

NEW BUSINESS

2024-0521 Master Plan 2024

(McLeod Memo of 11-13-24, Giffels Webster Memo of 11-13-24, Giffels Webster Memo of 11-11-24 - Supplemental Information provided for the meeting, Home Sales Statistics by Neighborhood dated 11-12-24, PC Worksession Draft Minutes of 10-15-24, and PC Worksession Minutes of 9-17-24, 7-16-24, 6-18-24, 5-21-24, and 3-19-24, and PC-CC Joint Minutes of 1-29-24 had been placed on file and by reference became a part of the record thereof.)

Present were Jill Bahm, Julia Upfall, and Ian Hogg, representing Giffels Webster, the City's planning consultant.

Mr. McLeod thanked everyone for attending and noted that this is the halfway point of the Master Plan process. He stated that the goal is to try to find the ultimate direction of the Master Plan that will guide the development of the actual document moving forward. He explained that the Plan document will be finalized over the spring and summer and stressed that there will not be anything decisive this evening as this is a work in process not set in stone. He mentioned that the agenda should have included the Giffels Memo of 11-11-19 which was emailed to the Commission earlier and Council earlier today and provided tonight in hard copy and apologized for its omission. (Memo was attached to the Legislative File as Supplemental Information for the record after the meeting).

Ms. Bahm stated that they enjoy the opportunities to have joint meetings between the Planning Commission and City Council to share what has been discussed along with things that they have wrestled with over the past several months. She explained that the Planning Commission is the body that has the authority to prepare and adopt a Master Plan, and after much discussion this is the opportunity to take a pause and check in with Council and get a pulse for what they are feeling. She stated that the Planning Commission has seen this information over the last several months; however, this will be fresh information for Council.

She explained that at the beginning of the year, it was discussed that the process will be a little different for this cycle. She stated that neighborhood identities were created based around high school boundaries; and she noted that when people want something, they tend to want it in their neighborhood. She commented that when talking about the Master Plan, they are thinking about five main community factors: Housing, transportation, natural features, community health, and the economy.

Ms. Bahm explained that the Master Plan process took a broad approach to collecting input from the communities. She noted that an initial survey was undertaken, presentations made to the HOA Presidents and the Youth Council, met with residents at the OPC Senior Center, and small group discussions held

twice. She added that community toolkits went out and three were returned. She stated that they want to know what things are important to Council and the Commission.

She pointed out that it is interesting that five years ago top issues discussed were housing, particularly for empty nesters and how people could not find something to downsize into, congestion, and deer. She commented that deer was not mentioned this time at all, housing is still an issue, and instead of congestion they heard more of a demand for walkability. She mentioned that this is something that they are hearing in other communities as well, and it has been a shift over the past five years. In answer to a question, she defined walkability as something that can be for people who want to walk for exercise or to get somewhere; and include walking or biking. She commented that when thinking about improving walkability, there needs to be sidewalks and pathways; and that they need the physical infrastructure but it needs to be safe, comfortable and convenient.

Ms. Bahm noted that breaking down into neighborhood groups stems from the idea that not everything will be right for every part of the city. She mentioned planning filters which are like the guiding principals that were in the last plan, such as remembering that the desire is to be an age-friendly community, and helping address the needs of older members of the community along with younger members. She stated that it should be things that are good for everybody, including sustainability, addressing the needs of today along with future residents, a spirit of innovation, thinking of creativity, and embracing new ideas leading to progress.

She stated that the third component of the Master Plan process is the idea of scenario planning, including not only planning for the worst case of how to provide services in times of an emergency, but planning for a preferred alternative. She commented that this process has shown the give-and-take and balance that needs to happen. She explained that three different scenarios were included in the packet and will be at the tables as the group breaks into "neighborhoods": Tomorrow as Today, where things are not changed much; however the group will need to address some of the downsides of that scenario such as the potential for declining tax revenues and increased expense for housing. Enhancing Connections, starts to look at different housing types that the city currently has and questions how to provide more types to tackle housing affordability and attainability, and how to address the concerns of the folks who want more walkability. She mentioned a conversation with an older resident at the OPC who had been frustrated that her car had broken down and she could not even walk to Starbucks because there was no sidewalk where she lives. Rochester Hills Reimagined is the third scenario, which has the larger amount of change where it made sense to add more housing, and create more compact development in a way that fosters walkability. This scenario questions what needs to be done to promote transit in the area, how to ensure natural features will be preserved, and how to increase sustainable building practices.

She explained that the Commission discussed these scenarios in June, July, September and October, eight small groups including the Youth Council had 52

participants, and a "thinking about the future" survey had 751 responses. She noted that adding up all of the participation, it came between scenarios two and three from the community. She stated that the survey included a question about natural resources and the level to which the participants felt that the City should protect or not protect them, and the idea to the answer was that in valuing the protection of natural resources, the City needs the resources to do that and wants to see its property tax revenues increase. It will need the funds to be able to do those things, and those things should be done in a compact way, which led to scenario three being more of the predominant choice. She commented that Ms. Roediger pointed out that people who also felt the City should protect natural resources were more of the types of people who did not want to see anything change, so that item in the survey was rescored and the results brought the survey between scenario two and three.

Mr. Blair stated that while his data may be more anecdotal, as he knocked on thousands of doors in the neighborhoods and spoke with people on their porches, the message he got overwhelmingly was that they do not want any more development, and what the City is doing right now needs to stop. He commented that this was the center point of a recent election and it was a huge issue, and he is trying to understand why options two and three are so popular as it is a stark contrast to what he and his Council colleagues have been hearing from the residents.

Ms. Neubauer stated that she thought that the Commission was leaning toward scenario one, and took pieces from scenarios two and three, including pathways, affordable housing, and encouraging a percentage of housing to be ranches.

Ms. Bahm responded that this may have been the discussion at earlier meetings; however at the last meeting there was a recognition that while they do not want this everywhere, the discussion was for specific redevelopment areas such as the Target shopping center and along Rochester Road.

Ms. Neubauer stated that from the way it is being presented, it looks more like scenario two and three than scenario one, and having it limited to maybe one or two areas in the city needs to be more clear. She commented that the only things they were taking from scenarios two and three were walkability and asking developers to put a certain percentage of smaller housing within those huge developments. She stated that she does not understand how the data has shifted.

Chairperson Brnabic stated that there was a discussion on affordability and how developers give a price and all of a sudden it is 30, 40 or 50 percent higher. She commented that she would question if there are specific areas to consider for R-5 for affordability, and noted that duplexes came up in conversation and nobody wanted them in the middle of their neighborhoods. She stated that they do not want to stay at a standstill but could move toward walkability by finishing pathways.

Mr. Hetrick commented that as a Commission, they have gone round and

round above what affordability means, and it ultimately boils down to a perception of the buyer. He noted that if someone is coming from a place where they were in a \$200,000 house, buying a \$350,000 house is perfectly affordable for them. He commented that affordability is not a number, and it is a feeling. He stated that people think of affordability as low income housing, and that is not what they are driving at. He commented that they were leaning more toward scenario two with some things taken out of it so they were not pushing the envelope.

Mr. Carlock asked how to balance any of the scenarios against question two of the survey, where it indicated that 74 percent want to focus mainly on single family homes, and question four where 70 percent of the respondents said they need to protect or improve natural resources.

Ms. Bahm responded that they are not talking about doing this throughout the entire city and are talking about the different planning neighborhoods and how these things fit within each neighborhood. She explained that one may have a need for more housing, and others may have a need for more sidewalks or pathways. She added that this is the pivot point where they begin to write the plan and determine what it will look like. She stressed that they know that people want single family housing primarily; however, they also said that they felt that there should be housing options for older people in the community who cannot afford to downsize and stay here as well as the young first-time households. She stated that they cannot shut the door because they know that the population will grow along with the number of households. She pointed out that the key that everyone is struggling with is there will have to be some kind of a push and pull.

Council President Deel stated that the two issues are linked, and commented that Rochester Hills is not an island. He pointed out that if one draws a point in the middle of the City of Rochester, everything that has been talked about can be found within a radius of 10-15 miles. He stated that the question becomes whether Rochester Hills needs to be everything to everyone or if it just needs to do what it does well, which is to be a single family home bedroom community. He mentioned that Rochester looks different, as does Auburn Hills and Oakland Township. He questioned whether all of these considerations need to be here within the city borders. He asked for a definition of attainability versus affordability, noting that his house is affordable because if it wasn't, he would not be here. He stressed that affordability and attainability in Rochester Hills will look differently than in Ferndale, Hazel Park or Warren; however, it is radically different than New York City.

Ms. Bahm responded that housing that is attainable is affordable to someone who makes between 80 and 120 percent of the area median income. She mentioned the individual speaking during public comment, noting that he is a young potential future house owner who will be a teacher; and stressed that if he got a job in Rochester Hills, he may not be able to afford to live here. She questioned how far out he would have to go to find housing that he can afford at his salary level, and stated that they are not talking about Section 8 subsidized housing.

President Deel commented that perhaps this is not a first home community and people would buy their first home somewhere else and move here when they have kids. He mentioned that many of the young lawyers he speaks with do not want to live in Rochester Hills as they are single and there is no nightlife here, and it is a great place if one has kids.

Mr. Hooper stated that his take was scenario one was do nothing, scenario two was to attempt to provide more flexibility for future development for areas that can be developed, and scenario three was to blow the whole thing up and redo it. He stressed that his takeaway was that they do not want to do nothing, and landed on scenario two but very limited. He added that when he ran for Council 17 years ago he heard the same thing from voters to not let anyone in. He noted that once on Council he saw that private property rights must be balanced against feelings against development, and he stated that he thinks that the City has historically had a good balance of private property rights with certain restrictions such as wetlands and tree preservation. He commented that the City has survived legal challenges for 40 years with the restrictions it has and has been reasonable with private property development; however, it cannot say that no more development can occur.

Ms. Morlan stated that what she is reading in scenario one is not do to nothing, but to maintain its current pattern of land use and development practices. She stated that single family detached housing continues to be the preferred choice for residents, and saying that scenario one refers to the terminology of doing nothing is a disservice. She commented that saying scenario one does not mean that no one young will ever be able to move in again, nor does scenario three mean that every senior and every young person will be happy.

Mr. Hooper stated that he would like to clarify that his words of "do nothing" relate to develop as-is for current zoning. He suggested going the way that they are going currently with zoning changes and developments planned as they occur, with aspects of scenario two to provide more walkability and flexibility to encourage development to possibly do some of the additional things that are trending that people claim they want, while respecting private property rights.

Ms. Morlan added that zoning is fluid and zoning and ordinances will change.

Mr. Walker stated that the term "affordable" has changed to "attainable". He commented that as a real estate agent he was able to take a deep dive into 80 to 120 percent of AMI in Rochester Hills which is \$115,000, adjusted to 2023 which is \$120,000, with ranges from \$96,000 to \$144,000. He noted that the question becomes how much house can one afford, and stated that the low side would be \$329,000 with a high side of \$493,000. He compared those numbers to what was sold in Rochester Hills over the last year, and reported that represents almost a thousand homes, with 227 condominiums and 600 single family homes. Of the 227 condominiums, 186 were under \$410,000 (82 percent), and of the 600 homes, 200 homes were under \$410,000 (33 percent). He stated that there is attainable housing in Rochester Hills and there are numbers to support the inventory. He questioned why they would build what already exists.

Ms. Bahm responded that information from the Michigan Housing Data portal showed that there are a significant number of households that are cost burdened. Noting it was 6:30 p.m., she stated it would be helpful to talk within the neighborhoods to discuss opportunities to add pathways and make sidewalk connections, areas where they would like to see commercial goods and services to better serve the neighborhoods within walking distance, and neighborhoods where there might be a potential for a different housing type. She suggested breaking into groups and asked for markups of those areas that can be discussed by the larger group on a neighborhood by neighborhood basis.

Ms. Mungioli stated that she and her husband moved here 37 years ago because it was a bedroom community and they wanted a neighborhood with families and subdivisions and places for their children to play. She stated that they did not have to worry about businesses or large developments like Troy where real estate is empty or a company goes out of business. She stated that the tax base was stable over the long term which gives financial security and stability over the years. She commented that she cannot force someone to lower the price of their home to make it attainable or to build something that costs less. She mentioned the Brooklands noting that there have been conversations that the starter homes are purchased as cheap property and larger homes are built. She pointed out that property values in the Brooklands has gone up to allow someone to sell their home when they retire and have a nest egg for their future. She mentioned the one story homes on Brewster, noting that those homes were more expensive than homes that seniors were selling and downsizing from; however, she could not tell that developer to drop the cost. She mentioned Auburn Oaks, stating that those single family homes will be \$800,000, and commented that they have already set a standard of what is available in the community.

Ms. Bahm stated that this is an important point, leading to the tomorrow as today scenario and stressing that they need to be thinking about the people in the community that cannot sell their homes because there is nowhere for them to go, but want to stay here. She asked how to make their homes safe, are they up to date, can they maintain them, are they socially engaged, and do they have mobility to get around. She commented that the do nothing scenario also means that there are other things that can be done to take care of the people that have a need. She mentioned the Worksession where the Commissioners were given an assigned role and had the ability to see some of the different needs of the community. She added that when speaking about scenario one, two or three, it does not mean everywhere. She mentioned the Planning Commission's focus on the shopping centers with their sea of parking, and asked if that was the best they could do there.

Mr. McLeod noted that the question becomes in 20 or 30 years what people are seeing in the community. He mentioned that Youth Council members spoke about wanting to return to Rochester Hills to raise their families and asked whether they will be able to attain their dream. He stated that as leaders for today, they will set the foundation for tomorrow.

Ms. Bahm added that she would clarify that the area median income includes the metropolitan area, not the city's median income, which is obviously higher.

President Deel stated that this is exactly his point, in looking at area median income, one needs to look at available housing stock within the area; and is not saying that Rochester Hills needs to serve the needs of everyone in the Detroit metro area.

Mr. Weaver asked how to draw people from other communities here.

Ms. Bahm responded parks, open spaces, schools, and things to do.

Ms. Neubauer stated that what sparked this conversation is the idea that they are between scenario two and three, and really they are at scenario one but taking small bits from scenarios two and three for walkability and pathways, and building one-story homes rather than 5,000 square foot houses. She commented that the presentation stating that they are leaning toward scenario two and three is not reflective of what they did in planning. She stated that they all agreed that they were leaning toward scenario one with small bits of two and three.

Ms. Bahm directed the Council and Commissioners to get into their groups and mark up their maps per their discussions with notes and questions.

Starting at 6:50 p.m., the groups spent 40 minutes in discussion, and topics mentioned included pathways, e-bikes, transportation, neighborhood parks, density, redevelopment, places that could be considered for duplexes or other similar housing, living inside and working outside of the community or living outside and working inside the community.

Ms. Bahm noted that it was 7:30 p.m. and some attendees needed to leave. She thanked everyone for sharing their input and stated that everyone was having some good conversations. She commented that what they have heard tonight is very much in line with scenario one, yet people want to see more connections and walkability. She noted that the question will be how to balance that desire to minimize the impact on the rest.