



**SUBJECT:** Consideration of proposed Sakura Novi development issues for property located on the north side of Grand River Avenue east of Town Center Drive:

- A. Request of Robert B. Aikens & Associates, LLC and Robertson Brothers Homes, for Sakura Novi, JZ19-31, with zoning map amendment 18.732, to rezone the property from Office Service (OS-1), Office Service Commercial (OSC), and Light Industrial (I-1) to Town Center-1 (TC-1) subject to a Planned Rezoning Overlay (PRO) Agreement, and corresponding PRO Concept Plan, for **revised** tentative approval of Concept Plan under Section 7.13.2.E.v, adding 14 multiple-family residential units as shown on phasing and utility plans dated March 13, 2020 (received December 4, 2020); and
- B. Approval of Sixth Amendment to the previously approved Conditional Agreement of Purchase and Sale, North Grand River City Property.

**SUBMITTING DEPARTMENT:** City Manager/Department of Community Development

**BACKGROUND INFORMATION:** City Council last considered this project at its September 28, 2020 meeting. What was before the Council at that time was a proposed Fifth Amendment to the approved Purchase and Sale Agreement under which the City would sell the roughly 10-acre former Anglin parcel, along with an adjacent 2-acre parcel owned by the City, to Sakura Novi, LLC, subject to the requirement that the property be developed under a Planned Rezoning Overlay (PRO) Agreement to be approved by the City. Since entering into the initial Purchase and Sale Agreement in June 2018, the City and Sakura have agreed to several amendments, including amendments that have extended the time for completion of the purchase by Sakura.

The most recent Fifth Amendment extended the closing date essentially for six months, from September 30, 2020 to March 31, 2021. But as the minutes of the last Council meeting reflect, there was uncertainty by both parties as to whether the transaction would, in fact, proceed because Sakura was seeking changes to its proposed development plan, but also potentially to the underlying Purchase and Sale Agreement. The Fifth Amendment, and therefore the extension of time, was ultimately approved by the City Council with the expectation that the City Administration/Staff and Sakura would meet and discuss whether and how the project and the purchase could be recommended to proceed forward.

City Administration/Staff and the City Attorney's Office have worked with Sakura to assemble information for City Council to review to determine whether to proceed forward with the transaction and development. Attached for City Council's consideration and potential action are two things:

- **A revised Development Plan** that essentially converts an area previously contemplated for development of a commercial building to 14 additional multiple-family residential units. The plans include information regarding the timing of the different phases of the development, as well as timing for demolition and/or environmental remediation activities to be conducted by or on behalf of Sakura. A description of exactly what changes are contemplated with the revised plans is also attached, in the form of a memorandum from the City's planners to City Manager Auger dated January 5, 2021. **Council can see the area proposed for change in the drawings/plans attached to that memo; the new residential area is in the middle of the plan, in blue (an adjacent area west of that, in purple, reflects changes in the layout of the loading area).**
- **A proposed Sixth Amendment to Conditional Agreement of Purchase and Sale.** This document is similar in form to the previous amendments, including the recently-approved Fifth Amendment. It sets a new closing date at a date seven months following the effective date of the Sixth Amendment—or earlier if all the various development conditions outlined in the Purchase Agreement (as amended) are satisfied, in which case closing will occur within 30 days of that date. The document also outlines Sakura's representations as to its intention to seek less reimbursement of clean-up costs under its Brownfield plan. For Council's consideration, a copy of a potential "timetable" for development steps and approvals is also attached. (It is not intended to be part of the Sixth Amendment but is simply illustrative of a path to eventual closing on and development of the property.)

In addition, the City Administration and Staff and City Attorney's Office have been working on the potential PRO Agreement with Sakura. That Agreement is not before Council for consideration as part of this agenda item. It is anticipated that the PRO will be brought before City Council in the next couple of months (late February or March) for consideration.

**What Council is being called upon to do for this first item is determine whether the change in the development concept to add 14 additional multiple-family units in place of what would have been a commercial development area is acceptable to the City.** Sakura is asking the City to determine whether it wishes to go forward with the transaction with that change in the development concept. While it has not formally submitted a revised PRO Concept Plan (which is an extensive and potentially expensive undertaking), it has shown those changes in the attached Phasing/Utilities Plan in sufficient detail to allow the City to determine whether to recommend that Sakura should go forward with that proposal. If Council gives that tentative indication, the staff will work to ensure that a formal revised Concept Plan, meeting all City format requirements, will be provided by Sakura as soon as possible.

If the City Council determines that it is interested in proceeding with the additional 14 units, the motion proposed below would amend the Council's previously-granted "tentative approval" of the PRO development that Council considered back on March 2, 2020. Again, the changes in the development concept are outlined in the memo from the City's planners to Mr. Auger, which is attached as part of this packet.

If the City Council determines that the change in the development concept is acceptable, then Council would also need to consider taking a second action, which would be to decide whether to extend the Purchase Agreement an additional seven months to allow the Developer to continue the development approval process. A separate motion on that issue is also provided below.

**RECOMMENDED ACTION:**

- A. Move to make a **revised** tentative indication that Council may approve the request of Robert B. Aikens & Associates, LLC and Robertson Brothers Homes for Sakura Novi, JZ19-31, Zoning Map Amendment 18.732, to rezone the property from Office Service (OS-1), Office Service Commercial (OSC) and Light Industrial (I-1) to Town Center-1 (TC-1) subject to a Planned Rezoning Overlay (PRO) Agreement, and corresponding **revised** PRO Concept Plan to be updated to reflect the applicant's proposed changes as provided to the City, and to give direction to the City Attorney to prepare a proposed PRO Agreement with (a) the ordinance deviations previously described in the City Council's motion of March 2, 2020; (b) the PRO conditions set forth in the Council's motion of March 2, 2020; and (c) any additional conditions or deviations required in connection with the revised Concept Plan.

This motion is made for the reasons set forth in the Council's prior motion of March 2, 2020. City Council further determines that the proposed revisions to the Concept Plan do not require further review by the Planning Commission prior to final Council action on the PRO Agreement and PRO Concept Plan.

- B. Move to approve the Sixth Amendment to the Conditional Agreement of Purchase and Sale for the North Grand River City Property and authorize the City Manager and City Attorney's office to finalize the document, including any minor amendments required.

MEMO  
PLANNING STAFF TO CITY MANAGER

# MEMORANDUM



**TO:** PETE AUGER, CITY MANAGER  
**THRU:** BARBARA MCBETH, AICP, CITY PLANNER  
**FROM:** LINDSAY BELL, AICP, SENIOR PLANNER  
**SUBJECT:** JZ19-31 SAKURA NOVI  
**DATE:** JANUARY 5, 2021

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The purpose of this memo is to provide a brief update on the 'Sakura Novi' project that we anticipate will be back for consideration by the City Council at an upcoming Council meeting. The applicant Robert B. Aikens & Associates, LLC, requests a Zoning Map amendment from Office Service (OS-1), Office Service Commercial (OSC) and Light Industrial (I-1) to Town Center-1 (TC-1) with a Planned Rezoning Overlay. The subject property is approximately 16 acres and is located north of Grand River Avenue, south of Eleven Mile Road and east of Town Center Drive (Section 23).

The applicant received tentative approval from City Council of the rezoning request and PRO Concept Plan in March 2020 to develop the property as an Asian-themed mixed-use development. The project would be anchored by a 30,000 square foot Asian market/food hall. Additional restaurant and retail uses would round out the non-residential portion. The remainder of the property would be developed with residential townhome units.

Since that time, the COVID-19 pandemic has altered daily life in large and small ways. Retail and restaurant uses have been hit particularly hard. As you are aware, the applicant has been back before Council in the interim to discuss the terms of the purchase of several of the subject parcels from the City. With recovery of the retail and restaurant sectors expected to take 2-5 years, the applicant feels adjustments must be made to their plans. This memo will highlight the changes and questions Staff has identified in the revised Concept Plan sheets provided to us on December 4, 2020. Those plans are attached to this memo as reference, with most of the details identified on Sheet C-2.1, the proposed revised Phasing Plan.

## PHASING OF DEVELOPMENT

- Phase 1A (outlined in orange on the plan): The size of Building A (the Market) has decreased from 30,000 square feet to 26,500 square feet, with the loading area and trash enclosure located on the north side of the building rather than the east side as presented to the Council in early 2020. Building D (restaurant, 3,210 square feet), 201 parking spaces, and the North-South "spine road" would also be provided. Right of way improvements along Grand River Avenue, including

the full length of sidewalk, would be completed. The extent of landscaping and decorative fence to be installed is unclear since a landscape plan was not submitted with the recent submittal but was a prominent feature on the Concept Plan presented previously. Although dimensions have not been added to the plan at this time, the truck turning templates provided indicate that delivery trucks would be able to access the loading areas. At the time of Preliminary Site Plan submittal staff will need to verify access, and confirm that the hours for delivery to the market and trash removal will not conflict with the busiest operational hours of the main drive aisles. Buildings C and B have been removed from Phase 1A, and Building F (restaurant) north of the Market has been eliminated.

- Phase 1B: Construction of Residential buildings 1-8, consisting of the 50 townhouse units on the north side of the pond. On the earlier version of the plans, these units were shown to be constructed in a later phase. The Kids Play area and pond platform amenities would also be completed in this subphase. Right of Way improvements along 11 Mile Road to the west of ECCO Tool would be completed. Parking would include 66 garage spaces and 26 surface spaces.
- By the end of Phase 1 construction, the area south of the pond and to the west of ECCO Tool would be planted with meadow seed mix. The landscaping and walking path surrounding the pond would also be completed. The plan shows a gap in the path near Phase 2C that should be corrected, with a complete loop provided in Phase 1. The utilities for the Anglin parcel would all be installed, with stubs provided to areas to be completed in Phase 2.
- Phase 2A (outlined in red on the plan): Construction of Residential Buildings 9-20, containing 67 townhome units to the east of ECCO Tool would be constructed. Parking would consist of 79 garage spaces and 65 surface spaces. The stormwater pond on the eastern end of the development would be constructed. The disturbance of the wetland in this area will require wetland permits and mitigation per the standards of the City and EGLE. A roadway connection to Phase 1 of the development, ECCO Tool, and direct access to Eleven Mile Road would be completed. Utilities would be installed in the eastern portion of the site to serve the residential buildings, with stubs to the remaining residential buildings planned for Phase 2B. Right of way improvements along the 11 Mile Road frontage east of ECCO Tool would be completed.
- Phase 2B (outlined in blue on the plan): Residential buildings 21 and 22, containing 15 townhome units, would be located south of ECCO Tool, to the east of the Market (Building A) and west of the Phase 2A residential buildings. Additional parking would be added (15 garage, 9 surface) and utility connections completed.
- Phase 2B would also include the construction of non-residential Building C (13,102 square feet) and associated parking (68 surface spaces) south of the pond, fronting on Grand River Avenue. Building C is to contain retail and restaurant tenants.

- Phase 2C (outlined in green on the plan) would consist of construction of non-residential Building B (restaurant) with additional parking (34 spaces). The 4,505 square foot restaurant is shown in the original location just southeast of the pond, with an alternate location north of the market, just west of ECCO Tool. It is unclear when the determination on location would be made. We suspect once the remediation is done more information will be known on the status of the soils, which could determine the location.

#### ITEMS FOR CLARIFICATION BY THE APPLICANT

- The planting areas on the north side of the road leading from the commercial area to the residential Phase 2 pond overlook seem to be lost in the revised plan due to utility lines running through the islands on the north side that will prohibit planting trees. The applicant should relocate the utility line so the trees will have room to be planted and grow so the visual “allée” will be maintained, as this was a prominent feature of the earlier concept plans.
- The applicant should confirm all of the decorative paving (“ripple” patterns) originally proposed in the drives and adjacent sidewalks will still be proposed. Those features were counted toward the building foundation landscaping requirement.
- We hope to see sufficient screening for the loading area along the north side of Building A. There is a triangular space there that could be thoughtfully used for landscape screening and pedestrian amenities.
- The applicant should confirm that the entire pond pathway and landscaping between Phase 1A and 1B will be built and installed at the same time. The plans show a phasing line bisecting the pond area, and the two ends of the sidewalk do not connect in the area southeast of the pond until a later phase.
- The additional 14 multiple family residential units will require an additional 2,800 square feet of usable open space be provided. This has not been confirmed on the plans, but will be requested for confirmation on the Preliminary Site Plan submittal.
- The applicant should provide clarification on the note on the pond which states “Proposed Detention Pond Constructed to Facilitate Future Phase Drainage.” Does Future Phase refer to Phases 2A-C identified on the plan, or would it also include a possible future incorporation of the ECCO Tool parcel? Has the ECCO Tool parcel been considered for the purposes of Stormwater Management since much of the land it currently drains to will be developed?
- The applicant should confirm the intent with the alternate location for Building B.

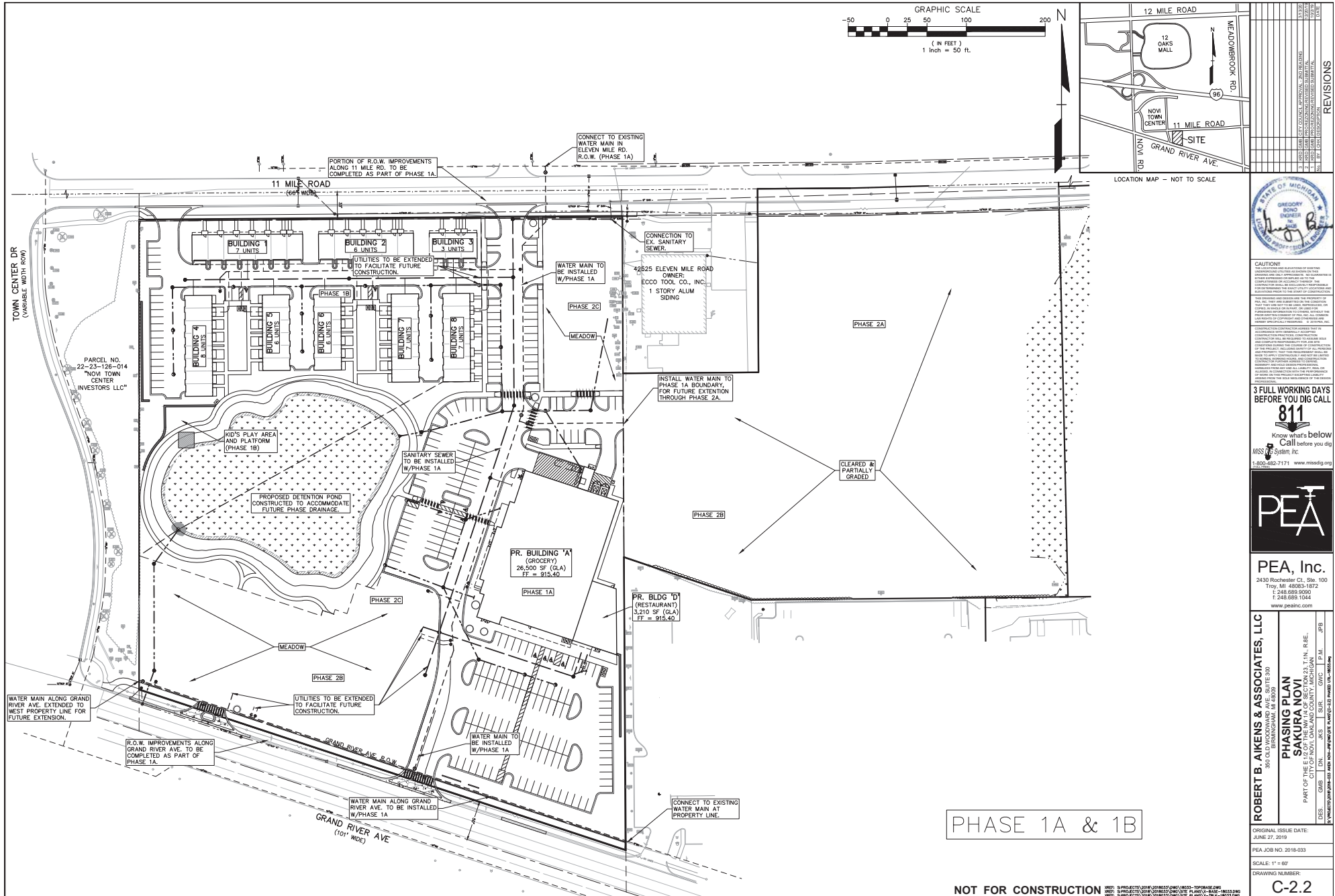
**Recommendation**

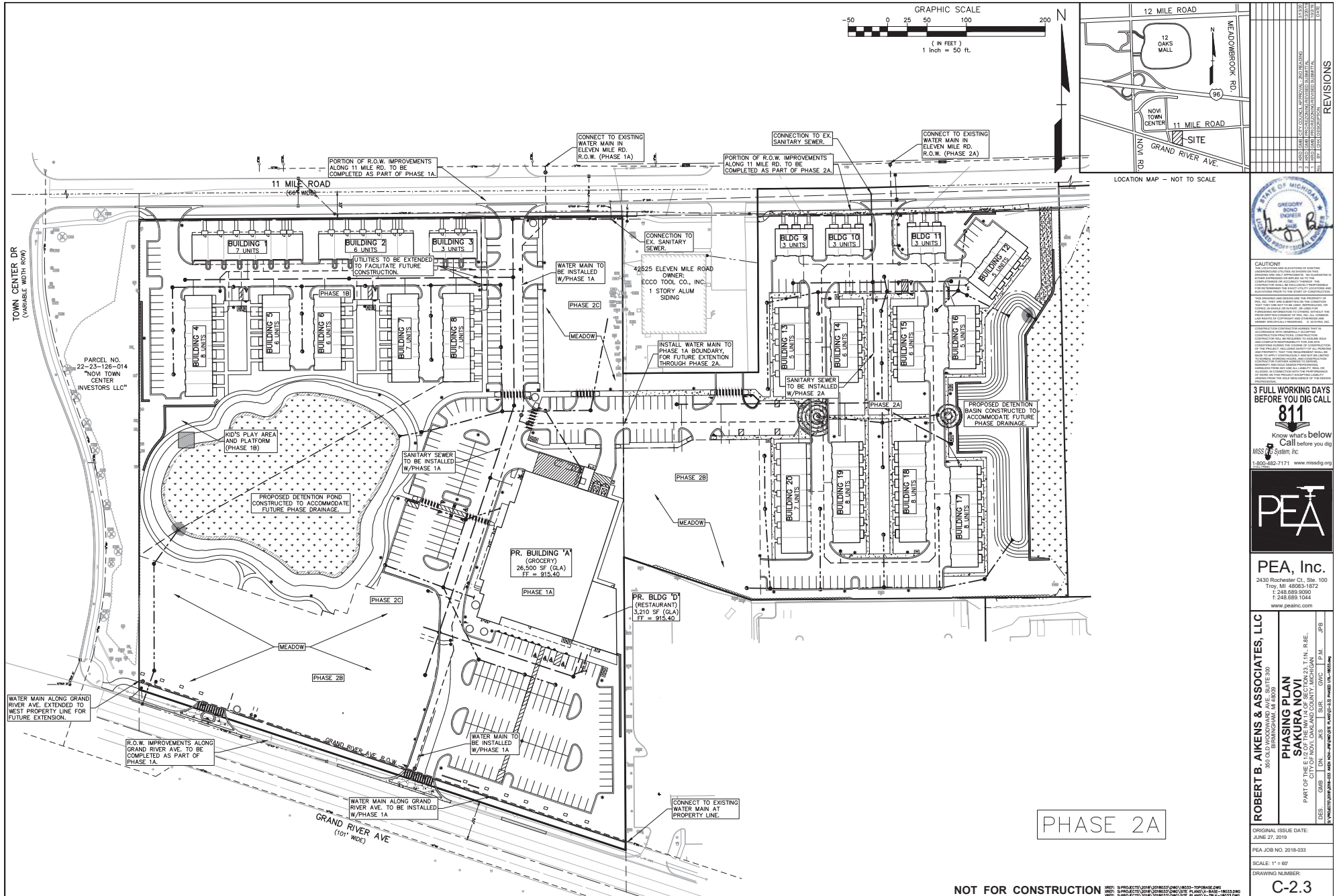
A full review has not been performed at this time due to the limited nature of the documents submitted digitally, and the short period of time for staff's review before the applicant's presentation of the revisions to the City Council. Each phase appears to be able to meet the requirements to function independently of later phase work in terms of parking calculations, utilities, storm water management and mitigation. This would be confirmed in the next submittal to be more thoroughly reviewed by staff. Any deficiencies would need to be corrected prior to receiving final approval. For the purpose of the PRO Agreement, it appears all deviations previously identified remain. Additional deviations from Ordinance requirements would require amendment of the PRO Agreement if not corrected on the plans. The provision of promised amenities appear to be appropriately timed. If the City Council grants tentative approval of the changes shown on the revised plan, the applicant should be required to provide appropriately updated sheets to be included as the PRO Concept Plan included as an exhibit in the PRO Agreement, including landscaping, open space, stormwater, and building elevations.



**REVISED PRO CONCEPT PLAN/PHASING PLANS  
RECEIVED 12-4-2020**







NO.	DATE	DESCRIPTION
1	06/27/2019	ISSUED FOR PERMITS
2	06/27/2019	ISSUED FOR PERMITS
3	06/27/2019	ISSUED FOR PERMITS
4	06/27/2019	ISSUED FOR PERMITS
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**ROBERT B. AIKENS & ASSOCIATES, LLC**  
 500 COLLEGE AVENUE, SUITE 200  
 BIRMINGHAM, AL 35203  
**PHASING PLAN**  
**SAKURA NOVI**  
 PART OF THE E 1/2 OF THE NW 1/4 OF SECTION 23, T 1 N, R 8 E,  
 CITY OF NOVI, OAKLAND COUNTY, MICHIGAN  
 DATE: 06/27/2019  
 DRAWING NO: 2018-033

ORIGINAL ISSUE DATE:  
 JUNE 27, 2019  
 PEA JOB NO. 2018-033  
 SCALE: 1" = 60'  
 DRAWING NUMBER:  
**C-2.3**







PREVIOUS CONCEPT PLAN  
DECEMBER 20, 2019

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SIXTH AMENDMENT TO DEVELOPMENT AGREEMENT

**SIXTH AMENDMENT TO  
CONDITIONAL AGREEMENT OF PURCHASE AND SALE  
NORTH GRAND RIVER CITY PROPERTY**

THIS SIXTH AMENDMENT TO CONDITIONAL AGREEMENT OF PURCHASE AND SALE (“**Amendment**”) is made as of \_\_\_\_\_, 2021 (“**Sixth Amendment Effective Date**”) by and between the CITY OF NOVI, a Michigan municipal corporation (“**Seller**”), and SAKURA NOVI, LLC, a Michigan limited liability company (“**Purchaser**”), with regard to the following:

A. Seller and Purchaser entered into a certain Conditional Agreement of Purchase and Sale North Grand River City Property dated June 21, 2018 for the purchase and sale of the Anglin Parcel, as defined and described in the such agreement, as amended by that certain First Amendment dated November 2, 2018, that certain Second Amendment dated December 17, 2018, that certain Third Amendment dated April xx, 2019, that certain Fourth Amendment dated December 20, 2019, that certain Acknowledgement of Extension Dates dated August 31, 2020, and that certain Fifth Amendment dated September 30, 2020 (as amended, the “**Agreement**”).

B. The parties desire to amend the Agreement to extend certain dates and make other modifications as set forth below.

NOW, THEREFORE, in consideration of the mutual agreements herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties amend the Agreement as follows:

1. Section 1(b) of the Agreement is hereby amended to read as follows:

**(b) “Closing Date”:** The date being the earlier of seven (7) months following the Sixth Amendment Effective Date or thirty (30) days following the satisfaction of the conditions established in Paragraphs 6 and 7 of the Agreement. In the event all Conditions to Closing as set forth in Paragraph 6 are not satisfied or waived, in Purchaser’s sole and absolute discretion, and the Development Conditions in Paragraph 7 are also not satisfied or waived, by the date being six (6) months following the Sixth Amendment Effective Date, then this Agreement shall automatically terminate, whereupon the Deposit currently held by the Seller shall be promptly returned to Purchaser and this Agreement shall thereafter be of no further force or effect and all liability and obligations under this Agreement shall be terminated, unless the Seller and Purchaser stipulate in writing to extend the Closing to a date certain, in which case the date specified in that written stipulation shall be the Closing Date.

2. The fourth paragraph of Section 7(a) of the Agreement shall be amended to read as follows:

In the event the Parties comply in good faith with this provision, but the PRO is not approved by May 25, 2021, then at any time thereafter either Purchaser or Seller may terminate this Agreement upon written notice to

the other Party on or before May 31, 2021 and this Agreement shall be without further force and effect. Seller makes no representation in this Agreement that the PRO and PRO Agreement will be approved. Notwithstanding anything else in this Agreement, Seller retains all its right and discretion under applicable law and ordinances to approve, reject, or approve with conditions any proposed PRO and PRO Agreement, and this Agreement does not limit or waiver its zoning or police power authority in any way, including the relation of the proposed plans and improvements to adjacent properties and the existing and future or planned road rights-of-way. Seller's failure to approve the PRO Plan or the PRO Agreement shall not constitute a default or breach for the purposes of this Agreement.

3. Seller and Purchaser hereby acknowledge the Purchaser will take all necessary actions to complete the PRO rezoning process to develop the property pursuant to the revised site and phasing plan attached hereto as Exhibit A. Purchaser will also submit a revised Brownfield Plan reducing its requested reimbursement from two million eight thousand two hundred and fifty and 00/100 dollars (\$2,008,250) to eight hundred fifty thousand and 00/100 dollars (\$850,000), without changing the scope of the remediation. All environmental cleanup costs incurred in excess of the requested eight hundred fifty thousand and 00/100 dollars (\$850,000) will be absorbed by the Purchaser (that is, will not be part of a Brownfield reimbursement request). Purchaser will submit a Commercial Rehabilitation District application for the Property including the adjacent Ecco Parcels. Upon approval of the Commercial Rehabilitation District, Purchaser will seek individual applications for Exemption Certificate(s). Exemption Certificate(s) for future phases may be submitted prior to commencement of construction for those future phases and shall be a post-closing condition subject to Paragraph 7 of the Agreement. Purchaser will be seeking ten (10) year Exemption Certificate(s).

4. Seller acknowledges the Property and adjacent Ecco Parcels are currently included in a Corridor Improvement Authority. Seller will, at its sole option, either enter into appropriate intergovernmental agreement(s) with all necessary parties (e.g., the Corridor Improvement Authority and/or Oakland County) to accommodate the priority of the reimbursement of TIF eligible expenses to Purchaser and the Exemption Certificate(s) of the Commercial Rehabilitation District or take appropriate steps to remove the Property and adjacent Ecco Parcels from the Corridor Improvement Authority.

5. The parties hereby confirm and ratify all provisions of the Agreement, which shall and do remain in full force and effect as amended hereby. This Amendment may be signed in counterparts, each of which will be deemed an original document, but all of which together will constitute one and the same document. Faxed and pdf scanned signatures shall be deemed original signatures for purposes of this Amendment. All capitalized, undefined terms in this Amendment shall have the same meaning as defined in the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Sixth Amendment to Conditional Agreement of Purchase and Sale North Grand River City Property on the date first above written.

**PURCHASER:**

SAKURA NOVI, LLC,  
a Michigan limited liability company

By: \_\_\_\_\_  
Geoffrey Scott Aikens, Trustee of  
the Geoffrey Scott Aikens Trust  
u/a/d December 10, 2011

**SELLER:**

CITY OF NOVI, MICHIGAN,  
a Michigan municipal corporation

By: \_\_\_\_\_  
Robert J. Gatt, Mayor

By: \_\_\_\_\_  
Courtney Hanson, City Clerk

## TIMELINE

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SAKURA NOVI  
EXHIBIT 1 (DRAFT)  
30 NOV 2020

DATE	ACTIVITY	Compl
	<b>Planned Rezoning Overlay</b>	
December-19	PC Public Hearing	X
December-19	Revised Concept Plan Submittal by PEA	X
January-20	Revised Concept Plan Review by City of Novi	X
January-20	PC Recommendation	X
February-20	City Council - 1st PRO Reading	X
February-21	City Council - 2nd PRO Reading & PRO Agr	
	<b>Brownfield Plan</b>	
December-20 rev	Brownfield Plan Submittal to City of Novi	
January-21 rev	CC Public Hearing on Brownfield Plan	
January-21	Brownfield Plan and Work Plan submitted to Oakland County	
February-21	OCC Public Hearing and Brownfield Plan Approval	
April-21	Brownfield Plan and Work Plan Submitted to MDEGLE	
June-21	MDEGLE Approval of Brownfield Plan and Work Plan	
	<b>Wetlands</b>	
December-19	Resubmittal of Revised MDEGLE Wetland Permit Submittal by Atwell	X
December-20	Submittal of Wetland Permit to City	
August-20	Wetland Permit Review and Approval by MDEGLE	X
February-21	Wetland Permit Review and Approval by City of Novi	
	<b>Commercial Rehabilitation District</b>	
January-20	District Submittal to City	X
February-21	CC Public Hearing on Creation of CRD District and Sakura Abatement	
February-21	City forwards CRD District & Abatement Approval to State Tax Commission	
May-21	State Tax Commission Review and Approval of CRD District & Abatement	
	<b>Site Plan Approval</b>	
April-21	Site Plan Submittal to City by PEA	
April-21	Site Plan Review by City Staff	
May-21	Applicant to Develop and Submit Response	
May-21	PC Meeting for Site Plan, Wetland Permit, Woodland Permit Approval	
June-21	Final Site Plan Submittal by PEA	
July-21	Final Site Plan Review by City Staff	
August-21	Final Site Plan Revisions by PEA	
August-21	Revised Final Site Plan Submittal by PEA	
September-21	Revised Final Site Plan Review by City	
October-21	Electronic and Final Stamping Set Approval by City of Novi	
	<b>Other Activities</b>	
December-20	CC Hearing on Revised Purchase Agreement	
July-21	Deadline for Conditions to be Satisfied	
August-21	Closing	
August-21	Demolition/Mass Grading Start - early demo package	

APPLICANT LETTER

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Robert B. Aikens  
& ASSOCIATES, L.L.C.



December 4<sup>th</sup>, 2020

Ms. Barb McBeth  
City of Novi  
Planning Department  
45175 Ten Mile Road  
Novi, MI 48375

Re: PRO Site Plan Resubmittal Response Letter – CC Second Hearing  
Sakura Novi & The Residences at Sakura Novi  
Novi, MI

Dear Ms. McBeth,

Thank you for your “Next Steps/Timeline for Sakura” correspondence dated November 6<sup>th</sup>, 2020. Copy of that e-mail is included here, along with reference to the response attachments.

Tim and Bruce,

I wanted to get back with you with a written response to discussions we had last month, primarily about a detailed list of items that needs to be completed, and some additional plans that will support the PRO Agreement when it returns to the City Council.

We think the first document attached to this email provides a good list of items yet to be completed, although the dates will need to be updated by 6 months +/- . Let us know if any of the items on the list have already been completed, such as where you stand with the Brownfield Plan or the CRD. The one item that you may want to add to the list is the return to the City Council with a revised Purchase Agreement, which I assume is being discussed by others and being prepared. – see “Sakura Novi Exhibit 1 (Draft)”

From the Planning staff’s perspective, the first five things on the list have been completed (prior to the stay-at-home order), and the next thing that needs to be done is to return to the City Council for the Second Reading of the PRO rezoning and PRO Agreement. Our City Attorney previously started to review Sakura’s attorney’s suggested changes to the PRO Agreement – and I assume those changes are being worked through. In the meantime, we are requesting a few items ASAP to assist with clarifying items in the modified draft PRO Agreement:

1 A better and more up-to-date Phasing Plan to serve as an exhibit to the PRO Agreement,





Robert B. Aikens  
& ASSOCIATES, L.L.C.



- instead of the sketches that were provided with the draft changes to the PRO Agreement. See the second attached document that was provided for Council's First Reading and provides clarity on what is proposed within each phase. We need this plan updated, or something of equal clarity, to reflect the proposed phasing plan, and planned uses, and the size and scale of the improvements as described in the revised PRO Agreement. – see "PEA drawing C-2.1"
- 2 A Utility Plan that reflects how and when the installation of utilities will be addressed for each phase. A narrative for this would also be helpful. Our Engineering staff will need to review this and provide comments. – see "PEA drawing C-2.2", "PEA drawing C-2.3", and "PEA drawing C-2.4" for phased Utility Plans.
  - 3 Remediation Plan drawings, including a timeline as it is very difficult to determine what is being proposed. Some questions - when will the dredging begin, when will the fill be provided, when will the site be regraded, when will the amenities around the pond be installed, and when will the work be completed relative to the start of phase 1? The timeline that you provide should be a part of a narrative explaining how and when the work will be completed. – see remaining letter text.

Additionally, Bruce had sent over some changes to the market plan that we had a chance to take a look at – primarily relocating the loading dock from the back of the building to the front of the building. Planning staff does not object to this change as we see it now, but will need an engineered plan with truck turning movements to see if there are any Traffic or circulation concerns with the new loading location.– see "PEA drawing C-2.6" At this point, we do not think that the change to the orientation to the loading dock will need to return to the Planning Commission as a revised concept plan, but may proceed directly to City Council (and highlighted as a change) when the Second Reading takes place. – see "PEA drawing C-2.1 with Modified Service Areas for Market"

Once those changes are provided on the PRO plan sets (and any other changes that are intended), the City's staff and consultants will need to do another review to highlight any changes made since the First Reading, and identify an additional (or fewer) ordinance deviations that are called out in the PRO Agreement. – see remaining letter text.

Let us know if you have any questions.  
Thanks,  
Barb

It has been a great experience working with the City of Novi since August 2016 to bring the Sakura Novi concept to the community. In this letter and through our attached documentation we offer this updated plan, responding to unforeseen delays caused by the COVID19 pandemic, with our intent to speed the project to market.



Robert B. Aikens  
& ASSOCIATES, L.L.C.



We desire to use the PRO Plan that received approval from City Council upon 1<sup>st</sup> Hearing on March 2<sup>nd</sup>, 2020, as the basis for City Council's 2<sup>nd</sup> Hearing, with the phase modifications as shown on the Proposed Development Phasing Plan ("PEA drawing C-2.1"). We propose that minor modifications, such as flipping the Market's loading dock, be handled administratively during the site plan approval process. Further use modifications will be handled through a Phase 2 PRO Amendment package. These modest revisions to the overall Development assembly do not significantly impact sightlines from any major roadway or access point, and do not modify those access points. This should allow our team to purchase the subject parcels and get demolition, remediation and grading underway next summer and still provide sufficient time for efficient, comprehensive document development and Staff's review of those proposed minor modifications.

If we are able to maintain the Approvals' Schedule as shown on Attachment A, we would be able to begin demolition, mass grading and necessary remediation late summer, 2021. We plan to submit early Demo/Grading drawings to start this work prior to having received fully approved FSP drawings in October. October 2021 is when we foresee having our Pre-Construction Meeting on site.

Our Brownfield package has been prepared for submission since April. Our Wetlands process with EGLE received a draft permit, and the plan is attached for your information as "EGLE IMPACT PLAN". Our CRD tax exemption certificate application is pending final approval by our team.

Our current schedule is to have One World Market open for business prior to 2023; and our first phase of residential fully available for occupancy early 2023, along with the water feature and surrounding fully landscaped environs. Phase 2A of the residential should be already underway with utilities infrastructure and detention development by that time.

It is our anticipation to begin the PRO Amendment process (to incorporate the minor modifications) once the Ph1 remediation and grading is complete. This should afford sufficient time to achieve sufficient clarity as to market forces; for comprehensive document development and review; and for administrative hearings and PSP/FSP processes prior to starting those particular construction activities.

We do not believe any additional deviations will be required for these minor modifications.

Please let us know if you concur with this desired pathway.

Best regards,

G. Scott Aikens, Ph.D.

CITY COUNCIL MINUTES  
MARCH 2, 2020

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**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI  
MONDAY, MARCH 2, 2020 AT 7:00 P.M.  
COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 TEN MILE ROAD**

**Mayor Gatt called the meeting to order at 7:00 P.M.**

Mayor Gatt informed everyone that Lee BeGole, the first Police Chief in the City of Novi, a man whose name appears on Police Headquarters, and a man that we honored several years ago by naming a street after him, passed away February 29th. Lee was 99 years old. He led a long life, and until a little while ago, healthy and productive. Mayor Gatt said he was proud that we recognized his greatness while he was alive and honored him by putting his name on a building and a street. He said that Lee was so proud and stood tall listening to all the great things being said about him. Mayor Gatt has said our Police Department is second to none and much of the credit goes to Lee BeGole. Long before anyone thought of it mandated that our police officers have a four year degree to be hired. He was a visionary who could see back in the 1970's that our police officers needed to be educated. He knew that the police officers of the future had to be smart, educated and think on their feet. Lee held a Juris Doctorate Degree from University of Detroit. On a personal note, he was a friend. He said that Lee hired him to become a police officer in 1975, and until he retired in 1991, the Mayor worked under his command. We saw Novi grow from a farm community to the great city that it was then. Lee led with pride, grace, and dignity. All of the Novi cops were his family. Mayor Gatt said he personally owed everything to Lee BeGole. He met the mother of his children at the Police Department; they were married over 20 years. He said that Lee played an important part of his life. He stated that he would not have been on City Council or Mayor. Lee was a father figure to all the young cops in the day. He was respected by all, and loved by all. Lee never married nor had children. The officers, dispatchers, clerks, all of whom he personally hired were his kids. He loved us all. He didn't stop there. He loved everyone in Novi and helped many personally. There are countless stories about how Lee impacted so many lives. He was a unique man, a legend, and true Novi icon. We the retirees from the Novi Police Department and we the citizens of Novi shall miss him. We owe him a great deal. He asked everyone to observe a moment of silence for Lamont (Lee) C. BeGole.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL:** Mayor Gatt, Mayor Pro Tem Staudt, Council Members Breen, Casey, Crawford, Fischer, Mutch

**ALSO PRESENT:** Pete Auger, City Manager  
Victor Cardenas, Assistant City Manager  
Thomas Schultz, City Attorney

**APPROVAL OF AGENDA:**

**CM 20-03-022 Moved by Casey, seconded by Staudt; CARRIED UNANIMOUSLY**

**To approve the Agenda as presented.**

**Roll call vote on CM 20-03-023 Yeas: Breen, Casey, Crawford, Fischer,  
Mutch, Gatt, Staudt  
Nays: None**

## **MATTERS FOR COUNCIL ACTION**

### **1. Appointments to Boards and Commissions.**

**CM 20-03-024 Moved by Staudt, seconded by Fischer; CARRIED UNANIMOUSLY**

**Mayor Gatt submitted for reappointments to the Library Board, Tara Michener and Geoffrey Woods**

**Voice vote on CM 20-03-024 Carried Unanimously**

Mayor Gatt thanked everyone who applied. He asked the other applicants who were not appointed to not give up trying.

City Clerk Hanson provided the results of the balloting: Celia Todd was reappointed to a full term on the Beautification Committee, there was no one appointed to the Board of Review. On the Construction Board of Appeals Patrick Torossian was appointed for the vacancy expiring in 2023. Lee Mamola was reappointed for the vacancy ending in 2024. There were no candidates that received enough votes to be appointed to the Historical Commission. On the Housing and Community Development Advisory Committee, Priya Gorumurthy was appointed. Mike Thompson was appointed to the Zoning Board of Appeals.

**2. Consideration of tentative approval of the request of Robert B. Aikens & Associates, LLC and Robertson Brothers Homes, for Sakura Novi, JZ19-31, with Zoning Map Amendment 18.732, to rezone property from Office Service (OS-1), Office Service Commercial (OSC), and Light Industrial (I-1) to Town Center-1 (TC-1), subject to a Planned Rezoning Overlay (PRO) Agreement, and corresponding PRO Concept Plan. The property is located north of Grand River Avenue, south of Eleven Mile Road, and east of Town Center Drive in Section 23, and totals approximately 16 acres. The applicant is proposing to develop the property as an Asian-themed mixed-use development.**

City Manager Auger said this has been an ongoing process between developers and staff. There was an aggressive timeline laid down and they have moved it along for the consideration.

Mr. Aikens stated that Novi Michigan at the intersection of I-96, I-696, M-5 and I-275 stands one of the Metropolitan Detroit's most critical intersections. It is apropos then that Novi is one of Michigan's most worldly cities. Novi is home to many of the international executives, engineers, and developers, as well as their families that are and will be so critical in driving forward Michigan's leadership in the areas of mobility

and autonomous vehicles. He said back in 2017 they began to work together on Sakura Novi, an international theme, multi-dimensional place. He thanked Mayor Gatt, Mayor Pro Tem Staudt, Member Mutch, Member Casey, Member Breen for having given him and his team this opportunity to work with you on this vision for the City's land. He also thanked Member Fischer and Member Crawford for their support as they have gone through this process. He stated that his team has worked hard to achieve all of the attributes of the vision that they discussed then at the fundamental levels Sakura Novi would serve to do two things. First Sakura Novi would be a place right here in Michigan that would feel authentic to many of the members of this international workforce, both visiting here and living here. Most importantly it would make many people for abroad feel at home here. Second, Sakura Novi would boldly tell everyone in Oakland County and in Michigan, along with the Mid-West that Novi is a worldly cosmopolitan city. Anyone can learn about this fact if they choose to read demographic reports. This pales in contrast to everyone knowing this fact because they have visited a place in Novi that tells them it is so. He highlighted the site plan for the audience that they agreed to deliver in conjunction with the provisional purchase agreement between the City and Sakura Novi LLC. Most importantly he wanted to report that through thick and thin that they are delivering the four main components in portrayed in the early plan. First is the 25,000 square foot anchor tenant, One World Market. Personally he believed it would be a Whole Foods caliber facility, but focused on Japanese dining concepts, and Japanese grocery products. Second they are curating a first in class selection of Asian restaurants and none restaurants retail concepts. Third, the residential townhome community, these 118 urban homes will offer Novi a multi-faceted walkable living option that should help create the prized 24-7 activity that can help bring downtown to life. These units will offer an attractive living option to many of the expatriate families that settle in Novi making people feel at home here while abroad. Fourth, they have worked hard to make sure to activate the pond on the City owned parcel as a central park like amenity as per the City's 2016 Master Plan Update. A walking path and Japanese inspired gardens and landscape features will ring around the lake and proceed through a residential commons to a meditative plaza on the eastern edge of the site. He said this is a challenging land at Grand River Avenue and Town Center Drive. He stated that the City leaders were wise to gain control of this land, this image depicts the land that sits here today. Through our exhaustive inspection process we have learned a few things about this land. The green areas marked on the plans he was highlighting were a brownfield facility. He highlighted the plan where the gray areas on the plan around the pond on the City owned parcel to the west and the wetland area to the east contain compacted fill and organic soils. We have been discussing the commercial rehabilitation district process as it relates to this portion of this site. After three and a half years of hard work responding to challenging development conditions this plan leaves intact all four of the primary uses critical to the Sakura Novi vision. This plan has eliminated all ambiguity as evidenced by the 25 necessary deviations all of which is supported by the City of Novi staff. He said the staff has done a fantastic job and being very thorough and looking after the City of Novi's interests. He showed elevations for all of the buildings at Sakura Novi. He stated that their team was prepared to speak to the design principles that they created that they believe will help establish Sakura Novi as a contemporary

international themed environment. Our team has taken particular care to insure these principles flow harmoniously through each consonant of the project. Finally, we have crafted a robust list of public benefits offered by their team. There is a lot to absorb in this list. He didn't review it at the time, item by item. They are prepared to speak in detail about the list as you'd like. They were prepared to show with images their thoughts on the 1800 square foot family play area, and the 700 square foot meditative observation plaza. These amenities were requested specifically by the Novi Planning Commission. He said a consultant from Atwell Wetland Consultants will talk about the wetland mitigation strategy that we have been working on with City staff.

Don Beringer, Atwell Wetland Consultants, he has been a wetland consultant for over 20 years and has worked on many projects in the City of Novi. The project proposes impacts to state and City regulated wetlands on City of Novi owned property requiring 2.41 acres of wetland mitigation. In an attempt to comply with current City policies the current Novi has exhausted any practicable wetland mitigation within City limits. Multiple land cost analysis, discussion with City regarding wetland creation on other City owned parcels, and discussion with other land owners within the City and preservation of existing wetlands were all proposed. Subsequent to that their team has had multiple discussions regarding the use of established approved wetland mitigation bank. Their response letters to the City discussed in detail the merits of why they are the best option for this project. In short wetland banks provide much better replacement of wetland functions including wildlife habitat, water quality, and flood storage. In fact, the City of Novi recently mitigated beyond City limits by purchasing credits in an approved bank. Credits are available and details have been provided to the City. He explained that site wetland creation, as well as isolated small areas of wetland creation, do not replace the functions of values of large previously improved banks. Wetland banks are funded and are required to be maintained into perpetuity. Insuring functions and values remain as well as treating for invasive species which is very large issue within the City of Novi. Wetland banks are the preferred method of mitigation by the EPA and by EGLE, the State of Michigan's regulatory agency. He showed a couple of photos to the audience that showed the existing wetlands on site, and the pond area with the adjacent wetlands to the right. He talked about the phragmites, which is a highly invasive species that in southeast Michigan, the plants throughout that photo are phragmites, they dominate that wetland area. He showed another photo which was the balance of the wetlands on the site, which was a mixer of emergent and scrub shrub wetlands. Low quality wetlands as far diversity and function, they too are highly invasive with purple loosestrife and canary reed grass. He showed a photo of an actual mitigation project within the City of Novi performed by a previous firm that he worked at. It was highly successful during the monitoring period. Typical wetlands are monitored for five years and then a bond is released and no more monitoring is required. He showed a photo of the wetland during and after the monitoring period, after everything was successful, that was about six years after the monitoring ended. He said it is now dominated by the phragmites creating a monoculture severely depleting any diversity. He showed another example of wetland project, a mitigation project on site in a single family residential area in the City of Novi and it depicts what will be the next photo, there is a long linear wetland that was created in the backyards

of the homes to insure that wetland mitigation remained on site and within the City of Novi. Another photo was looking eastward on the lawn with the house showing the conservation easement sign and does have phragmites and invasive species. The lawn mowing has encroached into the conservation easement and there are several gardens in the area, and garden waste in the photos. His last photo was an actual approved wetland bank that is currently selling credits, it is becoming a forested wetland, and the large wooded species are sycamore trees which are growing healthily among the cattails and other diverse plants. They are typically 40 plus acres large, creating expansive wetland areas. Mayor Gatt thanked them both for their presentation.

Member Crawford asked regarding the Ecco Tool site is there any conceptual plans or thoughts as to what might be developed on that side if it became available. Mr. Aikens said that Mr. Peterson, the owner wants to stay in business in the current location. There isn't a plan because the business owner doesn't want it. He's been a great partner. Member Crawford wondered if it might have more residential because it surrounds the parcel. Mr. Aikens said it could be; there is potential there. There will be a restaurant and retail momentum. He said Phase 2B is 4500 more square feet of restaurant space. It could be many things.

Member Mutch asked City Planner Bell regarding the long list of deviations related to this specific project that Council is being asked to approved as part of the PRO process. He thought it would be helpful so Council could understand where these come from and how they come into play and walk through those. He asked if they could show us where the deviations are required or explain why they are required. It may give Council some sense of why they are being requested and whether they are justified. The applicant mentioned that stated staff supported all of the deviations requested. City of Novi Planner Bell replied yes that is true, but they haven't given a stated position on the wetland mitigation. They have left that for the Planning Commission and Council to make a decision. City Planner Bell highlighted the first deviation about the setback from the side property line is a B-3 Commercial Use, so they didn't feel it was required to provide protected buffer between a Commercial Use and a Commercial Use. That is why they supported that one. The general common element boundaries aren't very clearly shown because the way they are treating the property and dividing it up between the phases. A phase line could be right through the middle of the property, they said the internal lines won't impact anything off site would be supported. She stated that the 2nd floor residential balconies along 11 Mile Road to encroach 4 feet into the setback. She said a similar thing is allowed for uncovered front porches. They were allowing those residential balconies to extend in order to create more usable area in the central areas of the property. The side yard parking setback along the western property line, this is part of the Town Center parcel that is part of their open space requirement. She said the deviation for 5 feet instead of 10 feet; the applicant justified that because it allowed a wider pedestrian entranceway into project. The area also has trees there so they wouldn't need the whole space for landscaping. She stated the deviation for the wetland setback from 25 feet, the Town Center study in the Master Plan emphasized activation of that pond area. Rather than keeping people away from



if they wanted to bring people to it and activate the site by utilizing that so they were supporting that deviation. Member Mutch said that deviation would zero that out, so there would be no setback required. City Planner Bell replied yes. I would have the garden planted area and walkway around it. It is more of a water feature than wetland at that point. Deviation #6 was pertaining to the Ecco Tool parcel. That is an existing condition where their parking is. They wanted to make sure that was memorialized in the PRO Agreement. Member Mutch wondered if that was the purpose of including the parcel within the PRO at this time? They aren't developing the property and they have no plans for how property would be developed. Why is that pulled in? City Planner Bell replied that leaving a Light Industrial (I-1) use piece there could continue to operate in the future and be sold developed into a more intense by right use in Light Industrial (I-1). They thought that if they rezoned it now it will be developed as complimentary use in future. Deviation #7 was a small parking area with four spaces. There is a retaining wall that buffers the parking and only one and part of two of the parking spaces actually encroach into that area. In order to fit some parking there they supported deviation. She said deviation #8 and #9 concerned façade waivers. Deviation #8 addressed the commercial buildings on the site. There are some overages of flat metal panels, overall for the design of the commercial buildings their façade consultants thought they were high quality design and they supported the deviations that would enhance quality of the project. The residential buildings there is overage of cement fiber siding. They did increase the amount of brick on those buildings and replaced the previously approved vinyl with cement fiber siding which allowed the façade consultant to support those waivers. Deviation #10 concerned the loading and unloading spaces for the commercial buildings; because of the arrangements of the sites there is a lot that is front facing. It was hard to get it completely screened. The amount of space available on the site, they couldn't quite meet the ordinance standard for loading size. Deviation #11 and #12 will allow the commercial buildings to exceed 7,500 square feet. The ordinance for Town Center (TC-1) has very specific conditions about in which cases a building can exceed those for retail commercial, including a department store, or multilevel buildings. The Market and Building C, even though they will be divided up or at least Building C will be divided up into individual units and Building A does not meet the requirement for a department store they felt those were worthy of being supported. Member Mutch said in the PRO the City has some very specific language in there in terms of the square footage, his concern is getting too detailed with those numbers is obviously we are very preliminary we may run into a situation where they may have to jump through hoops to get an extra 500 square feet. If we get too detailed we make it more difficult because we have strict standards. He mentioned some language that talks about 10%, is that correct. City Planner Bell replied yes, that's correct. She said that is how they were attempting to address those minor shifts to not be too tied to a very specific number. Deviation #13 talked about site illuminance levels. The applicant indicated around the pond, because of the low bollard lights they are placing it is hard to meet the minimum standards unless they are spaced very close together. She was also concerned about residential areas providing too much light in that area where it would affect the residents negatively. Deviation #14 concerned exterior lighting fixtures and other site amenities. The Town Center Study lists specific site criteria. She said because it has a

different a design style and Asian theme, we didn't think tying it to Main Street was appropriate here. Member Mutch asked from the perspective of those kinds of amenities, how is it addressed. City Planner Bell said in that is addressed in the PRO concept plan. Member Mutch wasn't sure he saw those. He felt that those kinds of details will set the project apart. It is very important to see those illustrated. He understood they were concepts, we are not tying them down to a specific light fixture, but to see those amenities and where they are located. He thought it would make the difference between this being world class and then it just being another retail, residential development. Deviation #15 concerns signage design ordinance standards. The applicant proposed a doubling of the size requirements because they plan on having dual language signage for each of the tenants. They showed square footage areas on some of the elevations that were included in the packet and when staff looked at those, they didn't seem unreasonable. They were supportive of many of those that they proposed. They did remove one or two at this time because there wasn't enough information. Deviation #16 concerns a drive lane reduction. The residential lane width is reduced to 20 feet and 22 feet. She said it is a two foot reduction from required. The applicant has shown that the turning radius for emergency vehicles is possible and they have agreed to place no parking signage along curbs. Deviation #17 Town Center (TC-1) district requires 12.5 side walk along non-residential collectors. She said that Eleven Mile Road is considered a non-residential collector. They agreed the way it was written was not envisioning what Eleven Mile Road is, and the additional 6-6.5 feet would be better utilized with landscaping and greenery than a very wide sidewalk. Member Mutch asked about the parallel parking spots on Eleven Mile Road. City Planner Bell stated that the applicant didn't want to move forward with that concept. Deviation #18 concerned the landscape deviation to allow six foot evergreen hedge where a Town Center (TC-1) district abuts a B-3 district. Deviation #19 concerned Ecco Tool to continue because it would be rezoned to Town Center (TC-1) it's then a nonconforming use in the Town Center (TC-1) district which she already touched on earlier. Member Mutch asked about the language that we are using in the agreement specific to Ecco Tool, if for whatever reason they wanted to expand use on that property, does the language limit them? City Planner Bell said it does. It would follow the guidance for nonconforming uses included in the zoning ordinance. Deviation #20 is the engineering design manual section about 25 foot vegetative buffer which is required around a stormwater management pond in residential area. Engineering was ok with waving that because of tightness of site. Deviation # 21 concerns the lack of screening wall or berm for parking areas along Grand River because of the decorative fence and plantings. Deviation #22 concerned the insufficient greenbelt width and berm. They are doing retaining wall that will buffer that area. Deviation #23 concerned the use of sub canopy trees for 25% of the multi-family unit landscaping trees. She referred to Landscape Architect Rick Meader to address that further. Deviation #24 concerned the deficiency of three parking lot perimeter trees provided in Phase 1. Deviation #25 concerned the wetland mitigation. Member Mutch said he appreciated her going through all of the deviations. He stated that when we see all these deviations, it's a lot to absorb; it helps to give Council clarity. He had a few questions related to site design issues. They talked about our aging population in Novi. He didn't see anything specific to that. He asked about a shuttle

bus service to bring folks to the Market and if there was a location designated for that. City Planner Bell said there is nothing identified on plans. Member Mutch addressed the lighting issues. He was specifically interested in areas along Grand River and Eleven Mile Road. He wondered if we have pedestrian scale lighting in those areas versus roadway lighting. It would be similar to what we have in front of Huntley Manor as an example. Planner Bell said she was not aware. She asked the applicant if he knew. Mr. Aikens said they have pedestrian scale lighting along the façade along the building. He said they have low lighting ideally in the screening fencing and also accent lighting. He said they have the overall street lighting in that area and at each one of the intersections. They have all of the coach lamps on the entrances for each one of the residences. Member Mutch said it was mentioned that the lighting around the pond is a bollard type of lighting, how far apart is that? Mr. Aiken's said the bollard spacing said it is approximately 30 feet on center. Member Mutch asked if someone wanted to walk out there around midnight, there would be enough lighting? Mr. Aiken's replied, yes. The drop off between the two areas exceeds the Town Center (TC-1) parking area. Member Mutch asked City Planner Bell about the phasing lines for residential and commercial, he had hard time following that. He wondered if staff had any concerns about the phasing and how it's split up. Is the expectation on order? City Planner Bell said they mostly saw that it made sense to do this separately even though they are both a Phase 1 with a different developer doing each side. She said Phase 2 would be planted in a meadow seed and could be nice in the interim. She then said a green area for Phase 2B along with parking area.

Member Mutch said seeing the residential and commercial components together it will get tricky when one developer gets ahead of the other. Mr. Aikens said there is some partnership between the developers, but they are two different parties. Member Mutch asked City Attorney Schultz in terms of specifics and PRO language proposed he didn't see any language that talked about the timing of some of the amenities and contributions. He was concerned because other PRO Agreements we didn't have language like that and we get a year down the road and nothing has happened with the amenity side. He wondered if that was something that could be addressed more clearly so we can have a realistic expectation of when those things will happen and hold the developer accountable. City Attorney Schultz replied yes. When we come back with the PRO Agreement we will take those comments into consideration. We may have more leeway because we are the seller of property. Member Mutch asked how the Ecco Tool property is treated within agreement. He understood it is being rezoned as part of PRO Agreement. He assumed the owners are agreeing to these conditions. Have they been part of the conversation as to the language that is in here? City Attorney Schultz said yes. We required them to sign the application. He said the agreement itself when we finish drafting that there will be a signatory to that. Ecco Tools is actually selling a portion of property to the developer where the parking lot is where it is labeled Phase 2B. He stated that they need to be signatory to the PRO Agreement and co-applicant because we need to address nonconformity and give them some comfort level to continue as long as they want to continue. As far as he knows, they are a full and willing partner. Member Mutch asked about the future use of property. If they need to change the nature of their operation, he heard it would be nonconforming use

which legally they don't get to expand. City Attorney Schultz said that was correct. They would not be expanding; they wouldn't be changing a use unless it is to make it less intense which is how the ordinance reads. He said Council could make it more restrictive if that is what Council wanted to do. That would be our starting point for negotiation. That would be under of the rules of the ordinance, so no expansion. It is zoned Town Center (TC-1), so if they stopped and abandoned that use they would have to come in with a conforming use and an amendment to the plan. Member Mutch said he wasn't concerned, he liked the clarity and expectation. He questioned the residential piece, and it gets back to Ecco Tool. It talks about how they are limited to 118 units. If additional residential are proposed that they would need amendment. Is that trying to address is Ecco Tool goes away? He said residential seemed most logical. City Attorney Schultz said you would want to push what the redevelopment back up through the process so that Council would have a full say in it. Member Mutch mentioned Provision 11 and how it talked about removing additional trees beyond what they are expecting. He wondered if they are they required to replace those trees under that language. City Attorney Schultz said yes. Member Mutch said it wasn't clear to him, thank you for clarifying that. He also questioned the amenities component, he had concerns is if they don't move forward with the project and someone else comes back and says they want to do the plan, but they don't want to offer those amenities. How do we insure that we get all the bells and whistles? City Attorney Schultz said they could add language to the agreement to make sure that you get all of the bells and whistles. Member Mutch noted the architecture discussions. He said they have shown us concept plans and they have made statements about it the kinds of architecture, but he didn't see anything that holds them to that. City Attorney Schultz said they will. He talked about the list of things that are placeholders for when we draft the agreement, you will see more detail. Member Mutch thanked City Attorney Schultz for covering all of the questions he had. Member Mutch asked City Manager Auger about the wetland mitigation. He knew the City has wetland mitigation sites that we own within the City of Novi. He wondered if we have anything available for them to use knowing that this is a private development verses what we have used it for which is for public projects. Was there discussion about using one of the City's properties? If so, why did we move away from that? City Manager Auger said yes, we did look at that our properties and anything that we could use to mitigate to help this project keep moving forward. The developer even drew up on some of our property in an attempt to get the mitigation close to site. He stated that the amount of land they need and also the amount of land we need in upcoming road projects, we would be just kicking the can further down the road because we anticipate mitigation in some of the larger road projects. We weren't able to find something in the City that we owned. We also looked at other properties that could be manageable. Some sites are good, but when they are small, and after the initial five year monitoring period they get away from maintaining and allowing phragmites. Sometimes it is better to partner with EGLE and allow for a larger area that is better for ecosystem. Member Mutch commented that he didn't have particular concerns in terms of what's been proposed. He thought that some areas need the language tightened up in terms of specifics to ensure the final product is consistent with the vision that's been presented. He liked what they have done to ensure access to pond area. He would like to clarify language in terms of

nature of the access. He was concerned about residential density. His gave his personal opinion and said if we are going to have high density residential development in this City that in the area of the City where we are trying to create a more walkable environment is where it makes the most sense. He didn't want to see it where low density surrounds. Here the residential component can help support uses and activate this area in a way that was always the vision. He would love to see less parking and more green space, but this is intended to be a more urban area.

Mayor Pro Tem Staudt asked if this was a two part motion. City Attorney Schultz said it is all part of the same motion. He wondered if we were considering purchasing property in the future to have a wetlands mitigation land bank. Is that something that we are going to put on our radar to do? City Manager Auger said we were approached a year ago on a different development to actually look into that. Timing wise and getting and getting the project going we didn't have time to do all of our research on that. We can probably start working on that if that is Council's desire. Mayor Pro Team Staudt said it might fit into our goal of 50 acres of purchase land each year. He said this development is too far along to take the time to develop that. Moving forward he thought it was something worth us pursuing.

**CM 20-03-025                      Moved by Staudt, seconded by Gatt; CARRIED UNANIMOUSLY**

Approval of the request of Robert B. Aikens & Associates, LLC and Robertson Brothers Homes, for Sakura Novi, JZ19-31, with Zoning Map Amendment 18.732, to rezone property from Office Service (OS-1), Office Service Commercial (OSC), and Light Industrial (I-1) to Town Center-1 (TC-1), subject to a Planned Rezoning Overlay (PRO) Agreement, and corresponding PRO Concept Plan to be updated to reflect the applicant's proposed changes as reviewed by the Planning Commission on February 12, 2020, and direction to the City Attorney to prepare a proposed PRO Agreement with the following ordinance deviations:

1. Deviation from Section 3.27.1.C for an exterior side yard setback of 10 feet (50 feet required) for Building A, where adjacent to B-3 zoning to the east, *which is justified due to similar commercial uses in both districts, which does not require a wide buffer of separation.*
2. Deviation from Section 3.27.1.C to allow building and parking setbacks to be reduced up to 0 feet when adjacent to General Common Element boundary areas of the Site Condominium, *as they are internal to the overall site and do not create a negative impact on the development or surrounding properties.*
3. Deviation from Section 4.82.2.e. to allow second floor residential balconies to encroach 4 feet into the front yard setback (11 feet proposed, 15 feet required), *in order to allow the enhancement of the central landscape area.*

4. Per section 3.1.26, deviation to allow a reduction of the side yard parking setback (10 feet required, up to 5 feet requested) in Phase 1 on the western property line with the Town Center green space area adjacent, *in order to provide an increased sidewalk entrance width near Building C*. Deviation would also allow the parking setback to be reduced to 5 feet (10 feet required) for the commercial parking area behind Building A adjacent to the B-3 zoned parcel to the south, *which is also utilized for parking*.
5. Deviation from section 3.6.2.M to eliminate the Wetland Setback (25' required) *which will be disturbed during the remediation process, and allow the development of the landscaped public amenity on the western portion of the site with active and passive recreation*. Deviation would also pertain to the far eastern portion of site, abutting city-owned retention/wetland basin, *to allow integration of the on-site stormwater detention*.
6. Deviation from Section 3.1.26.D to allow the existing front yard parking lot along 11 Mile Road for Ecco Tool shop, which is less than 20 feet from ROW (approximately 15 feet measured). This deviation would not apply to redevelopment of the Ecco Tool parcel.
7. A second deviation from Section 3.1.26.D to allow the parking area in front of Building 4 on the northeast corner of the site to extend into the front parking setback (6 feet proposed, 20 feet required), *as the retaining wall to the north will screen this area from 11 Mile Road*.
8. On the commercial buildings, Section 9 façade waivers to allow an overage of EIFS on the west, east and north facades of Building A; an overage of Flat Metal Panels on the west and east facades of Building B; and an overage of EIFS on the west façade of Building C. *These overages are relatively minor in nature and result in an enhancement of the overall design quality of the project; therefore the waivers are supported. See PRO plan Elevations and design statement from the project architects*.
9. On the residential buildings, a Section 9 façade waiver to allow an overage of Cement Fiber siding. *The applicant shall ensure all references to Vinyl siding on the elevations and accompanying documents are revised to reflect the change in material to Cement Fiber board siding. See PRO plan Elevations and design statement from the project architects*.
10. Deviation from Section 3.27.1.H. and/or Section 5.4 to permit loading/unloading spaces of the commercial buildings to be located in rear and side yards, and for deficiencies in the

size of loading area required (10 square feet per front foot of building), as shown on the PRO Concept Plan, if truck turning movements are shown on the plans to demonstrate accessibility. *This is necessary because multiple sides of the buildings will be public-facing. Screening will be provided for all trash/loading areas not facing a directly adjacent loading area.*

11. Deviation from Section 3.27.2.B to allow the proposed specialty market and food hall to exceed 7,500 square feet of gross leasable floor area, with a total of 30,000 sf on two levels, identified on the plans as Building A. Tenant will contain 25,000 sf on main level with 3,500 sf support office use and 1,500 sf overflow seating on mezzanine level. *The deviation is justified to create an anchor for the Asian village concept and allows an existing Novi business to expand.*
12. Deviation from Section 3.27.2.B to allow Building C (13,102 sf) to exceed 7,500 square feet, as it is not a multi-story building. *Building C will contain a mix of retail and restaurant uses, and will be broken up into smaller tenant spaces and continue to build on the Asian dining and retail destination theme.*
13. Deviation requested from Section 5.7.3.K for site illumination level variance for multiple walkway areas and residential parking areas. Site walkway areas will vary below 0.2 fc minimum standard on the pathway around the water feature. Site walkway areas in the residential portion will vary below 0.2 fc minimum standard. Parking area in residential area will fall below 0.2 fc minimum standard in some locations. *Lighting levels will be evaluated again for appropriateness at the time of Site Plan submittal.*
14. Deviation from Section 3.27.1.L to allow project-appropriate selection of exterior lighting fixtures, paved activity nodes, street/sidewalk furniture, safety paths, screening walls and planters, *which is necessary to carry the design theme through the project while meeting the intent of the recommended design guidelines of the Town Center Area study.*
15. Deviation from Chapter 28 of the City Code for TC-1 tenant signage standards *in order to accommodate dual-language signage for an authentic presentation of international tenants and clientele expectations.* Many tenants will have both interior-facing and frontage-facing signage. The Sakura Novi project will adhere to the following signage standards, with areas generally shown on the sign elevations sheet in the Concept Plan:

- a. Per section 28-5.c.1.a, deviation to allow up to 2.5 square feet of signage per linear foot (1.25 sf/lf permitted) of contiguous public or private street frontage, up to a maximum of 130 square feet (65 sf permitted).
  - b. Per section 28-5.c.1.b, deviation to allow 2.5 square feet of signage per linear foot (1 sf/2 lf allowed) of contiguous public or private street frontage on a rear/secondary façade with a pedestrian entrance, up to a maximum of 130 square feet (24 sf allowed).
  - c. Per section 28-5.c.1.d, a deviation to allow 2 signs of equal permitted size for each interior retail/restaurant tenant not fronting public streets. Sign area allowed up to 2.5 square feet of signage per linear foot of elevation frontage, up to a maximum of 130 square feet (24 sf permitted). The signs shall be located no closer than 30 feet on center from any other similar sign (except those of the same message but different languages, which may be located closer), and shall be located adjacent to such parking lot or street, as applicable.
16. Deviation from Section 5.3.2 to allow drive lane reduction to 20-22 feet (22 feet required when no parking spaces are present, and 24 feet when adjacent to 90 degree parking spaces) in residential Phase 1B area as shown on the Concept Plan, provided no parking signage is posted in these areas and provided sufficient clearance is available for emergency vehicle movements.
  17. Deviation from Section 3.27.1.1 to allow a 6 foot sidewalk along 11 Mile Road, where the TC-1 district requires 12.5 foot sidewalks along non-residential collector and local streets. *The deviation is necessary to provide sufficient landscaping material for the greenbelt screening while maintaining the proposed setbacks for the residential uses (11' to porch and 16' to townhouse facades, 15' to facades without porches). A wide sidewalk along 11 Mile Road would not serve the intended purpose of outdoor dining or pedestrian activity in a commercial area.*
  18. Landscape deviation from section 5.5.3.A to allow a continuous 6 foot evergreen hedge with densely planted deciduous canopy trees in lieu of the required 6-8 foot berm required when TC-1 district abuts a B-3 district.
  19. Deviation to allow Ecco Tool to continue to operate as a nonconforming use in the TC-1 district until their operations cease, *which allows an existing business to maintain operations, while ensuring that redevelopment in the future will be consistent with the surrounding TC-1 District, should the Planned Rezoning Overlay be approved.*



20. Engineering Design Manual section 5.6.5 (b)(a) deviation for lack of 25' vegetated buffer around the storm water management pond in the residential use area, as *providing the buffer is infeasible.*
21. Landscaping deviation from Section 5.5.3.B.ii and iii. for lack of screening wall or berm for parking areas along Grand River, because *a decorative fence and plantings are used as an alternative to screen the parking areas.*
22. Landscaping deviation from Section 5.5.3.B.ii and iii. for insufficient greenbelt width and berm between parking lot and 11 Mile Road (Phase 1B), as *the retaining wall will screen this parking area.*
23. Landscaping deviation from Section 5.5.3.F.ii. for use of subcanopy trees for 25% of multifamily unit landscaping trees.
24. Landscaping deviation from Section 5.5.3.C for deficiency of 3 parking lot perimeter trees provided in Phase 1, *in order to provide room for increased pedestrian sidewalk entrance width from Grand River Avenue into the site.*
25. *Deviation from Section 12-176 of the Code of Ordinances to allow the developer to mitigate wetland impacts in whole or in part through the purchase of credits in an EGLE-approved wetland mitigation bank, because mitigation alternatives meeting the requirements have been explored and have been found to be cost-prohibitive for this project, subject to the conditions listed in the Wetland Review letter.*

*The following conditions shall be requirements of the Planned Rezoning Overlay Agreement:*

1. *Acceptance of applicant's offer of public benefits as proposed:*
  - a. *Developer offers to dedicate continuous Right-of-Way (ROW), and future ROW, along 11 Mile and Grand River. The amount of ROW proposed to be dedicated along 11 Mile is 0.028 acres (Anglin) and 0.165 acre (eastern area). Along Grand River Avenue, the proposed ROW dedication would be 0.149 acre. The total dedication would be 0.342 acre.*
  - b. *Developer offers an easement at the southeast corner of the proposed development for the use as for a public art display or another amenity for the public. The PRO Agreement should make clear who would be responsible for selecting, commissioning, paying for the piece or signage and maintenance of the area.*
  - c. *Developer offers to partner with the STAMPS School of Art and Design at the University of Michigan and the*

Japanese America Society to source a Japanese-themed illuminated applique that will be placed in a prominent location on Building C overlooking Grand River Avenue, as shown in the applicant's response materials.

- d. Developer offers to make a contribution, not to exceed \$117,001 to a dedicated account that will fund Walkable Novi work in the Sakura Novi vicinity. This amount is approximately equivalent of the cost of Segment #66 listed on Page 19 of the "Annual Non- Motorized Prioritization: 2019-2020 Update."
- e. Developer offers to pay the cost to make the connection between the Sakura Novi campus and the intersection at the corner of Grand River Avenue and Town Center Drive. While developer is not, and will not be, the owner of the private property on the corner of Grand River Avenue and Town Center Drive, and Developer does not have permissions to interfere with real property on that corner parcel, the Developer will work together with the City of Novi to seek to make the connection, and the Developer will pay for the work.
- f. Developer will build an approximately 1,800 square foot multi-use / multi-generational recreational amenity that is in keeping with the theme of the Sakura Novi project in the general area as originally designated for "Tea House" on the northwest corner of the pond, as a part of Phase 1.
- g. Developer will build an approximately 700 square foot meditative Observation Plaza east of the Sakura Novi residential commons, overlooking the eastern detention area and city wetland preserve.
- h. Developer offers to pursue a partnership with One World Market and Novi Public Library to provide an area within the Sakura Novi project for the library to curate thematic material and information about library programs. The market has agreed to provide a 12 sf area in the vestibule of the market. The structure curated by the library will be similar to a Free Little Library. The Developer and Novi Public Library have discussed having the library curate in this area a collection of Japanese language material and English language cook-books about Asian cuisine.
- i. Developer and the Market offer to establish a Community Room function within the Market space available for free use for public gathering and meetings. The parameters of the Community Room function, including room size (approximately 400 square feet),

capacity and availability, shall be a condition of the PRO Agreement to ensure this would be a benefit to the public. One function of the room could be to deepen the partnership with Novi Public Library by working collaboratively to present thematic speakers and events.

2. Developer shall develop the Land in accordance with all applicable laws, ordinances, and regulations, including all applicable setback requirements of the Zoning Ordinance under the Proposed Classification, except as expressly authorized herein, and all storm water and soil erosion requirements and measures throughout the site during the design and construction phases of the Development, and during the subsequent use of the Land as contemplated in this Agreement.
3. The grass-land pads shown on the landscape plans shall be properly maintained as grass-land pads, utilizing a native meadow planting mix approved by the City's Landscape Architect, until such time that area is needed for Phase 2 uses to be developed.
4. The maximum number of dwellings to be constructed in Phase 1B shall be 68.
5. The maximum number of dwelling units to be constructed in Phase 2 shall be 50.
6. The maximum number of dwelling units to be constructed in total for the Sakura Novi project seeking rezoning under this PRO Agreement shall not exceed 118. The resultant ratio is approximately 8 units/acre. A PRO Amendment will be sought if additional residential units/buildings are proposed for future Phase modifications.
7. Phase 1 non-residential uses shall be limited to a 30,000 sf market; and restaurants and retail space totaling approximately 25,000 sf as shown on the PRO Concept Plan.
8. Phase 2 non-residential uses shall be no greater than 4,500 square feet of retail/restaurant use.
9. Changes to the mix of uses of +/-10% shall be permitted to be approved administratively as long as additional deviations are not required and associated Ordinance requirements can be met.
10. Woodland tree removals during Phase 1 and Phase 2 shall be approximately 133 trees, which shall require 256 woodland replacement credits for Phase 1, and an additional 13 credits for Phase 2. Developer will plant a minimum of 17 credits as replacements on site through the planting of canopy trees, evergreen trees and native groundcover seeding. Native ground cover seeding shall not

- exceed 5% of the replacement credits planted on site. All woodland replacement credits planted on-site shall be permanently protected via conservation easement or landscape easement. Any credits not planted on site will require a payment of \$400 per credit into the Novi Tree Fund.
11. Any additional regulated woodland tree removals shall meet the requirements of the City of Novi Woodland Protection Ordinance, and may be granted administratively up to 10 trees with proper justification. If additional regulated trees proposed for removal exceeds 10, Planning Commission approval must be granted.
  12. Proposed parking is being provided as per the Parking Study recommendations, which has been reviewed and approved by the City's traffic consultant. Future phase parking requirements will also be a function of shared parking analysis findings, if supported by City's review and approval.
  13. Tentative completion date for Phase 1A shall be calendar year 2022.
  14. Impacts to wetland and wetland buffer areas have been indicated and quantified and submitted as part of the PRO package. Specific remedies to be included in the PRO Agreement conditions.
  15. Open space standards have been achieved and will be exceeded as part of Phase 1 site work. The existing pond and setback exceeds 2.45 acre of area, or 15.3% of the overall subject property. After remediation and necessary reconfiguration, 2.11 acre of water feature and landscape perimeter will be maintained. Additional Open Space, totaling 20.9% of the subject parcels' area, has been committed in Phase 1 to exceed the ordinance requirement of 15% for the overall development parcels.
  16. To protect future residents of the Phase 1B units from excessive noise impacts from the existing Ecco Tool business, the developer shall provide a Noise Impact Statement at the time of Preliminary Site Plan submittal to determine if ordinance performance standards will be exceeded. Provide any necessary mitigation measures if required.
  17. The adjacent non-conforming Light Industrial use owned by Ecco Tool Co is to be addressed in the PRO Agreement conditions including:
    - a. Access for delivery trucks on the retained parcel; which will require cross access rights;
    - b. Twelve parking spaces on the retained parcel or access to parking spaces on adjacent areas to make up for any shortfall.

*This motion is made because:*

1. The proposed neighborhood-scaled, mixed-use, pedestrian accessible development would be in line with the intent of the 2016 Master Plan. Developer indicates that the proposed development complements the 2016 Master Plan vision for a unique, well designed, mixed-use facility.
2. Growing an important existing Novi retailer (One World Market) would complement the goals and objectives of the 2016 Master Plan.
3. Sakura Novi, as a unique development would reinforce the vision of the 2014 Town Center Area Study, namely by creating a *dynamic, attractive city core that provides residents and visitors with unique opportunities to participate in active community life, and meet their needs for goods, services, housing and entertainment.*
4. The proposed Sakura Novi, with its unique collection of market, restaurants and retail is anticipated to be an economic engine, generating 170 permanent jobs.
5. The proposed residences at Sakura Novi will provide smaller footprint, middle-market rate residential rental offerings. The new homes would be a draw as temporary living opportunities for expatriate professionals and their families drawn to the City for work or other cultural reasons, as well as the large corporations that sponsor many of these families.
6. The developer indicates that the proposed Sakura Novi is anticipated to reinforce Novi's tax base beyond the project itself by creating a platform that can foster partnerships among the City of Novi, cultural institutions and the corporate community. An example provided is the partnership with the STAMPS School of Art and Design at UM, and the Japan America Society to create a Japanese-themed illuminated applique (a back-lit piece laid over glass, proposed to be located on Building C facing Grand River).
7. The development will create a park-like environment around the existing pond, including a walking path around the pond and throughout the site, available to the general public. Landscaping treatments, the pathway, and a play area at the edge of the pond will "activate" the pond. These efforts will foster walkability and connectivity within an important corner at the heart of Novi, as well as potentially energize other areas in the Town Center core.
8. In keeping with the intent to create an Asian village theme, Sakura Novi's design features, as described in the Architects' Design Statements, intends to create a bold, yet refined, aesthetic reminiscent of upscale shopping, dining and

entertainment districts one may find in Osaka, Seoul and Hong Kong.

The City Clerk is also directed to publish notice of the City's intent to establish a Commercial Rehabilitation District in connection with the subject property, in accordance with Section 3 of PA 210 of 2005, MCL 207.843, and to hold a public hearing on the issue as required by law. The Clerk shall also provide notice to all parties of the hearing as required by law.

Member Breen said the list of proposed benefits was impressive. She was happy to see them. She was happy to see when it comes to a rezoning that we ask what the benefits to the public are. She had a few questions regarding the residential component. What is the price point? Who are these residential homes being geared towards? Mr. Aikens said he would let Robinson speak to that. He said the residential is geared towards the missing middle market. He has an interest in the expatriate community as well. He said a lot of the young families that are coming in for two to five year shifts; he thought it would be a natural for that. The folks really do appreciate being able to walk to One World Market today from the Main Street Village area. Tim Loughrin from Robertson Brother's Homes, 6905 Telegraph Road echoed what Mr. Aikens said about the type of renter we are looking for would be an urban professional, someone that would buy in to the Sakura Novi-theme. He believed it would be really popular in that respect. He said it is still early with price point. They are doing a market study, he anticipates about \$1.40 to \$1.75 per square foot a month. They have two types of units from 1200 to 1500 square foot. They are working through all of those numbers. Member Breen thanked the staff for the intense work that has been done on this property. It is an exciting development. When it comes to rezoning and determining what would be the best for the City these are the types of public benefits that we want to see. It has been a long haul. She said she would support this, she is excited to see this move forward.

Member Casey said it is nice to be at this point. She thanked everyone that was involved in all of the hard work. She asked Mr. Aikens from a site plan perspective is their intent, and Robinson Brothers as well, intent to level and grade the whole plot at one time or is there a phased approach to doing that. Member Casey was asking more about the trees on the east side. Mr. Aikens thought it would be done at the same time. She thanked him for the clarification. She had a little bit of heartache with the wetlands, not requiring that we have mitigation within the City. She appreciated what they did. The only choice we have to is to enable the mitigation outside of the City. She said she would support it for that reason.

Member Fischer said he was struggling with the timing of the phases. He asked Mr. Aikens to walk him through the phases. Mr. Aikens said Phase 1A is retail commercial. They have an agreement with One World Market. They have a specific timeline and they are a client, they are serving them and delivering their space. They have been very aggressive with what they are trying to do. They are looking to break ground in

August. He felt that Phase 1A and Phase 1B can be proceeding right from there. Possibly roll through Phase 2A in due course as it is fairly harmonious with what Phase 1A is. Member Fischer wanted specific timelines. Mr. Aikens guessed by the year 2022. Phase 2B there is uncertainty. Mr. Loughrin from Robertson Brother's said they are heavily invested and wants to move forward as fast as possible. They will move through it, maybe 1-1.5 years for full construction of all units from start to finish. They would lease up as quickly as they can, they are anticipating success here and then they can roll to Phase 2 as soon as possible. Member Fischer said he also had concerns on the wetlands mitigation, but appreciated the comments by the consultant and some of the other discussions he has had with staff. He said he was willing to support at this time.

Mayor Gatt commented for the record. It has been a long and winding road. It has been years. He was very excited. He said when this is completed it will become the most prolific spots in the City of Novi. He thanked everyone for their hard work.

**Roll call vote on CM 20-03-025**

**Yeas: Casey, Crawford, Fischer, Mutch, Gatt,  
Staudt, Breen**

**Nays: None**

**3. Consideration of approval and adoption of:**

**(A) Resolution of Understanding authorizing the Oakland County Brownfield Redevelopment Authority (OCBRA) to undertake review of a Brownfield Plan proposal for the Sakura Novi Development, located on the north side of Grand River Avenue near Town Center Drive, and to collect various fees in connection with the proposal;**

**(B) Resolution Concurring in the provisions of a Brownfield Plan submitted to the OCBRA utilizing tax increment financing for a period of approximately six years, ending no later than 2027.**

City Manager Auger explained that his is a tool since the City does not have brownfield authority we utilize Oakland County's Brownfield Authority to manage this process. It is a reimbursement process where the developers will clean up the dirty site and be allowed to be reimbursed over a number of years. He said on Page 379 in the Council Packet and the Resolution on Item B it says 6 years, that is a number we were using that was the quickest it could be paid back if it rolls right through. It should state up to 12 years. So that would be 6 to 12 years to allow for the unknown markets that can happen over the next couple of years for that payment to be made. He said the motion should be amended to say the 12 years versus the 6 years we were working with. The end date should read no later than 2033. City Attorney Schultz said he took the 6 years out of their Brownfield Plan which is the most ambitious pay off period. The developer and the City Manager have agreed to a 12 year, so it should say approximately 12 years, ending no later than 2033.

**CM 20-03-026**

**Moved by Fischer, seconded by Staudt; CARRIED UNANIMOUSLY**

**Approval and adoption (subject to PRO Concept Plan and PRO Agreement approval and site plan approval) of:**

**(A) Resolution of Understanding authorizing the Oakland County Brownfield Redevelopment Authority (OCBRA) to undertake review of a Brownfield Plan proposal for the Sakura Novi development, and to collect various fees in connection with the proposal;**

**(B) Resolution Concurring in the Provisions of a Brownfield Plan adopted by the OCBRA utilizing tax increment financing for a period of 12 years, ending no later than 2033.**

Member Mutch asked City Manager Auger to clarify the brownfield tax increment tax capture. Is that 100% or 50%, how much of the new revenue is being captured? City Manager Auger replied that it is 100% reimbursable. Member Mutch stated that there are school, city, and the county millage that are captured, but they are some that are excluded like debt millage, Art Institute, and the Detroit Zoo, they are not included. City Manager Auger said he believed that is correct. Member Mutch said we have a base value that is set pre-development and then all the new value that comes as these various pieces come together when they come online in terms of taxable value would normally be captured by the City and various taxing entities. Those are captured by the Brownfield Authority, and those revenues are paid back to the developer for their costs as they expend them. They would have a list of their activities and seek reimbursement. City Manager Auger said Member Mutch was correct. He said this developments clean-up will be all in the first Phase. He said some developments are multi-phase so the clean-up is extended out for many years. He explained the brownfield work will be done up front and then the reimbursement will be what is lagging down the road. Member Mutch asked if this cost is fixed. If they get out there and the cost doubles can they seek additional reimbursement? City Attorney Schultz said it is to the number that is listed in their plan. Member Mutch asked if our role in this is approving Oakland County moving forward with this, in theory they could do this without our approval. City Attorney Schultz said they have to get our approval. Member Mutch clarified that Oakland County will capture all of the new tax revenue from these various things up to the point that they cover all their costs that are eligible up to the amount listed and from that point forward the City will start capturing the revenue. He said this project is unique and we've had all these conversations about this. He has had problems with what the developers are doing in terms of accessing those dollars. He thought everyone recognized what is going on with this site as far as historical use of the pond, the car wash using the pond as its filtration system or whatever they were doing there so there are legitimate issues that need to be addressed. He wanted everyone to be clear in terms of the impact that we will not see a lot of new tax dollars from this site until those costs are paid up. He wondered about the Corridor Improvement Authority and how that interplays with the tax dollars? Are they able to capture revenue? City Attorney Schultz believed they didn't capture revenue until this is done. That was his understanding. City Manager Auger said it is done by date of inception until you get a brownfield and then there is an agreement between the authorities on how they are paid off. He has not seen the details on that, but that is normally how it is done.



**Roll call vote on CM 20-03-026**

**Yeas: Crawford, Fischer, Mutch, Gatt, Staudt,  
Breen, Casey**  
**Nays: None**

**AUDIENCE COMMENT: None**

**COMMITTEE REPORTS: None**

**MAYOR AND COUNCIL ISSUES: None**

**COMMUNICATIONS: None**

**CONSENT AGENDA REMOVALS FOR COUNCIL ACTION:**

Member Fischer removed Consent Agenda Item C for further discussion. He said that this item had to do with the implementation of a school speed limit on Wixom Road and Eleven Mile near Deerfield Elementary. He mentioned the traffic consultants had made a recommendation about the utilization of using flashing beacons. He wanted to know if staff intended to go ahead and implement that recommendation at this time. City Manager Auger stated that City Engineer Croy would be able to answer that question. City Engineer Croy explained that it is common for our consultants to offer options for the City to consider and then we make a decision based on their recommendation and any other relevant information that we have in front of us. He said that we may or may not go with their recommendation. We do use their expertise to come to a final decision. Member Fischer appreciated that, but he would like to go ahead and approve this tonight, but he was hoping that City Administration would be directed by Council tonight to go ahead, but would like City Administration to provide information about this back to Council in an Administrative Packet. He was also looking at other benchmarks in communities that have major thoroughfare where schools are. He was thinking as example of Taft Road in Northville, they use flashing beacons there also. He asked for City Administration to provide further information to Council in those respects.

- C. Approval of (1) Traffic Control Order 20-01 for the implementation of a 25 MPH school speed limit on Wixom Road from 1,000 feet south of Eleven Mile to 1,000 feet north of the northern property line of the Novi Community Schools District parcel on school days only during the periods of 7:15 AM to 9:15 AM and 2:30 PM to 4:15 PM and, (2) Traffic Control Order 20-02 for the implementation of a 25 MPH school speed limit on Eleven Mile Road from Wixom Road to 1,000 feet east of the eastern property line of the Novi Community Schools District parcel on school days only during the periods of 7:15 AM to 9:15 AM and 2:30 PM to 4:15 M.

**CM 20-03-027 Moved by Fischer, seconded by Casey; CARRIED UNANIMOUSLY**

**Approval of (1) Traffic Control Order 20-01 for the implementation of a 25 MPH school speed limit on Wixom Road from 1,000 feet south**

CITY COUNCIL MINUTES  
SEPTEMBER 28, 2020

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- B. Enter executive session immediately following the regular meeting of September 28, 2020 for the purpose of discussing property acquisition.
- C. Approval of Cooperative Mutual Aid and Fire Control Agreement between the Michigan Department of Natural Resources - Forest, Mineral and Fire Management, and the City of Novi.
- D. Approval of the 2020-2021 Winter Maintenance Agreement between the City of Novi and the Road Commission for Oakland County for snow and ice control on selected county roads in Novi; and adoption of a resolution authorizing Novi to provide winter maintenance of selected county roads.
- E. Approval of a Street Light Purchase Agreement with DTE Energy for the installation and ongoing operation cost of nine (9) street lights at nine (9) intersections as part of the 2020 Novi Intersection Improvements project.
- F. Approval of the 2021 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and Resolution for the Older Adult Transportation Program in the amount of \$54,454 and CARES Act funding in the amount of \$42,990
- G. Approve amendment to lease agreement between the City of Novi and PI Tower Development, LLC that updates the property description of the parcel where the cell tower is located upon
- H. Approval of claims and warrants – Warrant No. 1068.

**Roll call vote on CM 20-09-110**

**Yeas: Breen, Casey, Crawford, Fischer, Mutch,  
Gaff, Staudt**

**Nays: None**

### **MATTERS FOR COUNCIL ACTION**

1. Consideration to approve a Fifth Amendment to the previously-approved Conditional Agreement of Purchase and Sale on North Grand River City Property, located north of Grand River Avenue, east of Town Center Drive.

City Manager Auger stated the developers and City staff met a couple of times after the last City Council meeting. They tried to be creative in order to accomplish these two steps, the land sale and rezoning of the property by the PRO process. He said that this makes it more challenging for all involved. The forced shut down due to COVID creates more challenges. What is in front of Council is the developer's creative way to attempt to deliver what Council asked of them. It adds more complexity and unknowns with the land contract format. He said if City Council is okay with this new idea, staff will work hard with the developer and get this done on a quick timeline. We are ready, One World Market is ready, we love their concept of their new store and we

would like to see them grow as quick as possible. If we must simplify this and bring this back another way that breaks the two issues further apart so it is a simpler transaction, they can do that as well. He mentioned that City staff and the developer were there to answer any questions. Mayor Gatt asked Mr. Aikens if he wanted to address City Council. Mr. Aikens replied no, he would just listen to the City Council's discussion.

Mayor Gatt said this was a project that they have worked on for several years, there are millions of dollars involved. He mentioned the developer and his clients have put a lot of money into this project. He said they have received an email from One World Market. He did not want this project to go away. It is not the developers fault that COVID hit. There have been a lot of causalities of this disease, it is tragic. We have a plan; we will get something. This may not be what we envisioned or hoped for a year ago, but it is going to be something. He believed Novi would recover faster than most. This will go away, and the world will be normal again. He believed the phases would change and the development may lean toward something that we anticipated in the beginning. If there is a motion made, he said he would support it. He thought the developer had changed his plans since the last Council meeting. He said one day it would be a beautiful development.

Member Fischer said he was opposed to moving this along. He mentioned that back in December he was reluctant to approve the extension. He understood that everyone has worked on this a very long time. It was about two or three years that all of you have spent on this and there was not much traction, then we gave an extension of six months. Now we are into this almost four years and we are back in August again, partially because of COVID, but again it has been almost four years. He explained that there was a proposal that increased the residential and we were very clear that we were not interested in that. He thought that some of the memos talked about increasing it by 14 units, and he saw proposals that talked about 26 units. That is a 22 percent increase in residential. That was something that we were not willing to concede. He pointed out that now, instead of the increase in residential, they came back and said that they will go forward with the tentatively approved PRO from March. They just want new phasing that will allow us to do the market and all the residential we want and then see how it goes from there. He was concerned with a land contract where the City will get half of the money, \$1.5 million dollars upfront and the other \$1.5 million up to five years later if they think that the commercial is ready to go and can be finance. He said those two conditions he was not willing to put the residents at the risk of. He said those were non-starters for him. He stated he did not have any interest in approving this Fifth Amendment at this time. He said he did not necessarily want to see the conversation stop; he would like it to move forward. He just felt like we were spinning our wheels on this. It is this discussion, this contract, this conditional sale. He did not want to vote for any motions that would extend this at this time. If he understood the contract and we did not want to go forward with this just by no action that evening that would kill the contract which would be his preferred method that evening.

Member Mutch stated that at the last meeting this project appeared to him to be on the brink of going down that evening. He said he initiated the effort to give us some more time to bring back either a return to the original plan or some revisions to the plan.

In that measure he thought we did make some progress in terms of going back to a plan that everybody on Council who reviewed it felt comfortable and had approved it. He said he did have to agree with a Member Fischer that the provisions that are being proposed for the land contract really raised a lot of questions for him also. He really thought it would make it challenging for him to vote for this that evening without a lot more detail in that regard. He knew that it was not specific to what they were voting on that evening, but he wanted to be sure it is appropriate to continue that process. If this is the kind of framework that Mr. Aikens and his team is relying on. His biggest issue was related to the land contract and the time involved. Obviously with what is going on with COVID it is really throwing everything from a development process into question and he understood folks like Mr. Aikens are kind of flying blind here. They do not know or have a firm grasp on when things are going to turn around, and to what nature those things will turn around. At the same time, City Council must ensure that we are continuing to protect the investment that the City made in this property. We must ensure that it is developed in the way that we want at the same time protecting the financial interests that we made in that property when we originally purchased it. We had the understanding that we all felt confident that we would get back the value that we spent to purchase it. He said he did not have the comfort level that evening that would happen under this proposed scenario. There were no details in terms of what portions of the property would be covered by the \$1.5 million purchase price and what portions would be covered by the land contract. The concern that he had in that regard is that we could see a scenario where the most valuable portions of the property are sold off and developed. Then for whatever reasons, whether it is by choice or circumstance the developer walks away from the remainder of the project and the City could end up with a property back, but with the portions of the property that do not have value that would allow us to fully recoup our portion of that investment. He said that is the biggest sticking point with moving forward that evening. He felt like he did not have enough information in that aspect of the agreement. He did not think in terms of the residential component which was not his biggest concern. He believed with this project he thought it was important that we are all clear if that is what Council is looking for in terms of the numbers that this plan is a return to that plan. He said he would be challenged to approve this without some more understanding of how that financial piece is going to be addressed.

Member Breen asked Mr. Aikens about the timeline with the Brownfield remediation of the property, he said Jim Clark was better suited to answer those questions, he has a lot of expertise. Mr. Aikens said they would be working on that immediately along with moving doing the site work, Mr. Clark said he thought it was important also at least to understand what the origins of this split closing. We initially had tried to add 14 units to help mitigate the upfront costs that we will go through in developing this site on the front end of it. So, one way to that was with 14 additional units which we hear loud and clear that nobody wanted the additional units. He said Scott's business is out of business for a period, due to no fault of his own. The market can move forward, but we are going in, we must remove the building, so we have demolition, we have environmental remediation. We have wetland delineation, remediation and mitigation and we have site balancing and soils. We have earth work and moving. In terms of Member Mutch's was concerned with the value of the property, we are going to be

spending about \$5 to \$6 million dollars to improve that property and leave the most valuable piece of the property which is the frontage on Grand River as undeveloped property in a meadowed state. Initially completing the pond and all the amenities around the pond, putting the market in, and doing the first phase of the residential. He said there is certainly the ability to work through those unknowns. He stated that 75 percent of all land development happens in the first phase because you simply got to get to this site and you have to get your road rights-of-way and have to get your access points and fire requirements. We will spend 75 percent of all dollars on the land development upfront, which if we do not buy phase two, is a value to the land holder which is the City. We did this this as a creative way to try and mitigate some of these effects of COVID. He said Scott cannot build new restaurants today, and we have a financial commitment to spend most of our money up front so in the absence of not looking at additional residential this was a second attempt. In this environment, we cannot have direct conversations with you until times like this. He said they were grasping for ideas to keep this thing together. They are trying to keep your vision and Scott's and Robertson vision alive. Which will be One World Market on day one, all your site improvements or 90 percent to 75 percent of your site improvements are done. There will be a viable residential project that will have a valuable parcel sitting on Grand River Avenue where everyone would want to be. Member Breen wondered when he thought the environmental cleanup will be completed by. Mr. Clark said the spring of 2021. He said if we move forward that is the first thing that must happen. The environmental remediation must happen before we can get a loan and we can not proceed with any of our development until all those things happen. There will be no bank loan, there will be no development. The environmental remediation will be first. Member Breen appreciated the changes that have been made moving back towards the initial vision. She stated she was not a fan of land contracts. She wondered what happens if things get worse than expected, who will be left holding the bag. The thing that really got to her is that you will be spending that much money up front and remediating the property. That is the most important part of it as far as she was concerned. Member Breen was not was not sure which way she was going yet, but that was her biggest question.

Member Casey asked City Attorney Schultz if what was in front of Council that evening was the extension of the conditional agreement of purchase, we are talking about extending the closing date. We are not talking about what the developer's intent is related to how he is going to purchase the land. She wanted to know if that was accurate. City Attorney Schultz replied that generally, yes. That would be the formal action that Council would be taking, grant the Fifth Amendment, and the dates would be extended. The reason they were talking about the other aspects was to get Council's decision on whether an extension to negotiate in that direction is something worthwhile. Member Casey said the developer is hearing, very clearly that there is a lot of concern with this idea of doing a land contract for this purchase. She said she empathized with the situation that you are in right now, she was glad we got back to the development plans that we agreed to in March. She stated that she was not thrilled, but more comfortable with the idea of phasing in terms of doing the biggest commercial pieces last in the development. She said she understood the logic behind that, and she was willing to go down that path. She stated that she was not in favor of

a land contract, but while she might be willing to approve this conditional agreement, it would be with the understanding that should they see a revised purchase agreement with a land contract, they would not have her support. She said she was not open to that as an opportunity because she thought her colleagues have said it as well. She said that he mentioned at the last meeting that he needed to protect the downside risk for your business. In her perspective she needed to help protect the downside risk for the residents of this City. If the extension is simply the extension of six months, then she was willing to support that with your phased plan going back to what we agreed to with the March proposal. Anything further about the purchase agreement, if it is a land contract, it is a no for her.

Mayor Pro Tem Staudt said we heard a lot of different positions this evening. He asked Mr. Aikens where he would go with this. He said he did not hear a lot of support for the land contract concept. He said there is a part of him that is following Member Fischer's position which is to start with a blank piece of paper tomorrow. We are not really starting with a blank piece of paper; we are starting with a very developed concept that perhaps is being bogged down with the current agreement that we have and the conditions you are working under. He said he was not sure that the best solution is not to say this is just not going to work the way you proposed it. Frankly, this may not work with the current contract that we have in hand. He wanted to know what Mr. Aikens would you suggest to Council. Most of us have been here for the entire time this has gone on. He can remember two or three years ago when he was mad when we made the first extension, then the second, then the third and the fourth. We have heard a lot of reasons to do all this and much of it had to do with your financial viability for this project. Here we are with the Fifth Amendment; are we sure we can really get this done and move forward. He said he was not sure. He was not sure if it was better saying walk away from this agreement, but not walk away from you, and not walk away from One World Market. He thought we all have a consensus here that they are a very important part of this. The residential has always been here or there for him, it has not been the key part of this. He still thought that this is very viable to get this done. He was not sure that we are not caught up in a murky long-term agreement that may have been relevant two or three years ago. Right now, we need to think out of the box and do something different. He asked Mr. Aikens to tell City Council what his thoughts were. Mr. Aikens said he believed that they were right there, it is right in front of us. He stated that he has worked in retail leasing for 15 years, working for owners of retail properties trying to bring in restaurants and retailers to those properties. He stated that most have been successful deals, and some bad deals. He said you own this land; One World Market is your perspective anchor tenant. He said One World Market made it clear in their letter that they want to be here. He believed they are a very important retailer and he suggested that you get that deal done. He stated that One World Market is an anchor tenant for the land that you own, we need the extension to work out the final details. The problem is the way this is set up and with the impact of the pandemic. We are ready to go with One World and the residential development, but it is going to open with One World Market. These are expensive site improvements including the meadow and the pond along with the environmental cleanup, parking lots and landscaping. He said because of the pandemic, the additional restaurants and retail are not going to be in place. They do want to have the high-quality Asian



themed restaurant and retail, but we need some help to bridge that time. You have a great piece of property on Grand River and we want to get that collection right for you, but we need some help to bridge the time to that point. This is set up to be able to do that. The simplest way to do it is the 14 residential units behind the market. It is kind of in an unimportant place that we put on the edge. We need some help with the land purchase and that is how we have structured this and he thought that it works. He said of course they are going to lease the frontage on Grand River as soon as humanly possible. It is extremely important land, powerful land. I would say to stay the course. Member Pro Tem Staudt asked when will we see the check cut for this payment. City Attorney Schultz said there is still an awful lot to be done before you are closing on anything, even if you were to agree to restructure the purchase agreement, you would have to bring that back to the City Council for restructuring to a phase purchase. You still have not really come that close to finalizing the PRO development agreement process. We have not even responded essentially yet to that, that will be awhile. It will not be tomorrow. Mayor Pro Tem Staudt said he totally understood that; his point was whether it would be a week, a month, two months, three months. He said one of the problems that we have is all this stuff is mixed in together with the sale of the land. The sale of the land is relatively a simple process compared to everything else that is going on. He said they have had this conversation multiple times in the past. This mistake by this Council is trying to negotiate a development with a land sale. He just wanted to know when is it realistic if we give an extension for us to get some check for the residents of the City of Novi. When are we going to get paid for the land and if it is after the PRO, then we probably need to move forward right now without an agreement and start over because if we are going to tie all this together like we have for the past three years, he did not see this getting done. If we are going to wait for everything and every I to be dotted and T to be crossed on the development, then this thing probably is not going to happen this evening. He said he was not going to make any motions. He was not sure if anyone would make any motions at this point. We do not want this to go away. We do not want it to not happen, but the conditions of this business agreement are not something that he thought most of the Council felt comfortable with. He said he there was nothing in the packet, and nothing said tonight, to convince Council that this is the best thing to do for the City. He said he thought you could get there, and it may take a little bit different agreement. He was not sure where they were going that evening.

Member Breen asked City Attorney Schultz if there was an alternative financial arrangement that we might be able to make this happen. She was happy with the fact that a lot of money was going to be invested with the environmental cleanup. She was also happy with the fact that they have changed the plans closer to what we saw in the original concept. She wondered what we could do besides a land contract that might allow us to proceed forward. City Attorney Schultz replied that they proposed a land contract because it is kind of the standard way to do the financing for something like this. He did not know if there is another way. He thought we could come at it with a little bit different direction. The reason why the agreement is set up the way that it is, is that you don't transfer the title of the property and lose the property until you have guaranteed through a binding development agreement recorded against the property. When you close on the property, they build what they promise to build. There

is no other way to do that, that he was aware of. If you close on a portion of the property and leave the rest to be paid for financed and paid for and closed on later that is what a land contract does. Anything less than that you run into other issues that municipalities have had to deal with, that other sellers do not have to, relating to loading of credit to private individuals which is not permitted, except under certain circumstances, like a land contract. We have some issues to deal with that a regular seller would not have to. She said what it boils down to is that she did not have enough detail about what will happen if there is a rescission of the agreement. She understood and appreciated Mr. Aikens' efforts because she does want this project to move forward. She understood with the fluctuations in the market with COVID pandemic are making a lot of things certain. She was not comfortable with the fact that this is a land contract. She would like to see us go back to what we originally wanted, but we cannot have that. If there was a way we could structure this so that there was more detail as to what would happen if there was an inability of Mr. Aikens and the developer in this project to be delivered the way it has been intended. She did not want the City to be left holding the bag. She understands that they were saying the best property at the Grand River frontage is going to be left there, but we don't have enough assurance as to what is going to happen if this fails over the course of five years. Five years is a long time. If it was a shorter term, she might be more amenable to this. She felt that five years, with the land contract is too long and leaves too much uncertainty. She believed it was too much risk for the City also.

Mayor Pro Tem Staudt asked Mr. Aikens if he would consider going back to their original proposal prior to the last meeting. If you are not willing to do that, would you be willing to negotiate if this agreement expires this evening. Mr. Aikens replied, yes, of course his intention is to serve One World Market and you know this exciting project. He has been really pleased to work on this beautiful Asian garden concept in the ponds and all the architecture and the multilingual, bilingual elements. We will keep working on it. The last proposal before this one was with the 14 additional units. Mayor Pro Tem Staudt clarified he meant the last proposal was the proposal made in March. Mr. Aikens said that was the proposal for all the phasing and the payments and everything; he did not think we can do that. Mayor Pro Tem Staudt said he did not know what Council is willing to do at this point. For the lack of a motion, he thought it is best that we take all of the things that are tied to the current agreement and eliminate it and let our City staff and City Attorney negotiate with Mr. Aikens without any conditions that are currently being applied by this current agreement. He did not know where else we are going to go, but he was not going to make a motion at this point.

Member Fischer said it was clear that Mr. Aikens and Mr. Clark were adamant about these 14 units. He said he would imagine they have done some sort of financials on the 14 units. He asked if he had considered talking to the City. He did not know what it would cost, and he did not know that any other Council Member would be on board with it. He felt going forward with the prior plan as the previous speaker talked about but looking at a reduction in the purchase price that would make that a financial reality. Mr. Aikens said sure, the purchase price is obviously a factor. Member Fischer asked if he had considered approaching the City on that front. You obviously have some sort of value that you have put on this land contract and pushing off the

payment of the \$1.5 million dollars, do you have a value of these 14 units that you have tried to subsidize by pushing the land contract and the phasing. He said if we were to reduce a purchase price, but go back to the old plan, and get all the money up front, would that be something that you have considered and have a value on. Mr. Aikens said they do not have a value on that, he said he thought they needed the \$3 million that we would have agreed to. They negotiated that quite hard. Member Fischer said he was just thinking outside of the box at this point. He said he agreed it was time for a clean slate. He said he will not make a motion. He said he would not support a motion on the table that evening.

Mayor Gatt said it looked like none of the Council Members were going to make a motion in any direction that evening. City Attorney Schultz said some of the Council Members alluded to the date of September 30<sup>th</sup> as a relevant date in the sense that if no extension is made that evening the agreement will terminate. Also, as others have alluded to, that does not mean you can't continue to talk to Mr. Aikens and Mr. Clark to see if there is something that you can do that you are not under the gun. Mayor Gatt asked what they would need to do to move forward. City Attorney Schultz said you would not need to do anything. You might ask whether Mr. Aikens has any parting comments, but you would just move on to the next agenda item. Mayor Gatt asked Mr. Aikens if he had anything that he wanted to say. He stated that we were going to move forward without making any motions. The matter will die and then are free to enter talks with the City like it is brand new.

Member Crawford said he was confused. He thought we had gone back to the drawing board. His understanding was the Council had wanted them to talk to City staff and come back with a proposal which he was fine with. He understood there are real challenges here, particularly in lieu of COVID and everything else. He said he wanted this to move forward, he did not want this to go back to the drawing board again.

**CM 20-09-111            Moved by Crawford, seconded by Gatt; MOTION CARRIED: 6-1**

**To approve a Fifth Amendment to the previously-approved conditional Agreement of Purchase and Sale on North Grand River City Property, located north of Grand River Avenue, east of Town Center Drive, and to authorize the Mayor and Clerk to sign the same, subject to final review and approval of the terms and conditions of the Purchase Agreement by the City Manager and City Attorney's office, including minor amendments thereto.**

Member Mutch said he had a question for City Attorney Schultz. In terms of the agreements that we have had in place that cover all these various aspects of the development, if we do not proceed forward that would terminate that process. Where does that leave those various components, does the City Council have the authority to essentially create a new agreement. He said he didn't want to lose what has been done up to this point, going through an approval process and truly going back to square one. City Attorney Schultz said you will not lose all the conversation. You do not

lose all the language of the agreement. You are still going to have to have some form of written agreement with the purchaser. Depending on what it is that you agree will move forward. There may be substantial parts of the plan that we can say have already been reviewed. He did not think you would go back to square one by any stretch. Member Mutch said he wanted to be clear that any of the approvals that they have already gotten, like having gone through the Planning Commission with their PRO and things along that line, those do not go away, even if this agreement goes away. City Attorney Schultz said if the plans days generally the same then I think you may have to go back through to get another stamp, but it depends what changes. Member Mutch asked if City Council has the ability to incorporate in a future agreement something saying we have already gone through the steps of the process and have been granted approval even though those were tied to an agreement that is now been terminated that those are still valid and in place. He said he was hearing two different things. City Attorney Schultz said he did not know exactly what is going to change with the plan, not so much with the PRO agreement, but it is still going to be a PRO. Depending on how significant the changes were, we were already talking about going back to Planning Commission. If it really is the same plan and we were just talking about how to implement it, then yes you could do what you were saying. Member Mutch said he was still where he was at the beginning of the evening. He didn't have the comfort level to give this another six months. At the same time, if we take the direction that the Mayor Pro Tem and Member Fischer have suggested, he did want to ensure that we are not creating a situation where we are forcing this developer to go back through a lot of process. That is time and money for them, and uncertainty. He understood from your perspective that if they have made significant changes to the overall site that it may require them going back anyway. He said to the degree that we could essentially bring those along with a future agreement, he wanted to know if they can do that. He didn't want to throw everything out and then say they have to go through everything again. City Attorney Schultz said most of these things, we are not the seller of the property, so in any other PRO where you have somebody who was selling his property to a developer they may lose an agreement and we may never know about it. They may renegotiate while they are in the middle of the PRO process. It really comes down to how much the plan changes. It fits the same plan that you looked at in March, he thought we can do what he suggested. Member Mutch had one last comment on the financial piece. He stated that Mr. Aikens is saying that the 14 units are kind of key to them being able to purchase the property whole, Member Fischer was suggesting maybe we look at a reduction in the sale price to not have those. He wanted to see what those numbers look like because 14 units on a project of this size. He understood that the percentages might look a little bit high in terms of the increase, but in terms of the intent of this area, and where it is located, it is not a lot of units. He wouldn't want to see us take a significant reduction in value over that number of units, but that is a conversation for down the road.

Mayor Pro Tem Staudt said sitting here the last 15 minutes, he said he would support the motion and he was going to encourage his colleagues to support it. He was hearing that this is going to cost a ton more money if we let this go. In another six months does not cost us anything. He said he was hoping our City Manager and City Attorney can negotiate something that serves us better in terms of making sure we get our money in

a timely manner. He would really like to see the time limit reduced to three years instead of five years, but we have three and a half years invested in this. He did not believe that we should be imposing additional dollars in fees and costs on this developer at this point.

Member Casey said she alluded to this in her earlier comments that what is in front of us is the extension of six months on the agreement of purchase and sale. She was willing to support that going forward, but again, with a very clear expectation that if what comes back to us from the purchase agreement perspective is a land contract, she will not support that going forward. She is going to support this going forward so we can continue the process with you. We do not want to put you in a position where you must redo what you have already done. So that is the reason for my support this evening.

Member Fischer stated that he got from the City Attorney Schultz that we could probably expedite a lot of these things if we were to go down this path, so he did not see this as a big imposition we have extended multiple times. To say this is not a cost to the City, he would ask a rhetorical question to City Manager Auger how much time and effort we have spent from City Planning staff. He would ask City Attorney Schultz how much money we have paid him to review these contracts, so again, this is going back to his vote a month ago, where it is kind of an exercise in futility. He said he did not agree with the framework that the petitioner has proposed for what the end to deal will look like. He felt there was no point in approving the extension.

**Roll call vote on CM 20-09-111**

**Yeas: Casey, Crawford, Mutch, Gatt, Staudt, Breen**  
**Nays: Fischer**

2. Consideration of Zoning Ordinance Text Amendment 18.293 to amend Article 5.0, Site Standards, Article 5.5, Landscape Standards, and modifications to the Landscape Design Manual, in order to update and revise the landscaping plantings and buffering requirements of the Zoning Ordinance, and other items deemed necessary. **FIRST READING.**

City Manager Auger said this was staff-driven and found a lot of areas that we could improve with this ordinance. He stated that our landscape architect, Rick Meader, did a great job of reaching out to landscape architects and landscapers to make this ordinance better.

**CM 20-09-112**

**Moved by Breen, seconded by Fischer; CARRIED UNANIMOUSLY**

**Approval of Zoning Ordinance Text Amendment 18.293 to amend Article 5.0, Site Standards, Article 5.5, Landscape Standards, and modifications to the Landscape Design Manual, in order to update and revise the landscaping plantings and buffering requirements of the Zoning Ordinance, and other items deemed necessary. FIRST READING.**

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI  
MONDAY, DECEMBER 21, 2020 AT 7:00 P.M.**

**Mayor Gatt called the meeting to order at 7:00 P.M.**

In accordance with the provisions of the Open Meeting Act this meeting was held remotely.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL:** Mayor Gatt, Mayor Pro Tem Staudt, Council Members Breen, Casey, Crawford, Fischer, Mutch\*

**ALSO PRESENT:** Peter Auger, City Manager  
Victor Cardenas, Assistant City Manager  
Thomas Schultz, City Attorney

**APPROVAL OF AGENDA:**

Mayor Gatt stated we already had one item in Mayor and Council Issues, and he would like to add two more items to Mayor and Council Issues: 2. Interlocal Agreement with Oakland County regarding vaccinations, and 3. January 4, 2021 Special Meeting at 7:00 p.m. for interviewing applicants for an open seat on City Council.

**CM 20-12-133 Moved by Staudt, seconded by Casey; MOTION CARRIED: 5-0**

**To approve the Agenda as amended.**

<b>Roll call vote on CM 20-12-133</b>	<b>Yeas: Staudt, Casey, Crawford, Fischer, Gatt</b>
	<b>Nays: None</b>
	<b>Absent: Breen, Mutch</b>

Member Breen was absent during vote due to technical difficulties.

**PUBLIC HEARINGS: None**

\*Member Mutch arrived at 7:03 p.m.

**PRESENTATIONS:**

Mayor Gatt stated they had three presentations that evening, presentations are just that, they are not action items. He said City Council will not be voting or discussing these items. The first presentation is a field naming request. Mayor Gatt said we have three of Novi finest citizens, Ramesh Verma, Dr. Sanghvi, and Joe Peddiboyina, the floor is yours.

**1. Field Naming Request – Ramesh Verma, Dr. Siddarth Sanghvi, and Joe Peddiboyina**

Mr. Verma said that Dr. Sanghvi was the most senior representative that evening, so he asked Dr. Sanghvi to speak first. Dr. Sanghvi thanked the Mr. Verma, Mayor and City Council. Before he began, he requested a moment of silence in memory of a mutual