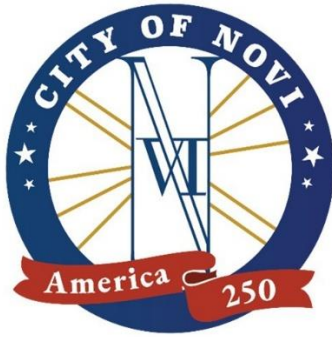




CITY OF NOVI CITY COUNCIL
JULY 27, 2026

SUBJECT: Consideration of final approval of the request for JSP25-02 Camelot Parc Townhomes, for a Planned Suburban Low-Rise (PSLR) Overlay Development Agreement Application and Concept Plan.

SUBMITTING DEPARTMENT: Community Development Department - Planning

KEY HIGHLIGHTS:

- On March 23, 2026, City Council granted tentative approval for the Camelot Parc Townhome development's Planned Suburban Low-Rise (PSLR) Plan
- The Camelot Parc Townhome PSLR Plan is for a vacant parcel totaling 8.24 acres (net) south of the Novi Promenade Shopping Center, east of Wixom Road.
- The plan shows the development of 22 townhome units in five 2-story buildings.
- The units would be for-sale, and each would have a two-car garage.
- The subject property is currently zoned R-1, One Family Residential, with a PSLR Overlay.
- As a benefit to the public, the applicant proposes a donation to fund improvements to the Wildlife Woods Park pavilion and restrooms, as well as conservation easements and enhancements to areas to be preserved.
- The PSLR Agreement has been drafted by the City's attorney, reviewed by the applicant, and is ready to return to City Council for final approval.

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.

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 provided a favorable recommendation to the City Council of the PSLR Overlay application and Concept Plan, subject to a number of conditions.

On March 23, 2026, City Council considered the application and indicated its tentative approval of the PSLR Concept Plan, and in so doing, directed the City Administration and City Attorney to prepare a PSLR Agreement with the deviations and conditions that were listed in the motion. Minutes from that meeting are attached.

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.

PSLR OVERLAY AGREEMENT

Working with the City Attorney's office, the petitioner has now brought forward the Planned Suburban Low-Rise Overlay Agreement. The applicant is seeking positive consideration of the following:

One of the conditions in the Agreement states that the applicant will work in good faith with the Villas of Stonebrook to enter into a reasonable Maintenance Agreement for cost associated with Stonebrook Drive. The Agreement acknowledges that the City is satisfied with the proposed terms of the Maintenance Agreement offered by the Applicant at the March 23, 2026 City Council meeting. As of the date of the preparation of this packet, the Villas at Stonebrook HOA has not indicated they have accepted this offer. In the event that the applicant is unable though no fault of its own to enter into an agreement, the applicant may provide the City's Planner with documentation of the efforts made to finalize such an agreement and the City shall administratively determine whether the requirement to pursue the Agreement in good faith has been complied with or whether further efforts are required.

ADDITIONAL UPDATE:

The applicant has indicated they will remove one additional unit from the north side of the property in order to reduce the wetland impact, which will allow the mitigation area to be fully accommodated on site. This will bring the total number of units down to 21 (2.54 du/ac). This change will be reflected in the Site Plan submittal following approval of the PSLR Agreement.

RECOMMENDED ACTION:

Final 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 and conditions, City Council deviations, and conditions, with final form and language to be modified as determined by the City Attorney's Office and City Manager:

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 as indicated in the PSLR Agreement (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).
6. The following conditions are made part of the PSLR Agreement:
 - a. Consistent with its representations at the Planning Commission and City Council meetings, the applicant shall work in good faith with the Villas at Stonebrook to enter into a reasonable Maintenance Agreement between the applicant and the Villas (the City is **not** to be a party) 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 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.