



# PLANNING COMMISSION MINUTES

CITY OF NOVI

Regular Meeting

**February 12, 2020 7:00 PM**

Council Chambers | Novi Civic Center

45175 W. Ten Mile (248) 347-0475

## CALL TO ORDER

The meeting was called to order at 7:00 PM.

## ROLL CALL

Present: Member Avdoulos, Member Ferrell, Member Gronachan, Member Maday, Chair Pehrson

Absent: Member Anthony, Member Lynch

Also Present: Barbara McBeth, City Planner; Lindsay Bell, Senior Planner; Rick Meader, Landscape Architect; Kate Richardson, Staff Engineer; Thomas Schultz, City Attorney; Pete Hill, Environmental Consultant; Josh Bocks, Traffic Engineering Consultant; Doug Necci, Façade Consultant

## PLEDGE OF ALLEGIANCE

Member Avdoulos led the meeting attendees in the recitation of the Pledge of Allegiance.

## APPROVAL OF AGENDA

Moved by Member Gronachan and seconded by Member Maday.

**VOICE VOTE TO APPROVE THE FEBRUARY 12, 2020 PLANNING COMMISSION AGENDA MADE BY MEMBER GRONACHAN AND SECONDED BY MEMBER MADAY.**

**Motion to approve the February 12, 2020 Planning Commission Agenda. *Motion carried 5-0.***

## AUDIENCE PARTICIPATION

Mike Duchesneau, 1191 South Lake Drive, said as you're all aware, the Wetland and Woodland Ordinances in the City of Novi have always been supported by our residents and also the Commissioners. We should support the Cities Wetland Ordinance that says we will have no net loss of wetlands in the City of Novi and I think there are many reasons for that. I guess as residents, the Wetland Ordinance is important for either finding other places to replace wetlands that are filled in or complying with the 25-foot

buffers that are required around wetlands. The main point is if you are going to fill in a wetland, find another place in Novi.

## **CORRESPONDENCE**

There was no correspondence.

## **COMMITTEE REPORTS**

There were no committee reports.

## **CITY PLANNER REPORT**

There was no City Planner report.

## **CONSENT AGENDA - REMOVALS AND APPROVALS**

There were no items on the consent agenda.

## **PUBLIC HEARINGS**

### **1. TEXT AMENDMENT 18.288 – UPDATES TO THE B-2 AND B-3 ZONING DISTRICTS**

Public Hearing for Planning Commission's recommendation to the City Council for an ordinance to amend the City of Novi Zoning Ordinance at various sections, in order to update the uses permitted as of right and the uses permitted as special land uses in the B-2, Community Business District and B-3, General Business District, and various other modifications. Theatres and other places of assembly would be reclassified as Special Land Uses in the B-2 and B-3 Districts. Massage Establishments, Tattoo Parlors and Smoke Shops would be classified as Special Land Uses in the B-3 District.

Planner Bell said on October 30, 2019, the Planning Commission held a Public Hearing on this item. There was discussion about the possibility of allowing massage establishments as an accessory use in zoning districts other than B-3, and adding language to address existing massage establishments in other districts. Staff has gone back and worked on some of those changes and they have been incorporated in the revised text amendment. A new Public Hearing was advertised since the new amendment affects additional sections of the Zoning Ordinance.

The proposed Text Amendments are primarily in the B-2, Community Business District and the B-3, General Business District. The limited scope of this review is intended to provide a manageable number of changes for ease of review by the Planning Commission and the City Council. Staff has incorporated items deemed necessary, including amending the definitions of the Retail Business Service Uses and Retail Business Uses, and adding a definition for "Accessory Massage Therapy," "Massage Establishments," and "Smoke Shops." The list of uses provided in the definition of Retail Business Service Uses has been updated to include establishments that provide technology repair, such as cell phone or electronic device repair. Minor modifications are proposed to the wording in the definitions to improve clarity.

Another change is reclassifying theaters and other places of assembly as Special Land Uses in the B-2 and the B-3 Districts. This addition is intended to allow the Planning Commission an opportunity to review any future theaters or places of assembly under the criteria provided in the Ordinance for Special Land Use consideration, offering additional discretion for approval, and allowing for a Public Hearing on such requests.

Planner Bell continued to say the Text Amendment also clarifies the types of retail businesses allowed in the B-3 District. The language proposes reclassifying tattoo parlors as a Special Land Use from Principal Permitted Uses, and adding Smoke Shops to the list of Special Land Uses in the B-3 District. Again, this would allow the Planning Commission to review these uses under the Special Land Use criteria of the Zoning Ordinance.

Another change is adding Massage Establishments as a Special Land Use in the B-3 District and in retail centers over 100,000 square feet. The Zoning Ordinance does not currently provide clear guidance on the permitted location of such uses and a new use standard would be added for additional description and guidance.

These amendments will allow the Planning Commission to hold a Public Hearing and consider requests for new massage establishments under the Special Land Use criteria of the Ordinance prior to City Council's consideration of granting a license for such uses. Existing Massage Establishments in other locations will also be considered conforming uses, but if changes to the building or site are proposed that require site plan approval, Special Land Use Permit approval by the Planning Commission would also be required. In the use standards for Places of Worship (Section 4.10), the districts where such use is considered a principal permitted use and where it is a Special Land Use would be clarified. Finally, allowing the Planning Commission to modify the outdoor recreation requirements for day cares in the use standards for commercial districts.

Tonight the Planning Commission is asked to hold the Public Hearing and make a recommendation to the City Council for reading and adoption.

City Attorney Schultz said last time this Amendment was before you, the Planning Commission held a Public Hearing and generally seemed okay with regard to the proposed changes for the smoke shops, tattoo parlors, and theater issues. The one thing the Commission struggled with was ratcheting back the massage establishments to a Special Land Use only in the B-3 district. There was some correspondence from Staff that said we have massage services as an accessory to other uses in other districts so the Planning Commission directed us to try and make what you currently have permissible.

So we have added definitions for two categories at the beginning of the Ordinance that make a distinction between a full massage establishment and one that is accessory to some professional services. We then took those definitions and added a new provision in Chapter 4 of the Ordinance for use standards and basically said these are the standards. If it is an accessory use it will still have to get a license through the City Clerk, but you are permitted in other districts. If you are a full establishment, you are only permitted in the B-3 District. If the massage business happens to be non-conforming or if it is a full massage establishment and the City has approved the business in the past outside of the B-3 District, that massage business can stay unless the business wants to expand. Hopefully we have met what the Planning Commission sent us away with, with the definitions, new paragraphs, and in the new Section 4.92.

Chair Pehrson opened up the Public Hearing for comments and seeing no one, and receiving no written comments, Chair Pehrson closed the Public Hearing and turned it over to the Planning Commission for consideration.

Chair Pehrson said I appreciate the language that was modified. I think you captured the spirit of the intent of what we are trying to do. I am in full concurrence with the Amendment as it is written.

Motion made by Member Avdoulos and seconded by Member Gronachan.

**ROLL CALL VOTE TO RECOMMEND TO CITY COUNCIL THE LANGUAGE THAT HAS BEEN PROPOSED FOR TEXT AMENDMENT 18.288 IN ORDER TO UPDATE THE USES PERMITTED AS OF RIGHT AND THE USES PERMITTED AS SPECIAL LAND USES IN THE B-2 AND B-3 DISTRICTS, AND VARIOUS OTHER MODIFICATIONS.**

**Motion to make a recommendation to the City Council to approve the proposed Ordinance amendment and bring Ordinance language up-to-date. *Motion carried 5-0.***

## **MATTERS FOR CONSIDERATION**

### **1. SAKURA NOVI JZ19-31 WITH REZONING 18.732**

Consideration at the request of Robert B. Aikens & Associates, LLC and Robertson Brothers Homes for Planning Commission's recommendation to City Council for 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 is proposing to develop the property as an Asian-themed mixed-use development.

The proposed "Sakura Novi" would be an Asian-themed mixed-use development. The applicant seeks to be able to highlight the cultural diversity of Novi and add a vibrant destination in the Town Center area. The project is presented as 2 phases. Phase 1 consists of a specialty grocery store/food hall, and 2 additional Restaurant/Retail buildings along the Grand River frontage, with 68-townhome units on the eastern portion of the site accessed via 11 Mile Road. The existing pond on the west side of the site would serve as a focal point and public gathering space, to be enhanced with Japanese-style gardens and a walkway around the perimeter. The Phase 2 portion of the project includes 50-townhome units and one restaurant building.

As you will recall the Planning Commission Public Hearing on this Planned Rezoning Overlay was held in December, and the decision was postponed in order to allow the applicant to provide a revised submittal and to address some of the issues. The recommendation was again postponed on January 15, with the applicant urged to further reduce the number of deviations required and consider other modifications to the plans.

At that time the applicant was requesting a list of 31 deviations, all but six of which were at least partially supported by staff. Of those six unsupported deviations, the applicant has committed to removing four of them. Two other supported deviations have also been removed. The remaining landscaping deviation has been reduced sufficiently to gain staff support.

For the remaining deviation, which would allow wetland mitigation to be achieved through the purchase of credits in an EGLE-approved mitigation bank, the applicant has provided the additional information requested. See the letter from Atwell, the applicant's wetland consultant, in the applicant response materials in your packet. ECT, the City's wetland consultant, has also provided a follow-up memo in response. Ultimately, we feel that this issue requires the Planning Commission and City Council to weigh in to determine

whether this departure from the “no net loss within the city” policy will be allowed in this instance. As outlined in Atwell’s letter, there are clear benefits that an EGLE-approved wetland bank can provide on a regional and statewide scale. However, the loss of wetland areas within the City may set a new precedent.

Since the previous meeting, the applicant has also revised their list of public benefits, including eliminating the proposed on-street parking spaces on 11 Mile Road, adding a contribution to the Sidewalk Fund, adding a multi-generational, multi-use play area to be located northwest of the pond, as well as a meditation plaza on the eastern side of the site. They also included some concept images within the packet for your consideration.

As previously proposed, the applicant offers to fund the construction of a missing off-site sidewalk segment along Grand River Avenue to connect the project with the pedestrian plaza west of the site. They also offer a total of .34 acre of Right of Way along Grand River and 11 Mile Road, an easement at the southeast corner of the proposed development for a City locator sign or other public amenity, and establishing a Community Room function within the Market for public gatherings and meetings. The applicant is pursuing a partnership with Novi Public Library to provide a “little library” type function within the vestibule of the Market as well.

Given the improvements, Staff is in support of the project moving forward. The applicant has been diligent in working with staff to remove or reduce the scale of the unsupported deviations, and now requests 25 deviations. Staff generally believes those remaining are justified given the constraints of the site and the desire to create a unique community gathering point around the pond. The list of public benefits has been improved to a point that we think will enhance the project as well as the surrounding area with greater pedestrian connectivity, creative and cultural amenities, and active and passive recreational opportunities.

The modifications made to the plan and other items to be addressed will need to be submitted in a cleaned up Concept Plan to be included in the PRO Agreement, which can be done before City Council gives final approval.

Tonight the Planning Commission is asked to continue their consideration of the proposal and make a recommendation to the City Council. Staff as well as our consultants are available to answer any questions you may have. The applicant, Scott Aikens and his team are here to tell you more about their proposal and to respond to your questions as well.

Scott Aikens, Robert B. Associates, said thank you to staff for working with us to further refine our plans and thank you to Planning Commission for considering these plans. Mr. Aikens pointed to a slide. This image shows a few of our 3-D renderings of our project. Just to reiterate the four core uses that we sought to deliver throughout this entire process would be the food hall/market, the restaurant collection, the townhome/apartment community, and the pond.

There are three primary issues that emerged from the January 15<sup>th</sup> meeting that we would like to address. First, the amount of deviations both unsupported and supported. Second, the wetland mitigation strategy. Third, the site amenities discussion. I am going to approach these topics as follows.

Mr. Aikens pointed to an image on the screen. This is an image that depicts the land that

sits in the northeast corner of Grand River Avenue and Town Center Drive. Through our exhaustive inspection process we have learned a few things about this land. Number 1, the green areas shown in the city-owned property mark where we have discovered a Brownfield Facility, meaning that these areas contain contaminated substances. Number 2, the gray areas shown are regulated wetlands. Number 3, the dotted lines show where the land contains un-compacted fill and organic soils. Mr. Aikens explained that extraordinarily costly deep foundations would be required to build in these areas. This is the plan that we have drilled down on and are presenting at this time. After a grueling three and half years of hard work I believe that our team and the Novi City Staff now both concur that we have taken this plan as far as we can at this time. Please note that 25 deviations are not avoidable in our efforts to make this plan perfect given the land conditions. Without the necessary deviations, critical aspects of the Sakura Novi vision are impossible.

This slide shows the Sakura Novi timeline since June 2017. It took one year to go from the first review by Novi City Council to a signed purchase agreement with the City of Novi on June 21, 2018 and a signed purchase agreement with Mr. Floyd Peterson from Ecco Tool Company on that same day. Floyd has been with us on our entire journey.

Let me give you a brief review of the concept plan from June 2017 and the concept plan from 2018. This plan was just part of the conversation at the time; it was not part of any documentation. Unbeknownst to us, given the soil conditions and the regulated wetland leads to difficulty. The buildings massed on the pond on the west with their deep foundations are cost-prohibitive. In December 2018, after geotechnical investigation we realized we had to extend the inspection period and we had to reconceive the project entirely. We pulled buildings back from the pond away from the bad soil except for Building B and a portion of Building C in order for the pond to be activated as per the 2016 Master Plan Update. Even this plan entailed extraordinary costs above and beyond the purchase price. So we mutually came to an opinion that the effort called for a commercial rehabilitation district for the project to remain viable.

We have been meeting with staff for over one year since February 2019. We submitted our original concept plan in June 2019 and again in October and again in December. We met with the Master Plan and Zoning Committee in November. This is our third time, as you know, meeting with the Planning Commission. Our project manager, Bruce Yeager, will further expand on our work to come to an agreement with staff about the deviations necessary on this plan to achieve the vision behind Sakura Novi.

Bruce Yeager said on this plan from June 2019 we went through a formal submittal with staff. We received back a comprehensive evaluation of the documentation we submitted and though there weren't formally detailed deviations listed on the submission, as you review it and count them out, there are at least 53 on this plan. From that 53 we worked down to where we have landed today at 25. That's something that is crucial to understanding this. Working through this process we needed to eliminate ambiguity in this development plan and that brought our second phase into the state that you currently see it in. This plan contains 24 staff-supported deviations. It requires a final deviation for the wetland mitigation. With the woodlands condition, we asserted to staff that we will meet the requirements during the final evaluation for the woodlands in the final count. We are only a handful different in total number of woodland trees at this point, but we have asserted that we will meet that requirement. We simply have not gone through a formal resubmittal with drawings to document that. Since our January 15 presentation, we have gone through the unsupported deviations and found a couple other prior

supported deviations that we have eliminated and of those unsupported deviations from the last meeting there was a signage deviation which we have removed.

Mr. Yeager pointed to a slide. This next slide shows how we have reduced our number of deviations to a level of support from staff. Deviation 'D' is the perimeter parking lot trees. We have added a row of trees along the western edge at the residential development and that met with staff's desire for supporting that deviation. Deviation 'C' has been removed and we are showing three additional trees south of Building C over what we have shown before. We are going to put 21 trees at a minimum on the Grand River Avenue Frontage. Deviation 'E' which was for the foundation plantings, we have removed that deviation. We will meet the Ordinance as discussed with staff for those items. Deviation 'B' has been removed. We are providing a berm. The berm was not shown in the quick turnaround of our documents between the December presentation and the holiday break. We had turned the plans around in 8 days and that item was overlooked. That brings us to a completely supported package except for wetlands, which Don Berninger is here to talk about.

Don Berninger, Atwell Group, said I am the applicant's wetland consultant. The project proposes impacts to the regulated wetlands on city owned property requiring 2.41 acres of mitigation. In an attempt to comply with City policies, Sakura Novi has exhausted any practical wetland mitigation in the City. They've looked at purchasing many different parcels within the City, preservation options, they have done many comparisons and land cost analyses. Subsequent to that, we had multiple discussions regarding the use of mitigation banks. Response letters discuss the merits of why they are the best option for this project. In short, wetland banks provide a much better replacement of wetland functions including wildlife habitat, water quality, and flood storage. In fact, the City of Novi recently mitigated wetlands beyond the city limits by purchasing credits in an approved wetland bank. We have checked, and credits are currently available. Details have been provided to the city. There are two banks: one bank has six-acres currently available and one bank is coming online soon. The bank that is six acres is the Southern River Raisin and the one coming soon is the Oakland Snell. On-site wetland creation as well as isolated small areas of wetland creation does not replace the functions or values as large previously approved wetlands banks do. Keep in mind that wetland banks are funded and required to be maintained in perpetuity ensuring functions and values remain as well as invasive species treatments, which we know is a big issue in the City of Novi. Wetland banks are the preferred method of mitigation by the EPA and by the state which is governed by EGLE. This can be a condition of the Planned Rezoning Overlay Plan not to allow this application to be a permanent setting action.

Scott Aikens said moving on to public benefits, this is a list of important items we have extracted from the fuller list included in the packet. First of all, it is really important that we work hard to provide a park like environment around the neglected pond on the Anglin Parcel. The activation of the pond is an essential community amenity. The development team has invested heavily to ensure this feature's centrality despite the site work costs. The developer will make a contribution to a dedicated account that will fund Walkable Novi work in the Sakura Novi vicinity. The developer will pay the cost of the connection between Sakura Novi campus and the intersection at the corner of Grand River Avenue and Town Center, as Lindsay said. The developer will build an approximately 1,800 square foot family play area and garden to keep with the theme of Sakura Novi. The developer will build approximately 700 square foot meditative observation plaza east of the Sakura Novi Residential Commons overlooking the eastern detention area and city wetland preserve. The developer offers an easement at the southeast corner of the proposed

development for use of a public art display, another amenity for the public.

Bruce Yeager said most of the things we are trying to do within Sakura Novi all center on making this a unique experience for all of the guests, residents, and tenants who will call this place something special for them. We really appreciate the input from the last Planning Commission Meeting focusing on the interactive play area or something for the children and families to do. It's something we fully intended to do, but now we are bringing forth the initial thoughts on the concept.

Mr. Yeager pointed to a slide. In the upper left corner you can see something that kind of emulates the natural path that you can walk around in Asian gardens. Doing a traditional playground with a jungle gym and swing sets does not really fit with the ideas that we're putting together for this experience. What we're looking for is something that is much more sensory and contemplative. We are looking to engage the children in a much more interesting and natural way. We are looking at natural elements to construct this environment. There are a ton of things that can be done which are separate and different but are just as engaging for children. We're looking at about a 1,800 square foot area that sits on a slope, so it's going to give us a wonderful series of opportunities for built-in seating and things of that nature. We are also looking at extending a little platform out into our water feature. We are not sure what that is exactly going to look like at this point, but we assure you this is going to be something remarkable and appropriately sized.

On the eastern portion of the project we have the existing wooded/wetland preserve that is the City's space. We have a detention basin that we are placing there. At the promenade we are looking to make that a feature area, we have been from the beginning. You will notice a beautiful view from that location out to a natural area. We're looking for mediation space, an exercise space, something that can not only be used by children, but by the residents as well in this environment. We are early in the concept. We have talked to our landscape designer about this and they are thrilled and want to move forward with it. This is the bit of green connectivity that we've been working with from the beginning. Tying all these elements together in a very sensitive and unique way, were using landscape traditionally but not necessarily traditional landscape. We have reserved an easement area on the far southeast corner of this project sort of at the top of the hill. Early on our design lead for the project gave us a sketch of this railroad themed element that might be a marker for entering this point. Really it's an open slate at this juncture, we've framed this with benches and landscape in a formal way, but we are perfectly willing to work in any way, shape, or form with the City to celebrate this location. We are just looking for input from the City in what they might think that should be.

Scott Aikens said on a personal note about the green amenities, my wife is from New York so we go there quite a bit and stay sometimes in Brooklyn. The Dumbo, which is under the Brooklyn Bridge there is a hotel that has really catalyzed this amazing revitalization of the piers. There are six piers that connect Dumbo to Brooklyn Heights and some of the naturalistic elements in this kind of field is consistent with what I think we are trying to get at. The City owns some really challenging land here and I believe we've taken this and our planning on Sakura Novi as far as we can at this stage. We've worked on the deviations so that they are all supported by staff. The wetland mitigation strategy we've taken as far as we can, and it is up to the Planning Commission and City Council on what to do now. For the public amenities we've taken the comments we have gotten and we have been trying to sensitively handle these aspects. When I heard about the kids play area I thought that was a great idea and we are very excited.

Chair Pehrson turned it over to the Planning Commission for consideration.

Member Avdoulos said I would like to start off by thanking you for working with the staff and the City. I think a project on this site was going to be complicated from the get-go. The design to where it is at, I think, fits appropriately scale-wise with what's happening. Reading through the documents, I'm glad you have touched on the public benefits, that was the first thing I looked at and I'm happy you showed some imagery. I appreciated the amount of deviations that were able to be brought down to an agreeable level. I also appreciate the document that was put together showing what the deviation was, the status of it, and how it applied in its importance to the project and then any other commentary associated with it. It's a push and pull in order to get a lot of these developments to work. I know it's come up to the Planning Commission a couple of times, but we rely on the staff because they're looking at this in greater detail than we are. Rick, I know a lot of these were landscape related and there's some push and pull there, but it seems like were pretty comfortable as to where it is landing.

Landscape Architect Meader said they have done a lot of work and I'm comfortable with what they have.

Member Avdoulos said can we bring up the City Wetland Consultant to walk us through the wetland mitigation strategy. In reading it, it feels like on a regional level it would be a good fit. On a local level it's something that would be a deviation and we say the word precedent, but sometimes there's a difficulty in trying to achieve a good means to an end. If this is something that will help us all out, I'm interested in listening and learning about that.

City Wetland and Woodland Consultant Pete Hill said the last time I was up here I went through what the impacts were, what the required mitigation was, and what the Ordinance states. Lindsay mentioned that Atwell put together an explanation of the options they have looked at for mitigation within the City. The Ordinance states mitigation on-site is the preference and then elsewhere in the City if it is viable. Those are the options: to uphold the no net loss of wetlands in the City. I agree with the things that Don Berninger has said. Those things are true: creating larger sections of wetland banking is good. He mentioned the monitoring. The mitigation banks have to meet the DEQ/EGLE approval and be signed off so you know you're getting a good mitigation area because of that. I don't have all the details right here, but I know there has been at least one other mitigation bank created within the City. I believe that bank is full, but again I do not have all the specific details.

It doesn't help this project, but our recommendation was that before authorization for a deviation to buy outside bank credits is given, ECT recommends that the City initiate the process of assessing feasibility and creating a wetland mitigation bank within the city limits. This recommendation keys into the fact that the Ordinance currently states "no net loss of wetlands" in the City. I should add that the applicant mentioned that a bank is not in place in the City right now. The Ordinance doesn't talk about mitigation banking. It is pretty straight forward in only saying 'mitigate within the City.' An in lieu program or wetland mitigation fund could be created in a similar fashion to the city tree fund. In this way, unavoidable wetland impacts could be accounted for within the city and the City's goal of no net loss of wetlands could be adhered to. We go on to say that if the City decides that this is a deviation that everyone is in agreement with, we have a couple minimum conditions for the mitigation purchase.

Consultant Pete Hill continues to say the first condition would be that mitigation credits be purchased in an EGLE approved mitigation bank in the Ann Arbor moraines ecoregion. They are basically EGLE and Army Corps guidelines that say when people are purchasing mitigation bank credits they should be purchased in the same river watershed or the same ecoregion, so it doesn't always work out that you could buy one in the Rouge watershed, for example. Don Berninger mentioned they have two in mind, both of which are in the same ecoregion as the project, not the same watershed. The second condition is that the City has required 2.41-acres of wetland mitigation and shall be purchased in a single bank to get everything done in one purchase and it sounds like that is feasible. The third condition is that all documentation of such a purchase shall be provided to the City in order to demonstrate that the conditions of the City's Wetland and Water Course Permit when issued have been fulfilled. Any such documentation shall be reviewed and approved by the City's consultant.

Consultant Hill said I also wanted to add that 54% of the total wetland impact is EGLE regulated. The development on the east side of the site, including the detention basin and the townhomes, there is a triangular-shaped wetland that is 0.9 acres in size on-site and an EGLE permit will be required for that impact. The applicant has submitted to EGLE for approval. The fourth condition is that documentation from EGLE authorizing the proposed wetland impacts, as well as an approval of the proposed mitigation scenario, should be received prior to issuance of the city wetland permit. I know that EGLE approves a big percentage of the part 303 wetland permit applications that come in to them. I have been told about 93% of applications are approved. Maybe not on the first try, they do ask for revisions here and there if all the information hasn't been given upfront. They even sometimes try to guide applicants into reducing impacts if they can, but I guess it remains to be seen whether or not EGLE will be permitting the site plan as is. I just wanted to point out that essentially we always recommend that the City does not actually sign and issue a city wetland permit on wetland that the jurisdiction is also under the state or EGLE. So the 0.9 acres of impact to the wetland is EGLE regulated. I know the applicant has their wetland permit application in to EGLE and we will see where that goes.

Member Avdoulos said thank you that was very helpful.

Member Gronachan said I'm a big wetland supporter. My background is on zoning and although I'm the newest member on the Planning Commission, when I look at this project I am very sympathetic to the challenges that this particular petitioner had to face with the wetlands, with the soil, with the shape, with the pond, with the endless items that petitioner has listed through their three presentations. I am not versed in wetland banks, but based on what has been discussed I am leaning towards supporting the bank although, I will be honest, at the last meeting I was not. After learning that it would be thoroughly regulated I don't believe that we would be opening up a can of worms. I believe that we're taking precedent in an outstanding project that is going to long stand the test of time with the City of Novi. I think this petitioner has done enough research with a challenged piece of property and I think that based on what the staff, who are far more knowledgeable than I am, is supporting. I think the deviations are minimal, based on the size, shape, and topography of this property. I am ready to support it just the way it is having it go to a bank with what they recommended for the wetlands.

Member Maday said everything Member Gronachan said I agree with, but the one thing is that being it is brownfield and there's contamination on the site, is there an issue with a residential development?

City Attorney Schultz said I think most of the remediation is by the pond. We, as the City, got the original Phase 1 and Phase 2 reports and it did not come back and say you couldn't touch or drink the water. The vast majority of it, as I understand it, is the cost to remediate is going to be from the bottom of the pond, which is not where the residential portion is going. I think the intention is to get available funds for brownfield remediation and end up with a clean site. So the expectation at the end of this project is there will be no regulating agency that will say they cannot have the residential portion. I don't think they would get this far without some comfort level that they can do whatever they need to do to get that.

Member Maday said I think everyone is very sensitive to the wetland issue and logically speaking if you didn't have the background or the history of the site and the years in the making you would be concerned with wetlands. But knowing the history and knowing the property, and how many things have come together to make it work, and the success it is going to be, I am at the point where I can support it.

Member Ferrell said I do want to mention that I appreciate you looking into the green space and adding the types of playscapes you showed. I also think swing sets wouldn't fit into this development at all with what you are looking at. It sounds good and looks good and I'm excited about it. I definitely appreciated that you added that in. The ideas that you have I know are not set in stone, but the ones that you did show I think you should implement. I think it would be perfect on both sides even with the overlook on the water looks very nice. I definitely support the project now, especially with the minimal deviations that the staff supports.

Chair Pehrson said I am also in support and appreciate your patience, but as you have seen over the years this is a special site this has to be something that will set Novi apart from everything else. There is a reason why we have to go through the pain and agony of postponement over time. Relevant to the comments from the consultant and the language that doesn't exist in the Ordinance that was being submitted, are we covered in the PRO for those contingencies that he spoke about or can that also be part of the PRO and then carried forward to City Council?

City Attorney Schultz said yes. The short answer is if the Council decides to go with allowing the wetland bank, we will document that in the agreement. I think for tonight you just need to make that choice when you get to number 25. Do you want them to comply with the Ordinance as is or do you recommend Council look at that bank. If it's the latter we will definitely be working with Council and the applicant to deal with that.

Member Avdoulos said and just to remind everybody this is to recommend to City Council to rezone and so this project will be coming back for preliminary site plan approval. The further along we get the more detail we will get and I think everyone will have a bigger comfort level on the project, so again I appreciate the applicant working with us. I will make a motion.

Motion made by Member Avdoulos and seconded by Member Maday.

**ROLL CALL VOTE TO RECOMMEND 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 TO CITY COUNCIL FOR SAKURA NOVI JZ19-31.**

In the matter of Sakura Novi, JZ19-31, with Zoning Map Amendment 18.732 motion to recommend approval to City Council to rezone the subject property 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 Concept Plan.

A. The recommendation includes the following ordinance deviations for consideration by the City Council:

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.I 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. *(b) 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.*

B. If the City Council approves the rezoning, the Planning Commission recommends the following conditions be made part of the PRO Agreement:

1. 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.
2. 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.
3. The maximum number of dwellings to be constructed in Phase 1B shall be 68.
4. The maximum number of dwelling units to be constructed in Phase 2 shall be 50.
5. 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.

6. 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.
7. Phase 2 non-residential uses shall be no greater than 4,500 square feet of retail/restaurant use.
8. 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.
9. 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.
10. 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.
11. 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.
12. Tentative completion date for Phase 1A shall be calendar year 2022.
13. 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.
14. 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.
15. 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.
16. 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.
17. 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.

18. 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.
19. 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.
20. 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 the equivalent of the cost of Segment #9 listing on Page 19 of the "Annual Non-Motorized Prioritization: 2019-2020 Update." This amount is more than double the Sakura Novi frontage requirement for sidewalks on Grand River Avenue and 11 Mile Road, plus an additional \$24,181. The frontage on 11 Mile and Grand River Avenue is 1,547 linear feet.  $1,547 \text{ lf} \times 2 = 3,094 \text{ linear feet} \times 6' \text{ wide paths} = 18,564 \text{ square feet} \times \$5 \text{ per square foot} = \$92,820$ .
21. 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.
22. 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 Phase1.
23. 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.
24. 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.
25. 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.

C. This motion is made because the proposed Town Center-1 zoning district is a reasonable alternative and fulfills the intent of the Master Plan for Land Use, and 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 to Asian ex-patriot professionals and their families, 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 small building 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. *Motion carried 5-0.*

2. APPROVAL OF THE JANUARY 15, 2020 PLANNING COMMISSION MINUTES.

Motion made by Member Avdoulos and seconded by Member Gronachan.

**ROLL CALL VOTE TO APPROVE THE JANUARY 15, 2020 PLANNING COMMISSION MINUTES MADE BY MEMBER AVDOULOS AND SECONDED BY MEMBER GRONACHAN.**

Motion to approve the January 15, 2020 Planning Commission Minutes. *Motion carried 5-0.*

**SUPPLEMENTAL ISSUES**

There were no supplemental issues.

## **AUDIENCE PARTICIPATION**

Floyd Peterson, Ecco Tool, 42525 W 11 Mile Road, said for those of you who had a question about the wetlands, you are going to have to live with this decision that you're making, but maybe to help you, when I think of a wetland I think of cat tails, marsh, and frogs. A good part of this (Sakura Novi) property I have walked since 1967 and maybe by the pond when we get a lot of rain it gets mushy, but by far the majority of the time there's never any water in it. It's mostly grass so it's not like a wetland that I would think of. Maybe with your decision that will help you a little bit when you're looking at other developments and they're also talking about wetlands. Maybe it's a good idea to see what a wetland really is. Also, just because it is not going to be in Novi, if they do move it to a different place I'm sure it will be more of a wetland than what it is right now in Novi.

Chair Pehrson closed the audience participation seeing no one else wished to speak.

## **ADJOURNMENT**

Motion to adjourn made by Member Gronachan and seconded by Member Ferrell.

### **VOICE VOTE ON THE MOTION TO ADJOURN MADE BY MEMBER GRONACHAN AND SECONDED BY MEMBER FERRELL.**

**Motion to adjourn the February 12, 2020 Planning Commission meeting. *Motion carried 5-0.***

The meeting adjourned at 8:04 PM.