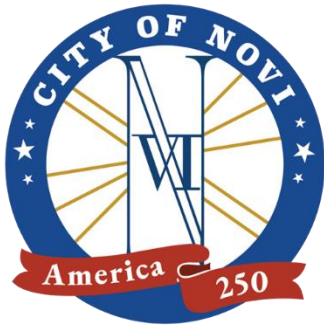




CITY OF NOVI CITY COUNCIL MARCH 23, 2026

SUBJECT: Consideration for tentative approval requested by Avalon Investment Group, LLC, for Camelot Parc Townhomes, a 22-unit for-sale townhome development.

SUBMITTING DEPARTMENT: Community Development Department - Planning

KEY HIGHLIGHTS:

- At the February 23rd meeting, the City Council postponed action directing that this matter return to Council on March 23.
- On March 12th, the applicant shared an unsigned agreement as presented to representatives of the Villas at Stonebrook, incorporating a private road maintenance repair contribution, scope of work, and square footage calculations. Other items unrelated to the cost and scope may be added to the agreement following another meeting between the parties.
- Updated plans in this packet include an additional bench/fitness station and more trees along the pathway to the mitigation area. The applicant's presentation slides are also included in the packet.
- To satisfy the requirement of the Zoning Ordinance that the project "will result in a recognizable and substantial benefit to the ultimate users of the project and to the community," the applicant proposes conservation easements and enhancements to areas to be preserved, as well as a donation to fund improvements to the adjacent Wildlife Woods Park pavilion and restrooms, which are expected to be utilized by residents of the development.

BACKGROUND INFORMATION:

The applicant is proposing a Planned Suburban Low-Rise Overlay (PSLR) Concept Plan to construct 22 for-sale townhome units on the east side of Wixom Road, north of Eleven Mile Road. The homes will be in five low-rise (2-story) buildings with a proposed density of 2.7 units per acre. The concept plan indicates the main entrance to the development off Stonebrook Drive, with secondary emergency-only access provided on the west side directly to Wixom Road. The applicant is proposing a trail for residents through the open space areas and proposes wetland preservation and mitigation on-site. Low rise multiple family is considered a Special Land Use in the PSLR overlay.

In the PSLR Overlay, low-rise multiple family residential uses are permitted as a special land use up to 6.5 dwellings per acre. As stated in the Ordinance: "The intent of the PSLR, Planned Suburban Low Rise Overlay district is to promote the development of high-quality uses, such as low-density multiple family residential, office, quasi-public,

civic, educational, and public recreation facilities that can serve as transitional areas between low-intensity detached one-family residential and higher intensity office and retail uses while protecting the character of neighboring areas by encouraging high-quality development with single-family residential design features that will promote residential character to the streetscape." The PSLR district requires a Development Agreement between the property owner and the City of Novi, which may be approved by City Council following a recommendation from the Planning Commission. This is the same type of development agreement that the Villas at Stonebrook was approved under.

The access easement to the property from Stonebrook Drive was a condition of approval in the PSLR Agreement for the Villas at Stonebrook in order to limit the number of driveways with direct access to Wixom Road, in the interest of safety. The applicant has proposed to contribute to the maintenance costs for Stonebrook Drive, which would need to be formalized in a private agreement between the two communities. The proposed development is largely in conformance with ordinance requirements, with requested deviations noted in the suggested motion. About half of the property contains natural features, which has caused the remaining area to be more densely developed, leading to the need for these deviations.

This property had previously been proposed for a development a few years ago that included 46 apartment units in 3 buildings. One of the big concerns at that time was the density and open parking areas. The current proposal eliminates much of the surface parking by providing 2-car garages for each unit. The number of units has also been reduced by more than half, which reduces the traffic generated.

Special Land Use Conditions

When the PD-2 Option is utilized, all uses fall under the Special Land Use requirements. Section 6.1.2.C of the Zoning Ordinance outlines specific factors the Planning Commission shall consider in the review and recommendation to City Council of the Special Land Use Permit request. The Planning Commission reviewed and recommended approval of the Special Land Use request with the findings provided in the Recommended Action section of this document.

Staff Reviews and Ordinance Deviations

All staff and consultants have reviewed the proposed concept plan and recommended approval having found the plan to generally be in compliance with the stated intent of the PSLR Overlay District which is to:

"Promote the development of high-quality uses, such as low-density multiple family residential, office, quasi-public, civic, educational, and public recreation facilities that can serve as transitional areas between lower-intensity detached one-family residential and higher-intensity office and retail uses while protecting the character of neighboring areas by encouraging high-quality development with single-family residential design features that will promote a residential character to the streetscape."

Section 3.21.1 permits deviations from the strict interpretation of the Zoning Ordinance within a PSLR Overlay agreement. These deviations may be granted by the City

Council on the condition that *“there are specific, identified features or planning mechanisms deemed beneficial to the City by the City Council which are designed into the project for the purpose of achieving the objectives for the District.”* The applicant has provided a narrative document describing each deviation request and substitute safeguards for each item that does not meet the strict requirements of the Zoning Ordinance.

PSLR Overlay Procedures

Section 3.21.3.B of the Ordinance provides the general review standards for use of the PSLR project: (i) it will result in a recognizable and substantial benefit to the ultimate users of the project and to the community; (ii) it will not result in an unreasonable increase in the use of public services, facilities and utilities, and will not place an unreasonable burden upon the subject property, surrounding land, nearby property owners and occupants, or the natural environment; (iii) it will not cause a negative impact upon surrounding properties; and (iv) it will be consistent with the goals and objectives of the City of Novi Master Plan, and will be consistent with the requirements of this Article.

At its September 10, 2025, meeting the Planning Commission held a public hearing, and reviewed the PSLR Overlay Concept Plan and other information relative to the PSLR Overlay Development Agreement Application. The Planning Commission has provided a favorable recommendation to the City Council of the PSLR Overlay application and Concept Plan, subject to a number of conditions (see attached minutes).

The City Council is asked to review the application and take one of two possible actions under Section 3.21.3.C of the zoning ordinance:

- (a) Indicate its tentative approval of the PSLR Overlay Development Agreement Application and PSLR Overlay Concept Plan, and direct the City Administration and City Attorney to cause to be prepared, for review and approval by the City Council, a PSLR Overlay Development Agreement; or
- (b) Deny the proposed PSLR Overlay Development Agreement Application and PSLR Overlay Concept Plan.

If tentative approval is granted, following preparation of a proposed PSLR Overlay Development Agreement, the City Council will be asked to make a final determination regarding the approval of the PSLR Overlay Concept Plan and Agreement. Following final approval of the PSLR Overlay Concept Plan and Agreement, the applicant could proceed with the standard site plan review and approval procedures outlined in Section 6.1 and Section 3.21 of the Zoning Ordinance.

Updates following City Council's December Postponement

Following the discussion by the City Council on December 1, 2025, the applicant revised the PSLR Plan to accommodate additional private and active open space within the site. The plan now shows a 10-ft by 26-ft area behind each unit to be available as private open space, so that the project now exceeds the requirement of

the Ordinance. The nature trail has also been connected to Wixom Road, which will permit public access over the majority of the walking path. The requirement for 10% active open space has now been met. However, because the passive open space on the site is so large, the active open space is still below the 50% of total open space requirement. Over 50% of the site is to be preserved in a conservation easement, offering permanent protection to woodland, wetland, and wetland mitigation areas.

Given the proximity of Wildlife Woods Park and the likelihood that new residents will utilize the park, the applicant proposed a financial contribution to help improve the park. In a letter to the City dated November 17, 2025, the applicant proposes to provide funding (\$30,000) to put toward a list of improvements to Wildlife Woods Park pavilion and restrooms, which were identified as needed:

- New roofing
- Seal and paint the pillars and exterior gutters
- 2 new steel picnic tables
- Improve the lighting and add security cameras
- Epoxy bathroom floor
- Paint restrooms
- Install new faucets
- Repair concrete behind pavilion
- Install bathroom partition wraps

In addition, the developer stated they will enhance the habitat of the remaining natural features to be preserved on the property by removing invasive species, providing native plant seeding to promote the growth of desirable wetland species, placing habitat structures within the emergent wetland areas, and planting additional trees in the mitigation areas.

Updates following City Council's February Postponement

Following the City Council's discussion at the February 23, 2026 meeting, the applicant has indicated the following changes were provided on **updated plans**:

- Adding an additional bench/fitness station
- Revision to the landscape plans adding more trees along the pathway in the mitigation area.

On March 12, the applicant sent an email to staff sharing a detailed document "**Contribution for Maintenance and Repair of Private Road**" stating the following:

Please find a copy of the agreement presented to the Villas incorporating the percentage contribution and scope of work along with square footage calculations per our agreement. I know the Villas are discussing some other items unrelated to the cost and scope which may be ultimately incorporated into the agreement after we have our zoom meeting which I expect prior to the meeting.

The following statements are included in the draft agreement (full agreement provided later in this packet):

- Developer desires for Camelot HOA to contribute 25.0% of the cost for snow removal and salting of Stonebrook Dr. and adjacent sidewalks, lawn service, tree maintenance, irrigation and electric for areas along Stonebrook Dr. from Wixom Rd. to the entrance of Villas at Stonebrook including repair and maintenance of the Access Road Easement and Stonebrook Dr upon the completion of the development site improvements and receipt of a certificate of occupancy for the first townhome.
- Camelot HOA shall also be responsible for and shall contribute to Villas 25.0% of the approved cost for the maintenance and replacement of trees along Stonebrook Dr., including the repair and maintenance of Stonebrook Dr from Wixom Rd. to the entrance of the Villas at Stonebrook Dr.

As of the date of the preparation of this packet, the Villas at Stonebrook HOA has not indicated they have accepted this offer. The draft Contribution Agreement from March 12, 2026 is in the packet. The terms of the agreement are subject to change as negotiations continue between the parties.

RECOMMENDED ACTION:

Tentative approval of the request of Avalon Investment Group, LLC, JSP25-02, for a Planned Suburban Low-Rise (PSLR) Overlay Development Agreement Application and Concept Plan for the Camelot Parc Townhomes based on the following findings, City Council deviations, and conditions, with the direction that the applicant shall work with the City Attorney's Office to prepare the required Planned Suburban Low-Rise Overlay Agreement and return to the City Council for Final Approval:

1. The PSLR Overlay Development Agreement and PSLR Overlay Concept Plan will result in a recognizable and substantial benefit to the ultimate users of the project and to the community. *[The applicant proposes a walking trail through a 0.92 acre area of woodland to be preserved, which meets the 10% site area requirement. Most of this nature trail will be publicly accessible from an entrance on Wixom Road. There are benches in separate locations as enhancements of the common open spaces shown on the site. Much of the property is wetland area to be preserved and wetland mitigation, with over 50% of the site to be placed in conservation easements. Removal of invasive species, native seeding, and habitat structures for wildlife are proposed to enhance the natural features of the property. The site would have a connection to Wildlife Woods Park, the extensive pathway system within Ascension Providence Park hospital campus to the east and ITC Trail. The applicant also proposes to contribute to a list of improvements to the Wildlife Woods Park pavilion and restrooms as a benefit to the larger public.]*
2. In relation to the underlying zoning or the potential uses contemplated in the City of Novi Master Plan, the proposed type and density of use(s) will not result in an unreasonable increase in the use of public services, facilities and utilities, and will not place an unreasonable burden upon the subject property, surrounding land, nearby property owners and occupants, or the natural environment. *[The estimated number of daily vehicle trips is 132, which is less than the 750 trip*

threshold for a Traffic Study. Peak hour trips also do not reach the threshold of 100 trips (Estimated: 5 peak hour AM trips, 10 peak hour PM trips). The proposed use is expected to have minimal impacts on the use of public services, facilities, and utilities over what the underlying zoning would allow. The proposed concept plan impacts about 0.37 acres of existing 2.41 acres of wetlands and proposes removal of approximately 20 of the regulated woodland trees. The plan indicates appropriate mitigation measures will be provided and woodland replacement credits will be planted on-site to the extent practical.]

3. In relation to the underlying zoning or the potential uses contemplated in the City of Novi Master Plan, the proposed development will not cause a negative impact upon surrounding properties. *[The proposed buildings are buffered by landscaping and preserved natural features. The multi-family residential use is a reasonable transition from the two-family and one-family developments to the west, east and south and the commercial shopping center to the north.]*
4. The proposed development will be consistent with the goals and objectives of the City of Novi Master Plan, and will be consistent with the requirements of this Article [Article 3.1.27]. *[The proposed development could help provide for missing middle housing needs that are walkable to the commercial areas to the north, which is recommended in the City's Master Plan for Land Use. The area was included in the PSLR overlay in the Master Plan and Zoning Map, which permits multiple-family uses as a special land use. The proposed arrangement of buildings and site layout minimizes the impact on existing natural features.]*
5. City Council deviations for the following (as the Concept Plan provides substitute safeguards for each of the regulations and there are specific, identified features or planning mechanisms deemed beneficial to the City by the City Council which are designed into the project for the purpose of achieving the objectives for the District as stated in the planning review letter):
 - a. Deviation from Sec. 3.21.2.A.i to allow development to front on an approved private drive, which does not conform to the City standards with respect to required sixty-foot right-of-way, as the road was previously approved for the Villas at Stonebrook development, and because the shared access reduces the number of curb cuts on Wixom Road.
 - b. Deviation from Sec. 3.21.2.A.ii.d. to allow two buildings to be a minimum of 25 feet apart (minimum 30 feet required) as the remaining buildings are properly spaced, and the 5-foot deviation is relatively minor.
 - c. Deviation from Sec. 3.21.2.A.iii.c. to allow parking spaces to be within 8 feet of a building (15 feet minimum required), as they are no closer than the driveway parking permitted.
 - d. Deviation from Sec. 3.21.2.A.v to allow reduction of minimum percentage of active recreation areas (50% of open spaces required, approximately 32%

provided), as the development proposes connection and improvements to Wildlife Woods Park, which contains connections to the Providence and the ITC trail systems, and providing additional active recreation would cause greater wetland and woodland impacts.

- e. Deviation from Sec. 3.21.2.A.iii and Sec. 5.5.3 to allow absence of required landscaped berm along Wixom Road north of the emergency access drive due to resulting woodland impacts and there is no development proposed in that area. In addition, the berm south of the access drive is not long enough to provide undulation.
 - f. Deviation from Sec. 3.6.2.M to allow deficiencies in the required 25-foot wetland buffers north of Avalon Drive, with the condition that the developer install signage and plantings to prevent mowing and other disturbance.
 - g. Deviation from Sec. 5.5.3.B(10) to allow a deficiency in street trees along Wixom Road, as the existing utility easements and pathway do not provide room for them.
 - h. Deviation from Sec. 5.10.1.B.ii to allow a minor drive to exceed 600 feet. The anticipated traffic for 22 units is low and a major drive would require wider road width and not permit perpendicular visitor parking, and would be unnecessary for this small site and cause greater impacts to natural features.
 - i. Deviation from Sec. 4.04, Article IV, Appendix C-Subdivision ordinance of City Code of Ordinances for absence of a stub street required at 1,300 foot intervals along the property boundary to provide connection to the adjacent property boundary, due to conflict with existing wetlands and woodlands.
 - j. Deviation from Design and Construction Standards to allow sidewalks to be placed adjacent to the curbed roadway, as to locate them further from the road would cause greater impacts to natural features, and traffic volume and speeds are low.
 - k. Deviation from Code of Ordinances, Section 11-256, to allow an absence of sidewalks in some areas north of Avalon Drive, as there are no buildings adjacent to those areas, and building the sidewalks would cause greater impacts to wetlands.
 - l. The findings of compliance with Ordinance standards in the staff and consultant review letters and the conditions and the items listed in those letters being addressed on the Preliminary Site Plan; and
6. The following conditions shall also be made part of the PSLR Agreement:
- a. Consistent with its representations at the Planning Commission meeting, the applicant shall work in good faith with the Villas at Stonebrook to enter into a reasonable Maintenance Agreement that requires the applicant's property to

- share in maintenance costs for Stonebrook Drive (subject to City review).*
- b. A conservation easement shall be provided for the remaining woodland and wetland areas, woodland credit replacements, and wetland mitigation areas, to ensure permanent protection of these natural features (approximately 4.25 acres). Such easements shall also be reflected on the Master Deed for the property.*
 - c. A public access easement shall be placed over a portion of the nature trail through the northern area of the property, west of the stormwater detention basin. Such easement shall also be reflected on the Master Deed for the property.*
 - d. Wetland areas and buffers shall be enhanced with appropriate seeding and plant selection, placement of habitat structures, as well as invasive species removal, which will be shown and reviewed during site plan submittals.*
 - e. Wetland and Woodland impacts shall be permitted by the Planning Commission during site plan review under the process and conditions of the Code of Ordinances.*
 - f. Disturbance of the wetland buffer area shall be discouraged by the installation of appropriate landscaping and signage.*
 - g. The applicant shall provide funding to the Department of Parks, Recreation and Cultural Services to complete the improvements to Wildlife Woods Park pavilion and restrooms, as proposed in the applicant's letter dated November 17, 2025, in order to address potential impacts of use by residents of those facilities.*
 - h. Items noted in the Staff and Consultant review letters, except as otherwise noted in the Agreement, shall be addressed in the site plan process.*

This motion is made because the plan is otherwise in compliance with Article 3, Article 4 and Article 5 of the Zoning Ordinance and all other applicable provisions of the Ordinance.