

City Council Workshop
Madison Heights, Michigan
April 13, 2023

A City Council Workshop was held on Thursday, April 13, 2023 at 6:00 PM at City Hall
Executive Conference Room - 300 W. 13 Mile Road

PRESENT

Mayor Roslyn Grafstein
Mayor Pro Tem Mark Bliss
Councilwoman Toya Aaron
Councilman Sean Fleming
Councilor Emily Rohrbach
Councilor Quinn Wright

ABSENT

Councilman David Soltis

OTHERS PRESENT

City Manager Melissa Marsh
City Attorney Larry Sherman
City Clerk Cheryl Rottmann

MEETING OPEN TO THE PUBLIC:

There were no members of the public wishing to speak.

WORKSHOP:

Active Adult Center - 29448 John R - Purchase Agreement/Conceptual Site Plan/Renderings

Century 21 Campbell Broker, Larry Campbell, stated that there has been a lot of due diligence to get where we are with the purchase agreement and conceptual site plans. William Gershenson, developer, stated that they have been looking for alternative uses of property. There are two organizations interested, the first entity is a fast-food franchise. The second business is Tommy's car wash, although their interest is not official. Mr. Gershenson stated are waiting for the city to adopt a Plan Unit Development ordinance with specific usage language. In addition, they would like to develop three parcels on the site, however there are issues in the rear of the property, and they have done Phase 1 and Phase 2 environmental studies with soil borings. Any use will require a lot of work and they will be looking for approval of the Brownfield Plan. He added that when the building comes down, soil will have to be exported. The other problem is the light at the exit is SOCRRA's and SOCRRA can terminate that right if they choose. Fortunately, they have tentatively agreed to give a permanent perpetual easement through the property. If the permanent easement is not obtained, the development will not work. He stated that they continue to market the property, however a lot of interest has been from non-profits and the goal of the City is to get

it back on the tax roll. Due to the Purchase Agreement, we need to have most of the issues resolved by June and there are a lot of moving parts.

City Planner Lonnerstater reviewed the property's M1 zoning designation. The Zoning Ordinance has uses permitted by right and uses permitted with Special Use approvals. A car wash is not specifically mentioned as permitted by Special Use approval, however, historically the City has considered other uses that are not specifically mentioned for Special Use if they are a similar use without a negative impact. He noted that a Planned Unit Development (PUD) is a zoning technique to create a zoning district for a specific site and would apply only for that specific site. These usually are for mixed uses or a unique category that can't be accommodated with existing zoning.

City Attorney Sherman stated that it is not a novel thing to ask for a Special Use approval; the question is if the Special Use proposal is compatible with existing zoning. Allowing it to go through the Special Use procedure would streamline the process as opposed to adopting a PUD.

In response to Mayor Pro Tem Bliss, City Planner Lonnerstater stated the future land use designation being discussed in the Zoning Ordinance re-write is mixed-use/innovation. This land use designation would accommodate mixed use developments and encourage walkability and allows light industrial and a residential mix.

In response to Councilor Rohrbach, City Planner Lonnerstater stated that the environmental studies do not necessarily preclude a mixed use; however, depending on the results, it may require some type of remediation for any use type.

Mayor Grafstein commented that one issue is the environmental study and the other appears to be a lack of interest.

Mayor Pro Tem Bliss stated that the Planning Commission has a long-term vision for this corridor. The Planning Commission is looking to inspire future development, hoping for multi-use rather than just a strip mall, as well as to utilize the connection in the back of the property which adds a lot of walkability to Paige. With this proposal, no one will want to walk to the car wash.

Mr. Gershenson stated that they have no intention of building a wall to block the walking path. In response Mayor Pro Tem Bliss commented that conceptually, the idea was to create walkable development and look at alternative uses. He continued that the pathway ties to a conduit to the neighborhood and noted that he is weighing the future land use to what we have been proposed.

In response to Councilman Fleming inquiry pertaining to perhaps a development with 4-5 smaller suites, Mr. Gershenson replied that to encourage development, there needs to be something there to incentivise people to do it. The cost of land, demolition, remediation, and underground detention are costs that increase rents that are unaffordable. He continued that he doesn't want to overpromise and under deliver to the City and he is trying to bring uses to the community where the tenants will do the construction and site improvements. Current construction and interest costs are making business difficult.

Mayor Pro Tem Bliss asked if there any thought to a bar/brewery so that the neighborhood could walk to it? Mr. Gershenson replied yes, and they are still exploring, but currently they do not have an organization interested yet. If they can develop three businesses, the site could accommodate smaller restaurants. Mr. Gershenson stated that due to the purchase agreement, we are against a time clock and an extension of the purchase agreement may be necessary.

Councilwoman Aaron noted that there is a car wash a half of mile away.

Mr. Campbell stated that both proposed users are end users, not tenants. Mr. Gershenson added that the tax revenue to City would increase, subject to a Brownfield plan.

City Attorney Sherman noted that the City would require conditions either with a PUD or Special Approval. The use of a Special Approval in the M1 district would streamline the process. One condition would be obtainment of the SOCRRA perpetual easement for ingress/egress and he asked where it stood as far as documentation. Mr. Campbell responded that he has seen a draft and there is a conceptual agreement. Another requirement, Mr. Sherman stated, would be an approved Remedial Action Plan from EGLE. In response to City Attorney Sherman's question, Mr. Gershenson stated that they are currently working on information and documentation for the Brownfield Plan, and it is close to draft form; almost completed. Mr. Campbell stated that they are currently working with EGLE on the Remedial Action Plan and working along with SOCRRA, Lamphere and the City on this matter; there is a lot of ground to cover.

In response to Councilor Wright, Mr. Campbell responded the proposed car wash is a pretty nice design and companies like to go to areas with good demographics and companies do want to be here. Mr. Gershenson added that attracting national uses will beget more activity. He continued that we are also working to acquire adjacent property. This will give us an environment to create a more regional environment and shift away from some of the industrial and light industrial.

Mayor Pro Tem Bliss stated that the Council would love to be a partner in the development, but we would like to factor in what our future land use goals are such as walkability and have some creative way to help us to envision our future.

Councilwoman Aaron stated that she would like to have something that would attract a younger population. We need businesses that support that.

Councilor Wright agreed that it would be nice to have a brewery or something that attracts a younger population; but he also understands the limitations.

City Attorney Sherman stated that City Council understands there is a June 30th deadline; The City is willing to work together; however, we need to be kept apprised of the progress.

ADJOURNMENT:

Having no further business, Mayor Grafstein adjourned the meeting at 6:54 p.m.