

*and meetings on elements of the Master Land Use Plan Update, and further discussion and opportunity to be heard was had on August 7, 2012, September 18, 2012, October 23, 2012, November 12, 2012, and April 30, 2013 ; and*

**WHEREAS**, *the Planning Commission held a public hearing in accordance with the procedures of PA 33 of 2008, as amended, on April 30, 2013 at the Municipal Offices of the City of Rochester Hills at 1000 Rochester Hills Drive, Oakland County, Michigan, and said plan was on display before the public hearing in accordance with PA 33 of 2008, as amended.*

**RESOLVED**, *that the Planning Commission of the City of Rochester Hills on this April 30, 2013 hereby adopts the Master Land Use Plan Update for the City of Rochester Hills; and*

**BE IT FURTHER RESOLVED**, *that the Plan in its final form be adopted, attested to and transmitted to the Mayor, City Council and City Clerk of Rochester Hills, the Oakland County Register of Deeds and the Oakland County Board of Commissioners.*

**A motion was made by Schroeder, seconded by Kaltsounis, that this matter be Adopted. The motion carried by the following vote:**

**Aye** 7 - Boswell, Brnabic, Dettloff, Hooper, Kaltsounis, Reece and Schroeder

**Absent** 2 - Hetrick and Yukon

## DISCUSSION

**2013-0171** City Walk Mixed-Use Concept - City File No. 98-047.2 - discuss proposed use for a proposed building at the City Walk Planned Unit Development at the southeast corner of Rochester Rd. and Tienken, zoned Flexible Business, FB-2, with a PUD Overlay.

*(Reference: Memo prepared by James Breuckman, dated April 25, 2013 and concept plan had been placed on file and by reference became part of the record thereof.)*

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

*Mr. Breuckman advised that the applicants had approached Staff with an idea for an approved retail footprint at City Walk to do a true mixed-use building. They were proposing residential over retail. Staff thought it was intriguing and brought it to the Planning Commission for a discussion to get input. He asked Mr. Aragona to talk more about the proposal.*

*Mr. Paul Aragona stated that the original vision for City Walk included about 100,000 s.f., and it was built out except for the subject pad. The pad was originally 40,000 s.f. of the 100,000 s.f. of retail that was planned. A Sherwin Williams building at 4,000 s.f. went into the 40,000 s.f. building, leaving 36,000 s.f. of possible retail. He stated that they had created a walkable development. There were many services on the site that residents could enjoy, and traffic continued to grow at the intersection and to the north. He maintained that in the immediate area, however, there was a lack of rooftops into the intersection. Everything was held back several hundred feet in each direction, which kept population out of the center. He stated that it was unfortunate, because there were a lot of places that could be walked to and a lot of services - a pharmacy, bank, child care and restaurants, for example. They could add more retail, although it was not the strongest market. Their center was a community center, not a retail environment. It was community-based and served the needs of the radius around it. They thought that by adding a mixed-use component, they could get more residents who could directly enjoy the multitude of services, not only at their development, but at the intersection. There were churches, playgrounds and the trail, all within a couple of minutes. They wished to explore the possibility of putting in a mixed-use apartment/retail building. There would be about 66 units. They intended to have the majority of the first floor as parking for the units above. There would be controlled entrances, and the parking could be accessed by an elevator. They thought it was very important to have at least one parking space per unit.*

*Mr. Aragona noted that the building configuration would be similar to one they were developing in Royal Oak on Main St. He showed the elevation for the building, which also had about 5,000 s.f. of retail. The coloring would be similar to what was already at City Walk. He said that he would be happy to answer any questions.*

*Mr. Reece thought he should recuse himself from the discussion from the standpoint that his company was involved with the original development of City Walk, and this would be a project his company would potentially be interested in looking at in the future.*

*Chairperson Boswell said that it was a discussion item, and that Mr. Reece had a perspective that a lot of the other Commissioners did not. Mr. Dettloff said that he had no problem with Mr. Reece participating. Mr. Hooper agreed that he had no problem. Mr. Kaltsounis agreed it was only a discussion item, and Chairperson Boswell said that if the Site Plan*

*came back before them, they would review it at that point, but he did not see a reason why Mr. Reece needed to be recused.*

*Mr. Breuckman clarified that the proposed building would be four stories. He had asked the applicants to add a cross section to interface with the single-family behind the building. It could be a concern, and they wanted to get a handle on how the relationship worked.*

*Mr. Hooper welcomed Mr. Aragona. He asked if there were any limitations regarding height in the current PUD, noting that 50 feet was being proposed. Mr. Breuckman did not believe there was a height limitation. It was handled on the Site Plans and elevations, so the PUD referred to the Site Plan, and the Site Plan established the building heights. Mr. Aragona added that the Site Plans had to meet the Zoning Ordinance. Mr. Hooper asked if the Ordinance allowed three stories. The proposed building would have a flat roof, but Mr. Hooper was not sure if 50-feet would comply with three stories.*

*Mr. Hooper recalled that two similar projects had come before them - Lorna Stone at South Boulevard and Adams and City Place on the east side of Rochester Rd. They were both approved but never built. Both developers ended up saying there was no market for residential over retail. He asked what had changed.*

*Mr. Aragona said that things had changed quite a bit. The luster for housing had fallen off, and it did not have the appeal it did in the past. Apartments were enjoying the highest occupancies they had ever seen, and rents were increasing fairly dramatically. The biggest change was in demographics. There was a small percentage of a large group of people in Rochester Hills that were not being served. They were looking for more of an urban environment, a higher-end apartment, and a walkable development, and Rochester Hills lacked in those kind of products. Developers had been working on greenfields with suburban zoning regulations and things got built low rise and in large groups. He stated that there was a need for a Class A type unit. It appealed to a small percentage, but the area had 80,000 residents in that primary marketplace.*

*Mr. Hooper asked if the apartments were projected to be all rentals. Mr. Aragona agreed, but he did not think it precluded condo-ing them later and selling the units. The apartments would have a condo feel and would be more deluxe. They would fit the economic demographic of a couple-mile radius. Mr. Hooper asked the price point. Mr. Aragona said*

*it would be \$1,600-2,300.00 per month. They would appeal to a small group, but it was one that was not being served.*

*Mr. Hooper said that the plans submitted showed a fairly boxy building, but the one in Royal Oak showed more detail, with balconies and accents. He asked if they submitted a building for approval if it would have a lot of detail. Mr. Aragon said they would have balconies, and they would fit the character of City Walk. They would use the same type of materials, including stone, steel and metals.*

*Mr. Kaltsounis asked how long it had been since Mr. Aragona had been in front of the Planning Commission. Mr. Aragona thought it was about five years. Chairperson Boswell commented that the intersection worked very well. Mr. Kaltsounis realized they would not get a stilt structure, but he stated that the type of building submitted would be important, and he said that it would be interesting to see what they proposed. He thought they would have to consider rentals versus condos in the future, and it would have to be spelled out in the PUD. He did not know what the rules were. Mr. Aragona advised that some of the buildings had been sold off - Walgreen's and Sherwin Williams, although he still maintained the common areas.*

*Mr. Kaltsounis remembered some years ago that Farmer Jack was an option for City Walk. Mr. Aragon corrected that they never had grocery proposed. Mr. Kaltsounis said that they had to determine whether they wanted a big box or apartments. As Mr. Hooper had mentioned, there had been several proposals that never came to fruition, but Mr. Kaltsounis stated that the dynamics were very different today. He would not mind seeing apartments in that area. He concluded that apartments did not bother him, and he would be interested to see what happened.*

*Mr. Aragona claimed that traffic would be cut down. It would be 66 units versus 44,000 s.f. of retail. The population would be far less than with all retail. He noted that the building was their big box, and in today's market, it was one of their most difficult depths (100 feet deep) to work with. They would be committed to larger format tenants that did not want to pay much, and the stores did not look so good after a while. Mr. Kaltsounis said that the City was running out of space, and they had to think of options to bring people into the City while keeping it green, and the proposal would be a potential option. Mr. Aragona related that 66% of new retail developments today were in mixed-use or had a mixed-use component. People wanted to live close to the services that retail provided and be closer to amenity-rich areas.*

*Mr. Dettloff thought that Mr. Aragona had done a great job filling in the center. He agreed that the big box was a thing of the past, and that it was a real concern in the market. He thought the time was right for a development like the proposed. He commented that Mr. Aragona was coming in at a perfect time, and Mr. Dettloff agreed it would fill a void. With the medical schools coming in, he thought the apartments would catch a lot of that attention. He clarified that the building Mr. Aragona had in Royal Oak was for apartments, not condos. Mr. Aragona said that apartments for them were the most stable investment in real estate over time. Mr. Dettloff observed that a project like the apartments would generate activity at the sites across the street, and he was excited to see it evolve.*

*Ms. Brnabic asked Mr. Aragona if there were any vacancies currently in City Walk. Mr. Aragona said there were just a couple, but that most of it was rented. Ms. Brnabic noted that Walgreen's was the original anchor, and Mr. Aragona agreed that it was. Ms. Brnabic mentioned that he sold Walgreen's. Mr. Aragona said there was a land lease, but they later decided to sell the land lease portion. Ms. Brnabic asked Mr. Aragona if he thought that one parking space per unit would be adequate. Mr. Aragona explained that there was additional parking around the perimeter of the site. Ms. Brnabic brought up that Mr. Aragona said there was a small, select group that wanted an urban feel, and she asked for a little more input about that group. Mr. Aragona said that in the neighborhood that existed currently, there were a fair number of early nesters, and a lot of singles and professional people that had delayed getting married, which was probably the biggest group. They would not get empty nesters usually. They would be working professionals for the most part who worked within a couple of miles. Ms. Brnabic asked if there would definitely be a demand for that type of unit, considering the high price range. Mr. Aragona believed it was an underserved market.*

*Mr. Reece said that based on the elevations, he liked the excitement it would generate. He would be concerned about a couple of things. At that price point, he asked Mr. Aragona if he saw that people might want certain amenities like a pool or workout facility within. Mr. Aragona said that the area would provide the amenities. People would have a gym membership, etc., and look outside of the building for services. He said that a pool was not typical for a mid-rise building, and he did not believe people would expect one.*

*Mr. Reece thought the project was akin to the development in downtown*

*Rochester Rd. on the east side. There was a three-story building with retail on the ground floor with apartments or condos on the upper floors. There were balconies that faced Rochester Rd. Mr. Aragona said that those had about a dozen units, and they were renting for the same money. Mr. Reece said that if he was a young professional living in the area but did not want to locate downtown, Mr. Aragona's units would be the type he would be looking for. Mr. Reece agreed that the market had changed, and they were seeing significant improvements in the residential market. He thought that there was a strong demand for the units based on the way the economy was coming back. There was opportunity for it to generate some further interest across the street, and he thought that would be great, because he indicated that it needed some life blood.*

*Mr. Schroeder said the Commissioners would appreciate it if Mr. Aragona considered looking into a LEED or green building. It would be nice if it had a green roof that residents could utilize. He asked why there was a gap between the Sherwin Williams and Mr. Aragona's building.*

*Mr. Aragona said that it was for a back alley access for what could be an additional 5,000 s.f. building, similar to the Sherwin Williams. He noted that there was interest from food uses.*

*Chairperson Boswell thanked Mr. Aragona and said he could see that there was enthusiasm for the project, and they planned to see him soon. He asked if any of the Commissioners were against 50 feet for the height. Mr. Hooper said they would have to see how it came out. His concern was that the requirement was three stories for that zoning, although three stories could be close to 50 feet. Mr. Breuckman advised that the base height was 30 feet. Mr. Hooper said that with the pitch of the roof, it could be higher. He did not want to run into a buzz saw later on. Mr. Aragona said that they would explore with Staff what the most efficient way to do it would be. They had not really looked at that side of it much - that is, the PUD and the current zoning. Mr. Reece felt that it would be a function of the elevations and what they did with the design work. It could make it appear less overpowering from the street level. Mr. Breuckman noted that the homes to the east did have deep rear yards, which acted as natural buffering. There were a lot of trees, and some landscaping was planted along that property line to supplement. Mr. Aragona agreed that they added a continuous line of evergreens. Mr. Hooper said that it would come down to the renderings and what the actual view looked like.*

*Mr. Schroeder suggested that Mr. Aragona might want to contact the*

residents before it became a surprise at a public meeting. Mr. Hooper agreed it would be a smart idea to talk with the people on Courtland. They could explain the concept and remind people that there were 50-foot tall trees there. Mr. Aragona agreed, and said they could also point out the alternative, which would be commercial. Mr. Hooper thought people could not ask for better neighbors as far as it being quiet.

**2013-0172**

Small Area Planning - Ed Anzek and James Breuckman, Planning and Economic Development

*(Reference: Memo prepared by James Breuckman, dated April 25, 2013 and article from the Washington Post dated April 22, 2013 had been placed on file and by reference became part of the record thereof).*

*Mr. Anzek and Mr. Breuckman presented the next item. Mr. Anzek stated that he and Mr. Breuckman had been talking with the Aragonas for four to six months on different things they could do. Staff determined that they probably were at a point in the City's progression that they had to begin to think differently about redevelopment. They had heard about the changing market and dynamics. Mr. Aragona's situation was not new. Staff had been approached by the owners of Hampton Village about reinventing and moving the commercial buildings around and adding residential. It might also happen at the Bordine's site. Allowing residential above retail and other things without changing the identity of the community was something he felt that they needed to have a frank and candid discussion about. He stated that Rochester Hills was a great community, and it was the best one he and his wife had lived in. Staff did not want to change much of it, but they were seeing changes in the marketplace. They read about award-winning projects in other communities that were attracting people. One of the biggest questions was how they would keep attracting people to Rochester Hills. It was largely a community of big lots and single-family development. The schools would continue to attract people, but they had concerns that it was not enough. He felt that they could incorporate some new things into redevelopment. They needed to do some things a little beyond the norm, and he stated that it all started with small area planning. There were some small areas that Staff had identified that did not function that well. They wanted to develop concepts to incentivize those areas to get financial commitments. They would have to do some creative things, not just traditional development patterns. He and Mr. Breuckman wanted to have a discussion about some of the issues they were looking at and to introduce what could be considered radical change. He did not think it was radical, but it was different. As with the discussion about Mr.*