



CITY OF NOVI CITY COUNCIL
MAY 6, 2024

SUBJECT: Consideration of Zoning Map Amendment 18.741 to rezone up to approximately 250 acres of property located north and south of Grand River Avenue, east of Beck Road and west of Taft Road, from Light Industrial, Residential Acreage, Office Service and Office Service Technology to City West District. **FIRST READING**

SUBMITTING DEPARTMENT: Community Development - Planning

BACKGROUND INFORMATION:

The City of Novi 2016 Master Plan Update included recommendations for redevelopment of three sites within the City that were considered vacant or under-utilized given their location, unique features, and size:

- 1) Pavilion Shore Village, near Walled Lake, which was rezoned to a new zoning classification in 2021.
- 2) The Anglin Property near Town Center, which is now incorporated into the Sakura Novi development; and
- 3) City West, located north and south of Grand River Avenue, east of Beck Road and west of Taft Road. The Master Plan recommendation for this area was to create a vibrant, walkable, mixed-use arts and entertainment district that would support and enhance the nearby Suburban Collection Showplace and Ascension Providence Park.

CHANGES TO DISTRICT BOUNDARIES

The boundaries for City West have changed from what was recommended in the 2016 Master Plan. On the north side, the Implementation Committee agreed with staff that the small parcel east of Taft Road next to I-96 did not seem to be necessary to include, and the drive-through uses just east of Beck did not seem to fit with the vision for City West so those developed parcels are not included. At the July 10, 2023, City Council meeting, the property owner of the parcels zoned B-3 General Business at the southeast corner of Beck Road and Grand River Avenue expressed their desire for that area to remain zoned B-3, however they were in favor of the RA-zoned portion of their property to be included in the rezoning. The B-3 portion of two parcels, approximately 3.39 acres, has been removed from the City Council's Recommended Action (below) for the rezoning of properties to City West. On the south side of Grand River, leaving the eastern half toward Taft Road planned for Industrial did not seem to make sense given one of the main pedestrian crossings between north and south is at the main

entrance to the Suburban Showplace. Many of the existing uses in that area also were not incompatible with the uses permitted in the proposed district. Meetings with some of the landowners in that area confirmed that they would like to be included in the City West district. The Implementation Committee agreed that the district should be extended all the way to Taft Road.

HISTORICAL CONTEXT

Historical photos of the area show the land was largely agricultural fields and orchards in the 1940s. When I-96 was constructed in 1957 there was a highway rest stop until the Suburban Collection Showplace was constructed in 2005 in its location. The Fairlane Motel appears to have been developed on the north side of Grand River in the 1950s and is still open today. By the 1970s there was greater industrial activity in the area, including the Wix-Mix concrete plant, trucking operations, outdoor storage yards, various industrial buildings, and a gas station near the intersection of Beck and Grand River. Over the last 20 years many of the remaining homes and vacant structures have been torn down after falling into disrepair, and the properties have not yet been redeveloped. As stated in the 2016 Master Plan, "Many sites are underutilized, disused or vacant."

Approximately 144 acres are north of Grand River Avenue with 21 parcels included. Most of the area, 128.13 acres, is currently zoned OST Office Service Technology. There is an EXO Exposition Overlay District over a 55-acre portion of the Suburban Collection Showplace property. Approximately 14.06 acres are zoned I-1 Light Industrial.

To the south of Grand River Avenue, the City West area is recommended to include all the parcels between Beck Road and Taft Road. These properties are currently zoned OS-1 Office Service, I-1 Light Industrial, B-3 General Business, and RA Residential Acreage. One property owner has requested that the portion of B-3 General Business zoning on the southeast corner of Grand River and Beck Road be excluded from the rezoning. Staff recommends the area be rezoned with the surrounding parcels in the interest of creating a cohesive walkable district. This prominent corner would serve as an important entryway into the district.

There are some significant areas of wetland in the southern portion of the district. Preserving those wetlands would help to provide natural buffers between the City West developments and the residential districts to the south. The greater flexibility and emphasis on preserving natural features in the City West text is more likely to result in protection than the current Light Industrial district.

EXISTING DEVELOPMENT

Of the existing structures in the area, the average age is 43 years, with many built between 1967 – 1978. Excluding a few building additions, only two new projects have been developed over the last 10 years: PetSuites (2020) and Beck Plaza, which contains Starbucks (2016). During this same period development has not lagged in the rest of the city.

The number of permitted uses under I-1 zoning is limited when adjacent to single-family districts, which may have contributed to the lack of investment in this area. Restaurant uses in the I-1 district are only permitted in limited circumstances, so the existing

restaurants south of Grand River have been non-conforming uses and have not been permitted to expand or make desired improvements such as adding covered outdoor patio areas. The expense of extending public utilities may have also discouraged new development.

Approximately 110 acres in the district are vacant or have a non-conforming residential use. Parcels developed with industrial uses that are not consistent with the desired future use for City West make up a total of about 32 acres. Development nearby in the corridor includes destinations such as Ascension Providence Hospital System and Suburban Collection Showplace, which are significant economic drivers in Novi, providing jobs and bringing in visitors. Commercial uses have developed by the I-96 interchange at Beck Road north of Grand River.

PUBLIC UTILITIES

See the June 8, 2023, Engineering review memo for specific discussion of water and sewer capacities in the area serving the subject property. The Engineering review indicates there will be an impact on utility demands with the proposed rezoning, but water system improvements are the specific concern. However, improvements in this water pressure district are needed regardless of how the City West area is developed. The Engineering Division plans to continue discussions with Community Development to better understand the additional demands of any development proposed in the pressure district and to better understand the impact on the City's infrastructure.

Traffic analysis and potential road improvements for any new development will be determined on a site-by-site basis for any property proposed to be developed or redeveloped in the new district. Applicants proposing a new development will need to prepare either a Traffic Impact Statement or Traffic Impact Study as a result of an anticipated number of trips as defined by the Site Plan and Development Manual. Pedestrian improvement opportunities are being considered along the Grand River Avenue Corridor as a part of a larger study that is being contemplated.

PLANNING COMMISSION ACTION

On May 10, 2023, the Planning Commission held a public hearing on the proposed rezoning and recommended approval to the City Council. The minutes from that meeting are included in the packet.

Following the public hearing, the attorney for a property located at the southeast corner of Grand River Avenue and Beck Road, known as the Ward property, has requested a portion of the property zoned B-3 not be rezoned to the new City West District. See the letter in this packet from Mr. David Landry dated June 13, 2023, for details of their request. The portion of property zoned B-3 General Business includes portions of two parcels. The owner is supportive of the remainder of the property, zoned RA Residential Acreage, being rezoned to City West.

Staff still recommends that the entire area be included in the rezoning in order to maintain the consistency and walkability of the district. This corner could serve as an important gateway into the new district and create a link between non-motorized connections within the district and the pathway network on the Ascension Providence Campus, which would be better served by the standards being established by the City

West District. The B-3 General Business district allows a wide range of auto-centric uses that would interrupt the walkability we hope to establish through City West. **However, as noted above in the changes to district boundaries, this B-3 portion of the Ward property has been removed from the City Council's Recommended Action (below) for the rezoning of properties to City West based on the discussion from the previous meeting.** Minutes from the July 10 City Council meeting are included in this packet.

CURRENT OPTIONS FOR FIRST READING OF THE TEXT AMENDMENT, DESIGN GUIDE AND ZONING MAP AMENDMENT:

The three options provided below are similar to the accompanying City West Text Amendment for the areas proposed to be rezoned. The resulting motions will direct staff for the Second Reading of the draft Zoning Map Amendment (see accompanying maps for the locations of each of the three options and additional details in the accompanying packet for the zoning map amendment):

Option 1: Adopt the current City West District Text Amendment, and City West Design Guide, with minor modifications, and **rezone areas both north and south of Grand River excluding the B-3, General Business zoned property at the southeast corner of Grand River and Beck Road from the rezoning.**

This is the option recommended by Staff. At the previous meeting, the City Council appeared to be in favor of excluding the B-3, General Business zoned property at the southeast corner of Grand River and Beck Road from the rezoning, which could still be done under this option.

Option 2: Adopt the current City West District Text Amendment and City West Design Guide, with minor modifications, **but rezone only the north side of Grand River Avenue at this time**

This option would leave the potential for the south side to be rezoned at some point in the future without having to fully amend the draft City West zoning ordinance. In the meantime, the south side of Grand River Avenue would remain zoned primarily Light Industrial, and any new development proposed would need to meet the I-1, Light Industrial District standards (or RA or B-3, in the case of two properties near the southeast corner of Grand River and Beck). This would also leave open the option for a developer to request a rezoning of the land on the south side of Grand River to City West if that district is needed to support a particular development. On the north side of Grand River, 144 acres would be rezoned to the new City West District.

Option 3: Direct staff to revise the City West District Text Amendment and City West Design Guide to remove all references to the south side of Grand River Avenue, with the intent to **rezone only the north side of Grand River Avenue**

This option would remove the area south of Grand River Avenue as an option for the development that the City West Ordinance and Design Guide contemplates as originally introduced. If the City Council chooses this option, Staff would make revisions to the text amendment and Design Guide so that it only pertains to that area north of Grand River Avenue prior to the Second

Reading or the ordinance amendment. As in option two, the area south of Grand River would remain as currently zoned.

RECOMMENDED ACTION: Approval of Zoning Map Amendment 18.741 to rezone up to approximately 250 acres of property located north and south of Grand River Avenue, east of Beck Road and west of Taft Road, from I-1 Light Industrial, RA Residential Acreage, OS-1 Office Service, and OST Office Service Technology (excluding the B-3, General Business properties at the southeast corner of Beck and Grand River Avenue), to CW City West District **AS DESCRIBED IN OPTION** *for the reasons provided below.* **FIRST READING**

Select one of the following three options:

Option 1:

Rezone approximately 250 acres of property located north and south of Grand River Avenue, east of Beck Road and west of Taft Road, from I-1 Light Industrial, RA Residential Acreage, OS-1 Office Service, and OST Office Service Technology **(excluding the previously considered B-3, General Business properties at the southeast corner of Beck and Grand River Avenue), to CW City West District.** This is the option recommended by Staff. At the previous meeting, the City Council appeared to be in favor of excluding the B-3, General Business zoned property at the southeast corner of Grand River and Beck Road from the rezoning, which could still be done under this option.

-OR-

Option 2:

Rezone only the north side of Grand River Avenue between Beck Road and Taft Road at this time consisting of approximately 144 acres of land to the City West District. This option would leave the potential for the south side to be rezoned at some point in the future without having to fully amend the draft City West zoning ordinance. In the meantime, the south side of Grand River Avenue would remain zoned primarily Light Industrial, and any new development proposed would need to meet the I-1, Light Industrial District standards (or RA or B-3, in the case of two properties near the southeast corner of Grand River and Beck). This would also leave open the option for a developer to request a rezoning of the land on the south side of Grand River to City West if that district is needed to support a particular development.

-OR-

Option 3:

Rezone only the north side of Grand River Avenue and direct staff to revise the City West District Text Amendment and City West Design Guide to remove all references to the south side of Grand River Avenue. This option would remove the potential for the south side to be rezoned at some point in the future, without further rezoning requests and ordinance amendments. The south side of Grand River Avenue would remain zoned primarily Light Industrial, and any new development proposed would need to

meet the I-1, Light Industrial District standards (or RA or B-3, in the case of two properties near the southeast corner of Grand River and Beck).

This motion is made because the proposed City West Rezoning fulfills the concepts provided in the Master Plan for Land Use to provide a new zoning district that will create a vibrant, integrated, mixed-use arts and entertainment district along Grand River Avenue, east of Beck Road, and that would support and enhance the nearby Suburban Collection Showplace and Ascension Providence Park.