuesday, November 19, 2013

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

Chairperson William Boswell called the Regular Meeting to order at 7:00 p.m. in the Auditorium.

ROLL CALL

Present 7 - William Boswell, Deborah Brnabic, Gerard Dettloff, Greg Hooper, David Reece, C. Neall Schroeder and Emmet Yukon

Absent 2 - Dale Hetrick and Nicholas Kaltsounis

Quorum Present

Also present: Ed Anzek, Director of Planning and Economic Dev.
James Breuckman, Manager of Planning
Maureen Gentry, Recording Secretary

APPROVAL OF MINUTES

2013-0412 October 15, 2013 Regular Meeting

A motion was made by Brnabic, seconded by Schroeder, that this matter be Approved as Presented. The motion carried by the following vote:

Aye 7 - Boswell, Brnabic, Dettloff, Hooper, Reece, Schroeder and Yukon

Absent 2 - Hetrick and Kaltsounis

COMMUNICATIONS

A) Planning & Zoning News dated September 2013

NEW BUSINESS

2013-0171 Public Hearing and request for a Recommendation of an Amended Planned Unit Development Agreement - City File No. 98-047.2 - City Walk - to add a proposed mixed use building on the east side of the site at the southeast corner of

Rochester Rd. and Tienken, zoned Flexible Business, FB-2, with a PUD Overlay, Parcel No. 15-11-103-009, Aragona Properties, Applicant.

(Reference: Staff Report prepared by James Breuckman, dated November 15, 2013 and First Amendment to the PUD Agreement had been placed on file and by reference became part of the record thereof.)

Present for the applicant were Paul and Francis Aragona, Tienken Partners, LLC, 37020 Garfield, Suite T-1, Clinton Township, MI 48036.

Mr. Breuckman noted that the Staff Report gave an overview of the request for a recommendation to amend the Planned Unit Development (PUD) Agreement for City Walk. He briefly summarized some of the proposed changes: Increasing the permitted restaurant use percentage for the total square-footage of buildings - currently it was limited to 25%, and they proposed moving that to 35%; adding upper-story residential units as a permitted use - currently, there were no residential uses allowed; and allowing signage changes, which would be tied back to the City's Sign Ordinance and to signs allowed in the FB-2 Overlay district. He noted that this district was adopted after the PUD was approved. FB-2 had some specifically tailored sign types that were more geared toward walkability - that is, being more legible to a pedestrian than to a driver in a vehicle. Mr. Breuckman reminded that the development was intended to be walkable, and the applicant would like the ability to use some of the applicable sign standards allowed in FB-2. Mr. Breuckman continued that with the addition of residential units, the parking needed to correspond, and that was at a rate of 1 ½ spaces per unit. Also, the applicants would like the ability to ask for approval for up to a four-story residential building. He advised that there were some height standards and step back requirements from property lines for taller buildings, and taller buildings that exceeded the height limit in the B-2 district would require a Conditional Land Use Approval (Public Hearing at Planning Commission and approval by City Council).

Mr. Breuckman pointed out that the applicants were not seeking approval of a particular Site Plan at this point; they were just seeking the ability to come back with a plan in the future. He advised that the City Attorney had reviewed and approved the proposed amendment, and he noted that there was a motion recommending approval to City Council in the Staff Report. He said that he would be happy to answer any questions.

Chairperson Boswell asked the applicants if they wished to add anything. Francis Aragona offered that he would turn it over to the Commissioners, and said that he would also answer any questions.

Mr. Reece mentioned that as he had stated previously when the Aragonas were before the Commission, his company had done work for City Walk, and he wanted to point that out for the sake of full disclosure and leave it up to the Commission as to whether he should recuse himself. He noted that his company was not currently under contract with the development but might choose to pursue a project if the opportunity arose.

Chairperson Boswell asked if the Commissioners had any comments. He suggested that at some point at a later date there might be a project, so he did not see a reason that Mr. Reece had to recuse himself. He heard no objections from other Commissioners.

Mr. Schroeder clarified that the parking would be 1 ½ spaces per unit for the residential, and said that it did not appear that would be enough. He asked if that included the parking under the building. Paul Aragona agreed, and said there was one space planned per unit underneath the building, and the other half per unit would be surface parking that existed on the site currently. He advised that one-third of the units would be one-bedroom, and two-thirds would be two-bedroom units. He added that even with the new parking requirements, they were over parked. The surface parking would be undefined, and they might later come and ask for carports at the back of the building, but they were very confident that they had sufficient parking for future residents and the commercial tenants in the center.

Mr. Hooper asked if the units were contemplated as apartments or condos. Paul Aragona answered that they would be apartment rentals. Mr. Hooper asked if the matter was approved and moved forward, if the applicants could provide a profile view with the Site Plan showing the elevation of the proposed building relative to the tree lines on the east and south side of the property and the adjacent homes. He would like to see the height to get a good feel for the mass and size. Paul Aragona agreed that it was important to understand the proximity and physical separation between the buildings. Mr. Hooper asked if he could presume that there would be three stories of residential for the economies of scale. Paul Aragona agreed that was exactly why they needed sufficient density - to overcome some of the economics. Mr. Hooper commented that the devil would be in the details, and they would have to see how the mass appeared on the site and to the adjacent residential properties. They would also have to provide the appropriate screening measures so it was compatible with the neighborhood and surrounding area.

Ms. Brnabic mentioned that the last time the applicants appeared before the Commission, they proposed building up to three stories or 50 feet, and she asked if it had changed to four. Mr. Paul Aragona said that it was always four. It was always three stories of residential over one story of commercial and parking. Ms. Brnabic referred to the Minutes from that meeting, where 50 feet was discussed by Mr. Hooper.

Francis Aragona said that it had not really been defined. When they approached the Commissioners back in April, there might have been a bump out of one or two extra units on a fifth story. When he worked with Staff, because they were not sure on the number of stories, they came up with the calculation in the language in the Agreement. Ms. Brnabic said that she realized it was a PUD, but she questioned whether there was no limitation on height, noting that the proposed height would not necessarily fit under B-2 zoning.

Mr. Breuckman agreed, and said that in this case, the applicants were asking for the ability to go up to a total of 70 feet, which a PUD would allow. He explained that the underlying zoning standards could be altered with a PUD. He noted that for reference, the FB-3 district allowed for taller buildings, and the site was not FB-3, but it was anticipated that there would be the same setback. What was being proposed was that at the 50-foot setback, there was a 30-foot height limit. Every foot higher, the setback would be increased by one foot for a portion of the building that went taller. The building would be increasingly set back as the building got taller to make sure it had the same relationship to the property line in terms of the height. That was the mechanism by which the height would be offset.

Ms. Brnabic clarified that normally in B-2 or FB-2, the height limitation would be 30 feet or two stories, and FB-3 would be three stories or 45 feet.

Mr. Dettloff wondered how quickly the Commission would see a Site Plan, assuming the matter was recommended to City Council and approved.

Paul Aragona said that they had been working on one all along, and if approved, they would step up their efforts to get it before the Commission. He indicated that one of the big hurdles he had was construction financing. They received construction financing for their Royal Oak project, but in that area, the rental rate structure of the market was high enough to justify new construction, and there were enough comps. They did not have that in Rochester, and they were lacking comps in the higher-end rental market. What they did have on the site was an existing

two-story section where they would put in seven apartments to create that market, so he could show appraisers and banks that they could generate those types of rent levels in somewhat of an urban, mixed-use setting. They were highly confident that the market existed, or they would not be spending the time and treasury that they had on the project. Having lived in the area for the last 30 years, they knew there was a sufficient market for a Class A-type apartment on a long-term basis. They had to do a two-step process in building and renting the units and show the lenders it was doable.

Mr. Dettloff referred to the restaurant side, stating that they would generally pay more rent. He observed that from working with downtowns, such as Royal Oak and Birmingham, and even Rochester had more restaurants. He asked if they saw a strong demand for that. Paul Aragona responded that they very much did, especially in the north side of Rochester Hills. The subdivisions were dense, and there was still new construction and increased traffic counts. Their Bar Louie was one of the best in the chain, doing fabulous sales. He felt that a lot of it was because they lacked competition from similar-type restaurants. In other areas they were, such as Novi and Clinton Township, they had much more competition. He could tell from concepts like that there was still a need for additional food choices at that intersection.

Mr. Dettloff asked if they would still look for that type of concept versus a fast food restaurant. Paul Aragona agreed that it would be more of the casual concept, smaller-type uses, such as an Orange Leaf rather than Bar Louie. He commented that Bar Louie was great; he just did not know if he could have a second one because of parking considerations. Mr. Dettloff asked if they were at or close to 100% occupancy, and was told that there was one 1,720 square-foot unit left. The applicants were thrilled with the mixes after all these years. Mr. Dettloff congratulated the Aragonas, recalling the pains and struggles they went through to get there. He thought that the mixes were very good and a compliment to the community. Paul Aragona also felt that the residential would substantially solidify things on a long-term basis.

Mr. Schroeder mentioned the second floors where they planned to add apartments. Paul Aragona explained that there was one second-story section that existed currently by the Orange Leaf restaurant. It was about 6,000 square feet, and they had not been enthused by the type of uses that had come forward to rent that. They felt that it had great potential for residential units. They would have a loft-type look with exposed steel grid ceilings, large windows and the right feel for that type of mixed-use

environment. Mr. Schroeder asked if the entrances would be at the back of the stores. Paul Aragona said they would be in the back and front. The front entrance existed already, which connected to a hallway that led out to the back. It was well lit and a very nice-looking entrance. There was an elevator and a stairway for emergency egress already existing. He added that the building would be fully sprinkled.

Chairperson Boswell advised that amendments to a Planned Unit Development required a Public Hearing, which he then opened at 7:23 p.m. Seeing no one come forward, he closed the Public Hearing.

Hearing no further discussion, Mr. Schroeder moved the motion in the packet, seconded by Mr. Dettloff:

MOTION by Schroeder, seconded by Dettloff, in the matter of City File No. 98-047.2 (City Walk PUD), the Planning Commission **recommends** that City Council **approve** the First Amendment to the PUD Agreement, dated received October 22, 2013, with the following five (5) findings.

Findings:

1. The proposed amended PUD agreement is consistent with the proposed intent and criteria of the PUD option.
2. The proposed amended PUD agreement is consistent with the approved Final PUD plan.
3. The amended PUD agreement will not create an unacceptable impact on public utility and circulation systems, surrounding properties, or the environment.
4. The proposed amended PUD agreement promotes the goals and objectives of the Master Plan as they relate to providing varied housing for the residents of the City.
5. The proposed agreement provides for an appropriate transition between the subject site and existing land uses to the east of the property.

Chairperson Boswell asked if anyone wished to add conditions. Ms. Brnabic asked if there was residential to the south of the development. Francis Aragona clarified that there was residential to the east, and that there was an elementary school to the south. Ms. Brnabic asked what the

setback requirement would be from the residential. Mr. Breuckman advised that the minimum setback would be 50 feet. Ms. Brnabic questioned whether the setback would be increased to at least 100 feet if there were four stories. Mr. Breuckman explained that the buildings that Staff had seen in concept had more of a podium style, so the first couple of stories would be 50 or 60 feet. At that point, the 30-foot height limit would not be exceeded. The building would step back so the taller portion would have a greater setback. That was the purpose of the sky plane requirement - to require a greater setback for the taller portion of the building. The answer to Ms. Brnabic's question was yes and no, so Ms. Brnabic amusingly thanked Mr. Breuckman.

A motion was made by Schroeder, seconded by Dettloff, that this matter be Recommended for Approval to the City Council Regular Meeting,. The motion carried by the following vote:

Aye 7 - Boswell, Brnabic, Dettloff, Hooper, Reece, Schroeder and Yukon

Absent 2 - Hetrick and Kaltsounis

Chairperson Boswell stated for the record that the motion had passed unanimously, and said that he hoped to see them back soon.

DISCUSSION

2008-0053 Architectural Design Standards - James Breuckman, Manager of Planning

ANY OTHER BUSINESS

NEXT MEETING DATE

Chairperson Boswell reminded the Commissioners that the next Regular Meeting was scheduled for December 17, 2013.

ADJOURNMENT

Hearing no further business to come before the Planning Commission, and upon motion by Mr. Reece, Chairperson Boswell adjourned the Regular Meeting at 8:20 p.m.

William F. Boswell, Chairperson