

CITY COUNCIL AGENDA ITEM

Date: May 12, 2021

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager

R. Brent Savidant, Community Development Director

Subject: PUBLIC HEARING – ZONING ORDINANCE TEXT AMENDMENT (File Number ZOTA 254)

Cluster Square Footage

This item was initiated by Staff based on conversations with the Planning Commission and developers. The One Family Cluster Option incentivizes expanding a variety of housing types in the City via construction of smaller homes. Developers have indicated that the maximum 1,500 square foot requirement is too restrictive and is a barrier to providing marketable homes.

The Planning Commission originally considered increasing the maximum square footage to 1,700 square feet. This is reflected in the attached report prepared by Carlisle/Wortman Associates, Inc. The Planning Commission held a Public Hearing for this item on December 10, 2019 and postponed the item for further study. Two developers have provided input on this item, suggesting that raising the maximum square footage from 1,700 square feet to 1,900 square feet per unit would incentivize construction. The proposed text amendment proposes increasing the maximum square footage from 1,500 square feet to 1,900 square feet.

The Planning Commission considered this item on February 25, 2020 and recommended approval of the text amendment by a 7-0 vote.

A City Council public hearing has been scheduled for May 24, 2021.

Attachments:

- 1. Draft text amendment.
- 2. Memo prepared by Carlisle/Wortman Associates, Inc., dated October 15, 2019.
- 3. Minutes from December 10, 2019 Planning Commission Regular meeting (excerpt).
- 4. Minutes from February 25, 2020 Planning Commission Regular meeting (excerpt).
- 5. Input from Randy Najjar, Sapphire Luxury Homes.
- 6. Input from Tim Loughrin, Robertson Brothers

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CITY OF TROY

AN ORDINANCE TO AMEND CHAPTER 39 OF THE CODE OF THE CITY OF TROY CITY COUNCIL PUBLIC HEARING DRAFT

The City of Troy ordains:

Section 1. Short Title

This Ordinance shall be known and may be cited as an amendment to Chapter 39, Zoning Ordinance, of the Code of the City of Troy.

Section 2. Amendment

Chapter 39 of the Code of the City of Troy is amended as follows:

Revise Section 10.04.H.2 to read as follows:

- 2. Housing Diversity and Options. A bonus above the base yield number of units established in 10.04.C.1 may be provided for a development that provides a diverse variety of housing types or provides a type of housing that is desired, but not currently offered in the city. The following requirements shall be met for the all bonus unit in excess of the base yield number of units:
 - a. Maximum home square footage shall not exceed 1,500 1,900 sq/ft; and
 - b. Master first floor bedroom and bathroom shall be provided; and

Section 3. Savings

All proceedings pending, and all rights and liabilities existing, acquired or incurred, at the time this Ordinance takes effect, are hereby saved. Such proceedings may be consummated under and according to the ordinance in force at the time such proceedings were commenced. This ordinance shall not be construed to alter, affect, or abate any pending prosecution, or prevent prosecution hereafter instituted under any ordinance specifically or impliedly repealed or amended by this ordinance adopting this penal regulation, for offenses committed prior to the effective date of this ordinance; and new prosecutions may be instituted and all prosecutions pending at the effective date of this ordinance may be continued, for offenses committed prior to the effective date of this ordinance, under and in accordance with the provisions of any ordinance in force at the time of the commission of such offense.

Section 4. Severability Clause

Should any word, phrase, sentence, paragraph or section of this Ordinance be held invalid or unconstitutional, the remaining provision of this ordinance shall remain in full force and effect.

Section 5. Effective Date

This amendment to the Zoning Ordinance shall take effect seven (7) days after publication, which shall be published within 15 days of adoption, as required the Michigan Zoning Enabling Act (Act 110 of 2006).

at

	,	ne City of Troy, Oakland County, Michigan, at City Hall, 500 W. Big Beaver, Troy, MI, on the
day of	•	, , , , , , , , , , , , , , , , , , ,
		Ethan Baker, Mayor
		Aileen Dickson, City Clerk

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117 NORTH FIRST STREET SUITE 70 ANN ARBOR, MI 48104 734.662.2200 734.662.1935 FAX

MEMORANDUM

TO: City of Troy Planning Commission

Mark Miller, AICP, City Manager

R. Brent Savidant, AICP, Planning Director

FROM: Benjamin R. Carlisle, AICP

DATE: October 15, 2019

RE: Transitions and Increasing Square Footage Cap in a Cluster Development

The Planning Commission has recently held discussions regarding two potential zoning amendments to address ongoing topics: 1. Transitions, particularly adjacent to single family residential; and 2). Increasing the maximum square footage cap to quality for a density bonus in the cluster development option.

1. Transitions

The Planning Commission recently discussed transitions and frictions points between intense uses adjacent to single-family uses. At that meeting a number of options were presented for the Planning Commission to consider. The direction of the Planning Commission was to consider zoning amendments to ensure an appropriate intensity, height, and bulk transition between areas of potential friction. Due to the uniqueness of Big Beaver zoning, we recommend that right now we only focus on Neighborhood Nodes.

Based upon the direction from the Planning Commission, we offer the following amendments for consideration. These amendments would only apply to Neighborhood Nodes.

<u>Development height, setback, and greenbelt provisions for any non-single family development</u> in Neighborhood Nodes.

1. Height:

- a. Any building, or portion of a building, on a parcel abutting a one-family residentially zoned parcel shall not exceed 2.5-stories, 30 feet in height.
- b. Any building, or portion of a building, on a parcel that is not abutting a one-family residentially zoned parcel shall not exceed 3-stories, 38 feet in height.

2. Setback and Greenbelt:

- a. When a parcel is abutting a one-family residential zoned parcel the building setback from the property line of the one-family residential zoned parcel shall be no less than the height of the proposed building or twenty (20) feet, whichever is greater.
- b. When a parcel is abutting a one-family residential zoned parcel a minimum 20foot landscaped greenbelt shall be maintained from the property line of the onefamily residential zoned parcel. The greenbelt shall be landscaped and screened in accordance with 13.02.B.
- c. The Planning Commission may deviate from these setback and greenbelt provisions in the course of its site plan review process; however, the Planning Commission shall not permit a setback or greenbelt that is less than required in the building form or Section 13.02.B. In the review of the deviation, the Planning Commission shall consider the following standards:
 - i. The deviation will not adversely impact public health, safety, and welfare.
 - ii. The deviation maintains compatibility with adjacent uses.
 - iii. The deviation is compatible with the Master Plan and in accordance with the goals and objectives of the Master Plan and any associated subarea and corridor plans.
 - iv. The deviation will not adversely impact essential public facilities and services, such as: streets, pedestrian or bicycle facilities, police and fire protection, drainage systems, refuse disposal, water and sewage facilities, and schools.
 - v. The deviation will be in compliance with all other zoning ordinance standards.
 - vi. The deviation will not adversely impact any on-site or off-site natural features.

2. Housing Diversity and Options

The Planning Commission has questioned why the development community has not taken advantage of the housing diversity and option density bonus for smaller homes. Input from the development community notes that 1,500 sq/ft is too small to consider construction even with the associated density bonus. The Planning Commission has been told that a slight increase to 1,700 sq/ft would greatly assist in utilizing the density bonus. As such, we have proposed revised language to increase the maximum size to receive the density bonus from 1,500 to 1,700 sq/ft.

Revised Language:

Housing Diversity and Options. A bonus above the base yield number of units established in 10.04.C.1 may be provided for a development that provides a diverse variety of housing types or

provides a type of housing that is desired, but not currently offered in the city. The following requirements shall be met for the all bonus unit in excess of the base yield number of units:

- a. Maximum home square footage shall not exceed $\frac{1,500}{1,700}$ sq/ft; and
- b. Master first floor bedroom and bathroom shall be provided.

Based upon discussion and direction of the Planning Commission, we can put this in ordinance form and prepare for a public hearing.

I look forward to discussing this further.

Sincerely,

CARLISLE/WORTMAN ASSOC., INC. Benjamin R. Carlisle, LEED AP, AICP

PUBLIC HEARINGS

8. <u>PUBLIC HEARING – ZONING ORDINANCE TEXT AMENDMENT (File Number ZOTA 254)</u> – Cluster Square Footage

Mr. Savidant reviewed the discussion on the proposed text amendment to raise the minimum square footage from 1,500 square feet to 1,700 square feet as an incentive to developers to construct smaller homes within the cluster development option.

Tim Loughrin of Robertson Brothers was present. He offered a practitioner's perspective on the demand of home construction for empty nesters and retirees. He addressed competition among developers, economics, market demand and cost per unit for home construction. Mr. Loughrin gave an overview of the charts he prepared that were inclusive of the agenda packet and suggested a higher minimum square footage, such as 1,800 or 1,900 square feet, would be more practical for home builders and better serve market demand.

There was discussion on raising the minimum square footage higher than the proposed 1,700 square feet.

PUBLIC HEARING OPENED

There was no one present who wished to speak.

PUBLIC HEARING CLOSED

Discussion continued on what limit to set the minimum square footage.

Resolution # PC-2019-12-088

Moved by: Krent Support by: Rahman

RESOLVED, To postpone the proposed Zoning Ordinance Text Amendment relating to Cluster Square Footage to allow staff an opportunity to come up with a more creative solution for the minimum square footage limit.

Yes: Apahidean, Crusse, Faison, Hutson, Krent, Lambert, Rahman, Tagle

No: Fowler

MOTION CARRIED

5. <u>ZONING ORDINANCE TEXT AMENDMENT (File Number ZOTA 254)</u> – Cluster Square Footage

Mr. Savidant initiated discussion on the proposed Zoning Ordinance Text Amendment relating to a minimum square footage for homes within the cluster development option. He referenced communications and conversations with developers who suggest a minimum of 1,900 square feet per unit. Mr. Savidant said 1,700 square feet per unit was discussed and considered at the December 10, 2019 meeting.

There was discussion on:

- Definition, intent of cluster development option.
- Feedback from developers suggesting greater maximum square footage.
- Demand for "missing" housing; attract retirees, empty nesters, first-time buyers.
- Real estate market; average cost per square foot.
- Additional square footage offers flexibility in housing options, elevations.
- Garages; side entry, alley for rear garage access ("cottage" developments).
- Setbacks from neighboring residential.
- "Cluster" term; consideration of changing.

Resolution # PC-2020-02-015

Moved by: Crusse Support by: Hutson

RESOLVED, The Planning Commission recommends approval of the proposed Zoning Ordinance Text Amendment as written changing the minimum square footage requirement for the bonus from 1,500 square feet per unit to 1,900 square feet per unit.

Yes: All present (7) Absent: Faison, Tagle

MOTION CARRIED



Dear Mr. Savidant,

As you know, Sapphire Luxury Homes has enjoyed building luxury, first-class homes within the City of Troy over the past several years. In doing so, Sapphire has studied the needs of the residents of the City and has watched closely as the City of Troy has considered an amendment to the cluster ordinance text. Although most of the homes constructed by Sapphire range in size from 3,000 sq. ft. to 6,000 sq. ft., there is an undeniable trend among some residents in Troy and other local municipalities to live in smaller homes.

To that end, we have reviewed a number of sites and the cost associated with development where the current ordinance provides for the maximum 1500 square-foot home. We paid particular attention as the City took up this matter at the Planning Commission meeting in December, and the discussion of what appropriate square footage should be added to allow for the smaller footprint, but still allowing overall construction to proceed at a reasonable cost. We are of the opinion that, and encourage the City to consider, a 1900 square-foot maximum size in amending the cluster ordinance text.

I am happy to discuss this matter further with you at your convenience, and look forward to the City moving forward with the previously-tables amendment to the ordinance.

Respectfully,

Randy Najjar, President Sapphire Luxury Homes

02/11/2020



November 21, 2019

Mr. Brent Savidant City of Troy Community Development Director 500 W Big Beaver Road Troy, MI 48084

Re: Cluster Ordinance Text Amendment

Mr. Savidant:

It is Robertson's understanding that the City will be considering a text amendment to its Zoning Ordinance relating to the maximum square footage permitted for homes that qualify for a density bonus under the One-Family Cluster Development Option. Our understanding is that the maximum livable square footage may increase to 1,700 square feet from 1,500 square feet under Section 10.04.H.2.a. We applaud this direction as we believe there is an underserved market for those that want to stay in the City of Troy and downsize into a new, first-floor master bedroom home.

In considering the request, we would encourage the City to increase the maximum size of detached units to 1,900 square feet, as we believe the market conditions are such that this is a more appropriate size to justify the high costs to acquire and develop land in the City. In addition, our data indicates that the typical existing homeowner in Troy that would be an ideal buyer for this type of housing would be downsizing from a much larger home (2,800+ square feet), and our experience shows that they are looking for slightly more space than what 1,700 square feet provides.

Our organization would be highly interested in introducing a first-floor detached condominium home option similar to developments we are building in surrounding areas, namely Mill Ridge of Northville, and our Brewster Village community to be constructed next year in Rochester Hills. We believe keeping



residents in the City of Troy, while freeing up existing Colonial style housing for new residents to take advantage of the Troy School District, is a worthy endeavor to undertake. Increasing the maximum square footage for these home types is a critical component to doing just that.

Thank you.

Respectfully,

Tim Loughrin | Director of Land Acquisition

Robertson Brothers Homes

6905 Telegraph Rd, Suite 200, Bloomfield Hills, MI 48301

Direct Dial: 248.282.1428 | Mobile: 248.752.7402

tloughrin@robertsonhomes.com

From: <u>Tim Loughrin</u>
To: <u>Brent Savidant</u>

Subject: Mill Ridge and Brewster Village Projects

Date: Wednesday, November 27, 2019 3:51:21 PM

Attachments: image001.jpg

image003.jpg Mill Ridge Raleigh Elevations.pdf

Raleigh Floor Plan.pdf

Phase 1 and 2 Site Plan 11 12 10 n

Phase 1 and 2 Site Plan 11-13-19.pdf 2019.01.24 Illustrative Site Plan.pdf

Hi Brent. Per our conversation, the link below is to our Mill Ridge of Northville community, which we have recently repositioned from duplex homes to a more desirable detached condominium, at 1,834 square feet. These are all first floor master homes and we have received very good feedback from prospective buyers on the design and layout. I believe this would be a very desirable home product in Troy and is one of the justifications we had made for potentially increasing the maximum size to 1,900 square feet for the proposed cluster ordinance revision.

I've attached a pdf of the site plan and elevation drawings, as well as a site plan of a new community named Brewster Village that we will be building in Rochester Hills next Spring, at the corner of Brewster and Walton. This community will use the same Raleigh plan and elevations.

We would be happy to give you and any Commission or Council members a tour of the Northville model if you have any interest in that, just let me know.

 $\underline{https://www.robertsonhomes.com/communities/northville/mill-ridge-of-northville}$

Thanks, and have a Happy Thanksgiving.

Tim Loughrin | Director of Land Acquisition

Robertson Brothers Homes | 6905 Telegraph Road, Suite 200 | Bloomfield Hills, MI 48301

Direct: 248.282.1428 | Fax: 248.282.1429 | <u>www.robertsonhomes.com</u>

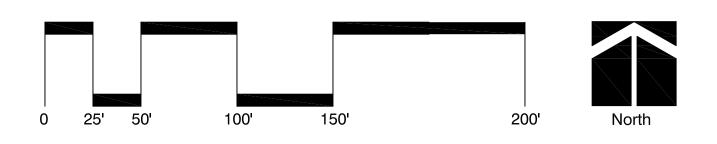


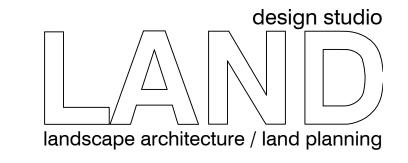


Mill Ridge of Northville

Northville Township, Michigan

November 2019





18161 W. Thirteen Mile Rd, Suite B-4 Southfield, MI 48076

T:: 248.594.3220 F:: 248.594.3260

Site Data:

Gross Site Area: 7.705 Ac.

Net Site Area: 7.168 Ac.

Proposed Units: 30

Proposed Density: 4.19 Du./Ac.

Building Setbacks:

- Front Yard: 20' (25' to Garage)- Building Separation: 20' min.

Road Width: 26'

■ sheet title

Illustrative Site Plan

■ project title:

Brewster Village

City of Rochester Hills, MI

■ prepared for:

Robertson Brothers Homes 6905 Telegraph Rd. - Suite 200 Bloomfield Hills, MI 48301

Phone: 248.644.3460

■ job number: ■ date: 17031 11.13.2018

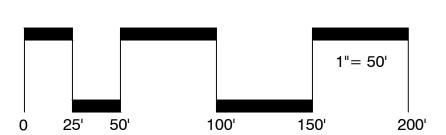
■ drawn by: ■ checked by:

EMJ WTK



revisions:

01.24.2019 Per Municipal Review





sheet no.



Albany Elevation









Barrington Elevation









Cranbury Elevation









Dorchester Elevation

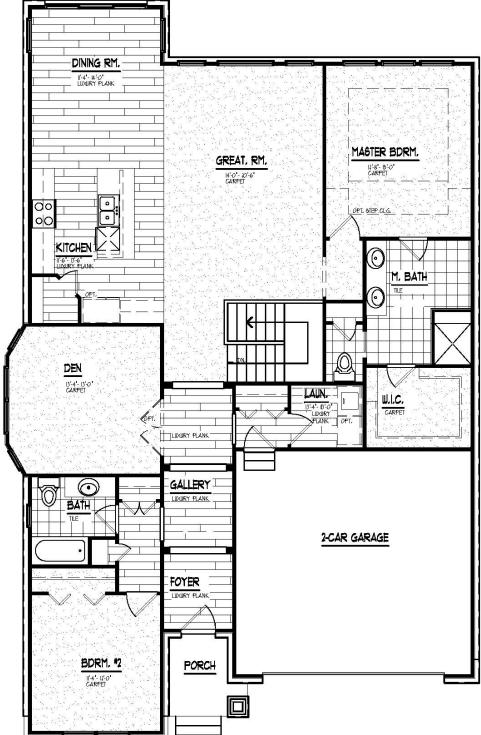






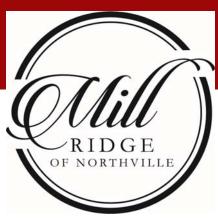


Raleigh 1,834 sqft.

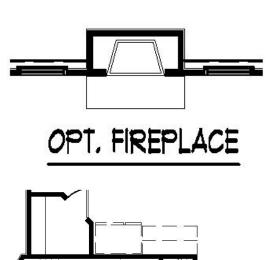


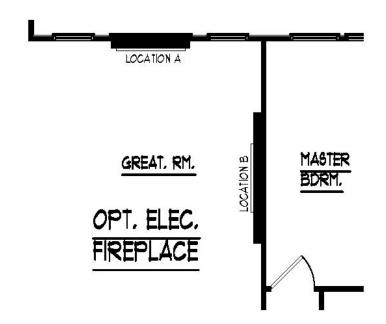


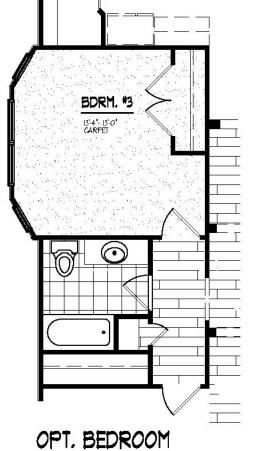


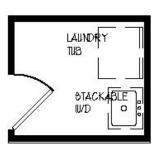


Raleigh Main Level Options

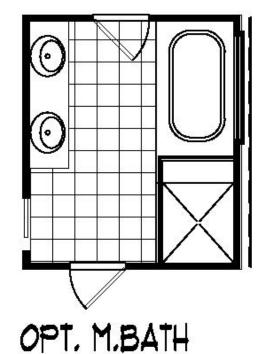








OPT, LAUNDRY

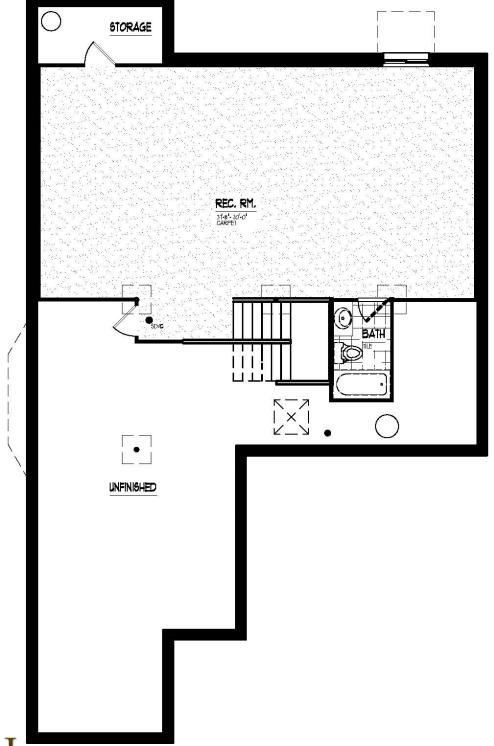








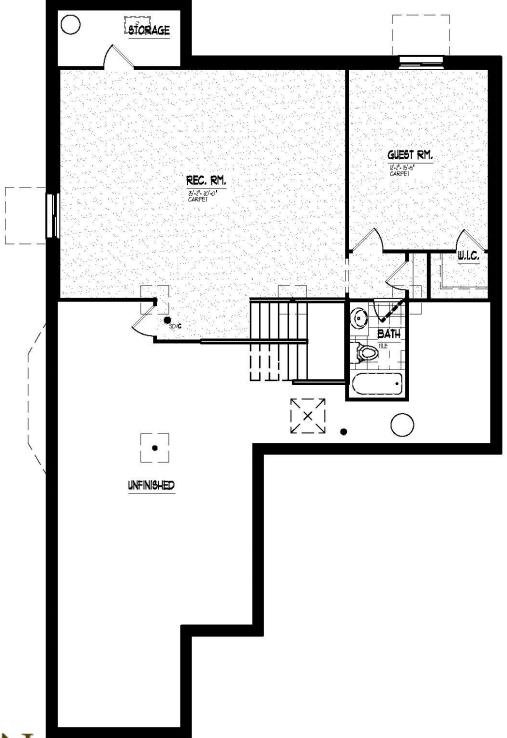
Raleigh Lower Level Option 1 936 sqft.

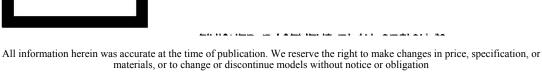






Raleigh Lower Level Option 2 936 sqft.

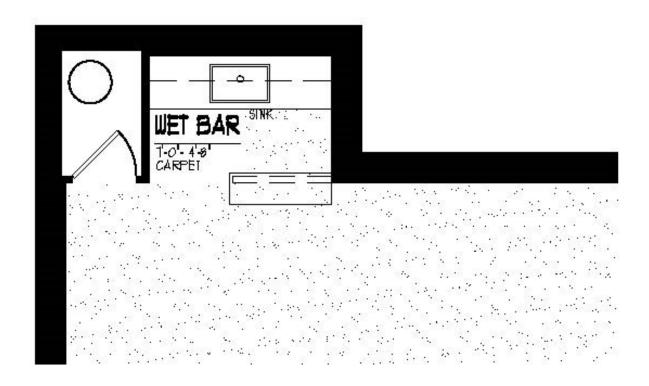








Raleigh Optional Lower Level Wet Bar







Architecture Level	2 Story
Status	Sold
Property Type	Residential

Row Labels	Average of List Price	Average of Est Fin Abv Grd SqFt	Average of Sq Ft \$	Count of MLS Number
100	\$143,267	1653	\$87.07	3
150	\$188,575	1417	\$143.12	4
200	\$238,527	1772	\$136.26	11
250	\$277,264	1868	\$150.48	61
300	\$332,440	2230	\$151.42	68
350	\$380,118	2428	\$158.12	71
400	\$428,192	2641	\$164.51	53
450	\$477,947	2891	\$166.90	56
500	\$529,709	3173	\$168.27	42
550	\$577,474	3309	\$176.29	19
600	\$624,836	3450	\$182.21	19
650	\$684,563	3637	\$190.99	8
700	\$734,400	3848	\$192.16	7
750	\$783,580	4243	\$186.98	5
800	\$849,900	3700	\$229.70	1
850	\$861,333	3874	\$223.85	3
1000	\$1,075,000	5695	\$188.76	1
Grand Total	\$425,718	2616	\$161.75	432

75% (328 of 432) of traditional colonial sales in the last 12 months

Sale Price \$300,000 to \$600,0000 Average sale price \$478,674 Average Square Foot 2875

Architecture Level	1 Story
Status	Sold
Property Type	Residential
Year Built	(All)

Row Labels	Average of List Price	Average of Est Fin Abv Grd SqFt	Average of Sq Ft \$	Count of MLS Number
50	\$89,000	816	\$108.84	2
100	\$137,783	1103	\$130.06	6
150	\$177,668	1106	\$163.77	37
200	\$228,595	1379	\$170.46	77
250	\$279,206	1547	\$187.53	56
300	\$326,949	1822	\$185.02	41
350	\$374,037	1942	\$196.27	30
400	\$430,300	2260	\$193.71	11
450	\$475,775	2372	\$202.32	8
650	\$659,900	3922	\$168.26	1
Grand Total	\$277,476	1571	\$178.72	269

33 % (90 of 269) Ranch homes sold in the last 12 months fell in this range

Sale price \$300,000 to \$600,0000 Average sales price \$401,765 Avergae Square Footage 2099