DATE: January 31, 2006

TO: John Szerlag, City Manager

FROM: Douglas J. Smith, Real Estate and Development Director
Mark F. Miller, Planning Director

SUBJECT: AGENDA ITEM – ANNOUNCEMENT OF PUBLIC HEARING (FEBRUARY 20, 2006) – REZONING APPLICATION – Proposed Medical Office, East side of Stephenson Highway, South side of Maple, West of I-75, Section 35 – R-C to O-M (Z 286-B)

RECOMMENDATION

The rezoning application is consistent with the intent of the Future Land Use Plan and compatible with abutting zoning districts and uses. The Planning Commission recommended approval of the rezoning request at the January 10, 2006 Regular meeting. City Management concurs with the Planning Commission and recommends approval of the rezoning request.

GENERAL INFORMATION

Name of Owner / Applicant:
The owner and applicant is Michael A. Herbert of the University Physician Group.

Location of Subject Property:
The property is located on the east side of Stephenson Highway, south side of Maple, west of I-75, in Section 35.

Size of Subject Parcel:
The parcel is approximately 11.5 acres in area.

Current Use of Subject Property:
A vacant 4-story office building presently sits on the property.

Current Zoning Classification:
R-C Research Center.

Proposed Zoning of Subject Parcel:
O-M Office Mid-Rise.

Proposed Uses and Buildings on Subject Parcel:
The application indicates that proposed uses include a medical office building, an ambulatory surgery center, a diagnostic center and related permitted uses within the existing building.

Current Use of Adjacent Parcels:
North: Hotel and restaurant.
South: Office.
East: Light industrial and mini warehouse.
West: Office and gas station.

Zoning Classification of Adjacent Parcels:
North: B-3 General Business.
South: R-C Research Center.
East: M-1 Light Industrial.
West: O-M Office Mid Rise and H-S Highway Service.

ANALYSIS

Range of Uses Permitted in the Proposed O-M Zoning District and Potential Build-out Scenario:

PRINCIPAL USES PERMITTED:

Any use permitted as a principal use in the O-1 Office Building.

Data processing and computer centers, including sales, service and maintenance of electronic data processing equipment.

Any use charged with the principal function of office-type research or technical training.

Other uses similar to the above uses.

Accessory structures and uses customarily incident to the above permitted uses.

USES PERMITTED SUBJECT TO SPECIAL CONDITIONS:

The following uses shall be permitted provided they are included in the office use structure or other principal structures as indicated in Section 25.20.00 "Principal Uses Permitted", or are attached to such structures by means of a fully enclosed structural attachment, and therefore shall not be permitted as freestanding structures. Such secondary structures shall be designed so as to provide a logical extension of the floor plan of the principal structures, and shall utilize exterior materials similar to or harmonious with such principal structures.

A) Personal service establishments which perform services on the premises including, but not limited to: barber shops, beauty parlors, tailor shops, and photographic studios.

B) Retail business establishments which supply commodities on the premises including, but not limited to: millinery shops, clothing shops,

shoe shops, pharmacy or apothecary shops, interior decorating shops, flower shops, office supply and stationery shops, notion and gift shops.

C) Restaurants or other places serving food or beverage, except those having the character of an open front store, drive-in or carry-out establishment so called.

D) Entertainment and recreation facilities including, but not limited to: theaters, auditoriums, sports and health facilities.

E) Clubs, fraternal organizations and service clubs whose activities are not carried on as a business.

Such uses shall, in total, occupy no more than twenty (20) percent of the floor area of the building complex of which they are a part.

Utility sub-stations, transformer stations or gas regulator stations (without storage yards).

USES PERMITTED SUBJECT TO SPECIAL USE APPROVAL:

Hotels or motels may be permitted by the City Council, following a report and recommendation by the Planning Commission.

Outside seating, assembly, and activity areas for restaurants and hotels, may be permitted by the City Council.

Mechanical or laboratory research involving testing or evaluation of products, or prototype or experimental product or process development.

Vehicular and Non-motorized Access:
Access to the property is provided from Stephenson Highway and Maple Road.

Potential Storm Water and Utility Issues:
The applicant proposes no additional construction on the property.

Natural Features and Floodplains:
The Natural Features Map indicates there are no significant natural features located on the property.

Compliance with Future Land Use Plan:
The Future Land Use Plan classifies this parcel as Office/Research. The Research classification has a primary correlation with the R-C District and a secondary correlation with the M-1, O-1, O-M and O-S-C Districts. The application is therefore consistent with the Future Land Use Plan. The area was designated Light Industrial on the Master Land Use Plan in 1965, designated Industrial/Research on the 1971 Plan and then designated Office/Research on the 2002 Future Land Use Plan.

Compliance with Location Standards:
The location standards for the O-M Office Mid-Rise District in Article 25.40.00 may be applied when the application of such a classification is consistent with the intent of the Master Land Use Plan, and therefore involves (1) Areas indicated as mid-rise office (Article 25.40.02) or (2) Areas designated for higher intensity office development, when it is determined that the total community would be more effectively and property served by the application of O-M zoning than by the application of a more intense office district (Article 25.40.03).

While the property is not classified as mid-rise office on the Future Land Use Plan, the property is classified as Office/Research, which correlates with the O-M district. The application is consistent with the intent of the Future Land Use Plan.

Attachments:

1. Maps.
2. Minutes from January 10, 2006 Planning Commission Regular meeting.
3. Letter from applicant dated December 9, 2005.

Prepared by RBS, MFM

cc: Applicant
File (Z 286-B)

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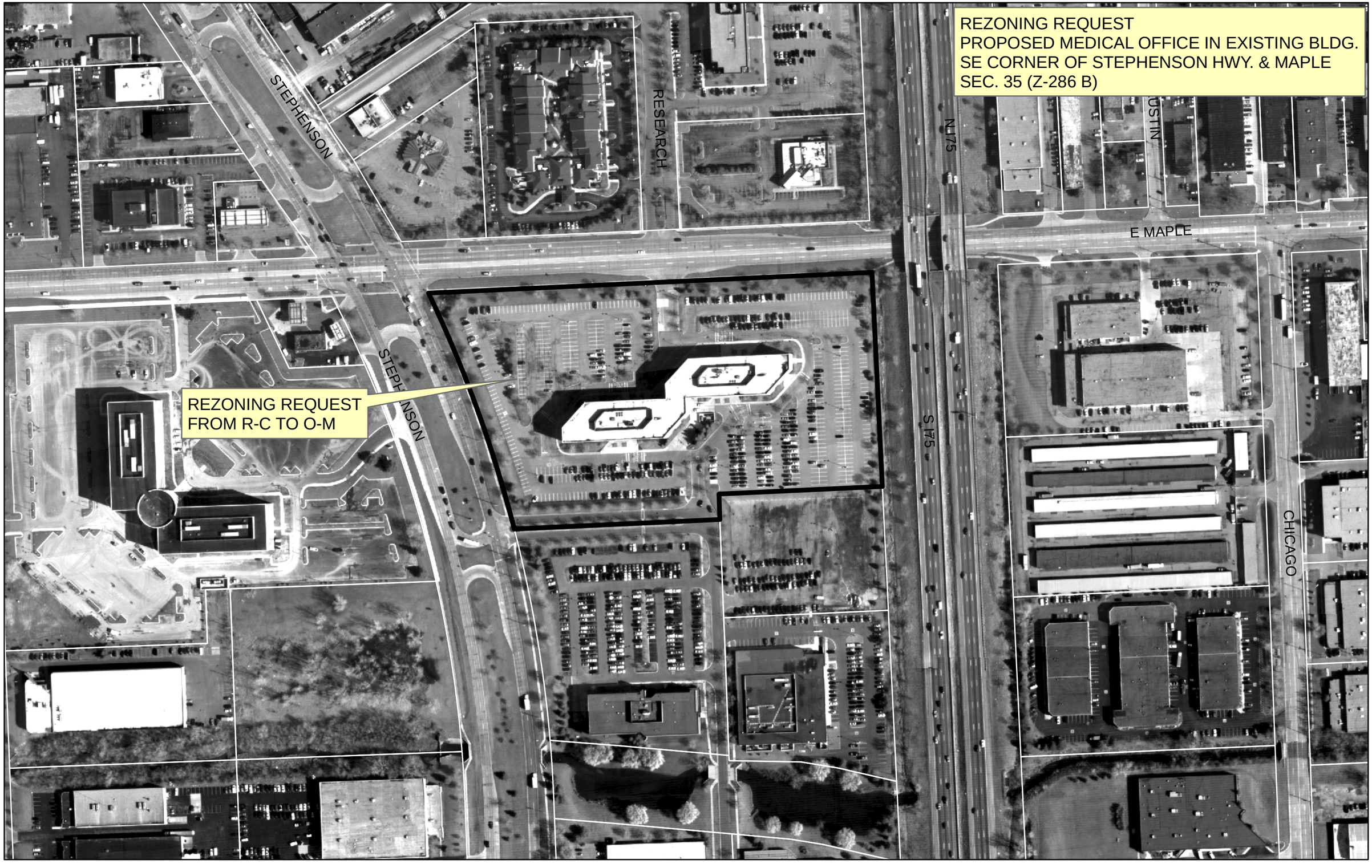
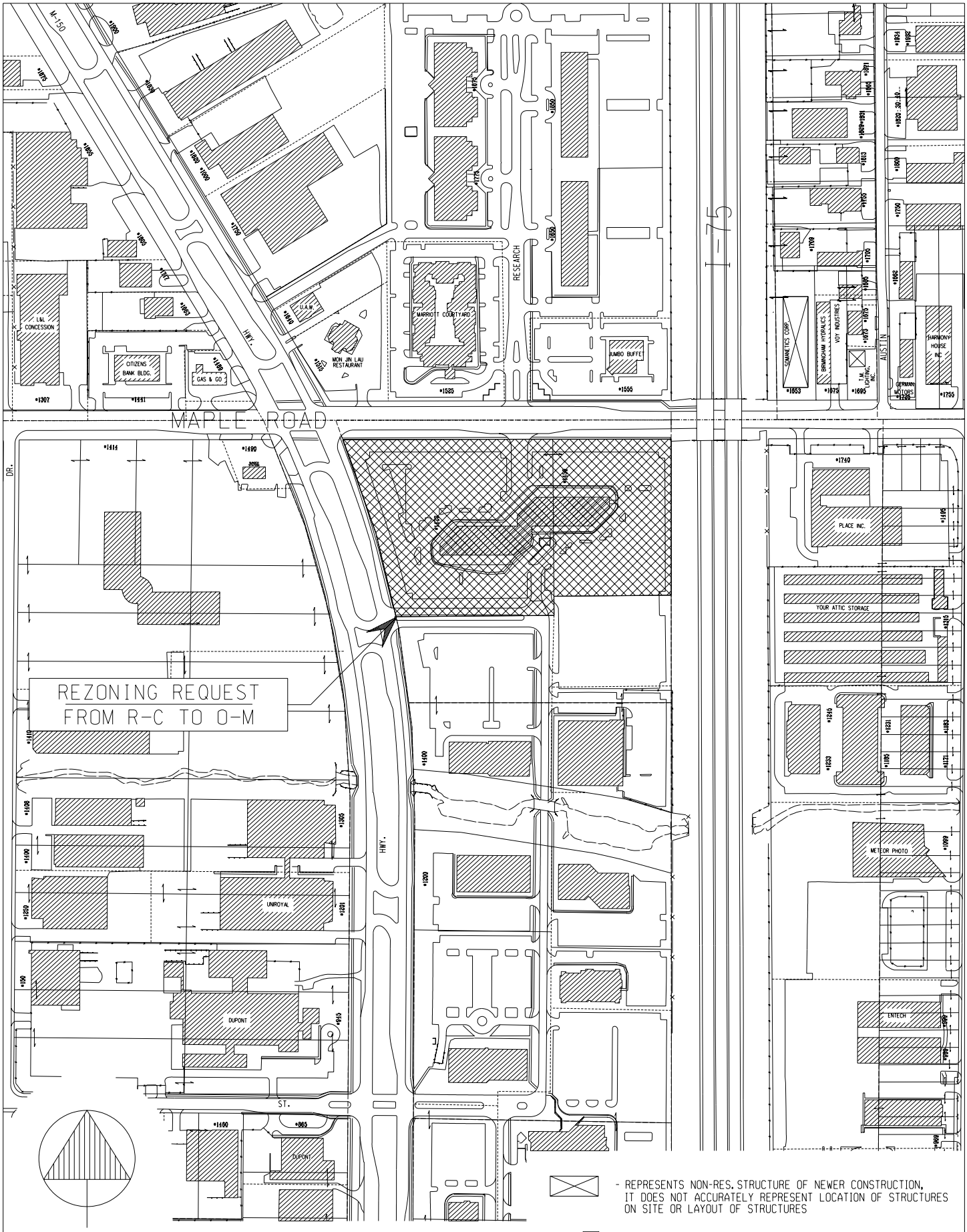
CITY OF TROY

PREPARED BY CITY OF TROY PLANNING DEPT.


REZONING REQUEST
PROPOSED MEDICAL OFFICE IN EXISTING BLDG.
SE CORNER OF STEPHENSON HWY. & MAPLE
SEC. 35 (Z-286 B)
REZONING REQUEST
FROM R-C TO O-M
STEPHENSON
RESEARCH
I-75
E MAPLE
CHICAGO



Z-286 B / SEC. 35 / 12-20-05

M-50
HWY.
RESEARCH
I-75
AUSTIN
MAPLE ROAD
MAPLE ROAD
DR.
REZONING REQUEST
FROM R-C TO O-M
HWY.
ALLEN
ST.
NORTH
R-1E

REZONING REQUEST
FROM R-C TO O-M
N HIGHWAY
I-75 FREEWAY
35
NORTH

MORTGAGE SURVEY

Certified to: LASALLE BANK MIDWEST NATIONAL ASSOCIATION, METROPOLITAN TITLE COMPANY, AND UNIVERSITY PHYSICIAN GROUP

Applicant: UNIVERSITY PHYSICIAN GROUP

Property Description:

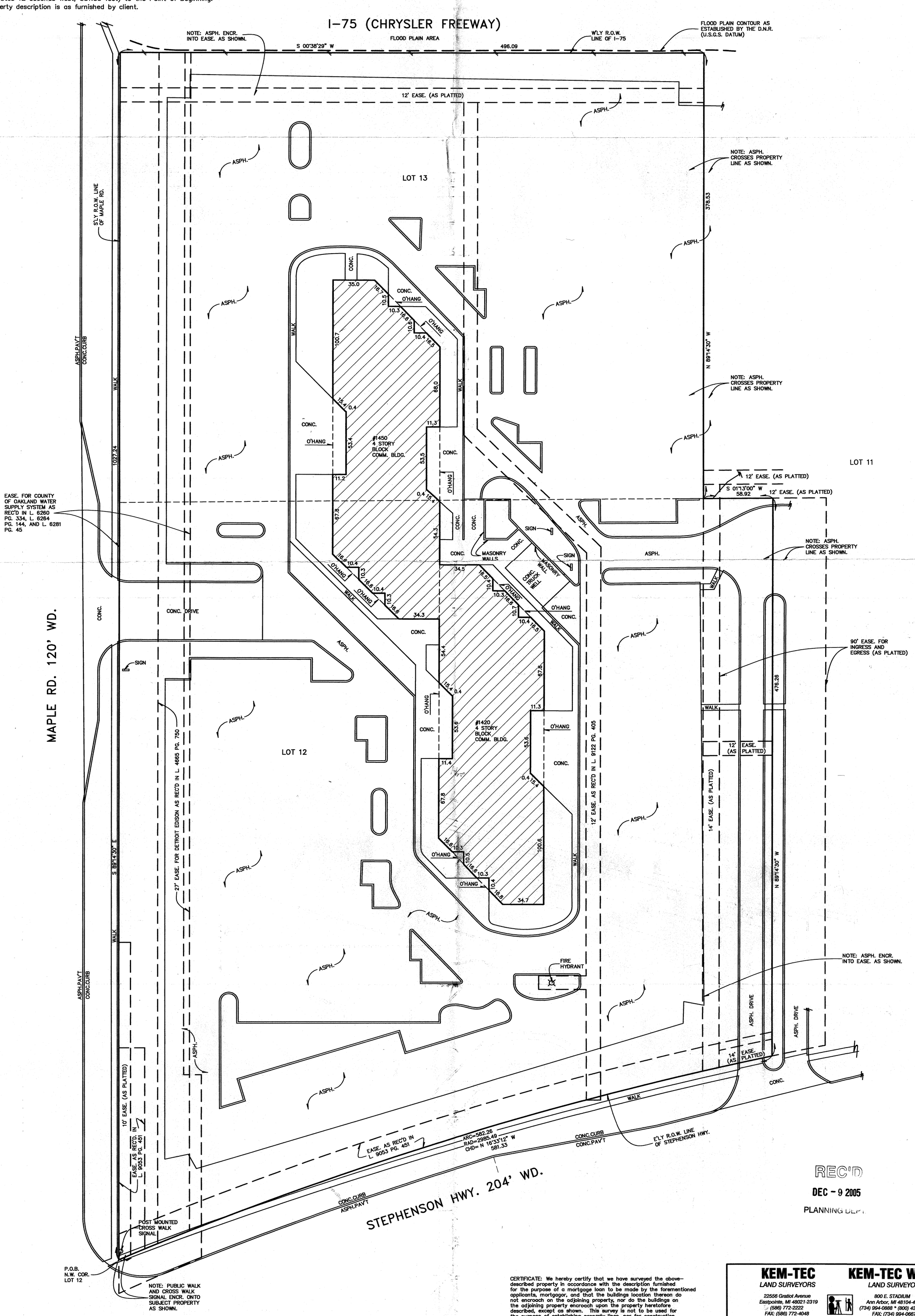
Land situated in the City of Troy, Oakland County, Michigan, described as: Lots 12 and 13, ROBBINS EXECUTIVE PARK WEST NO. 4, part of the North 1/2 of Section 33, Town 2 North, Range 11 East, City of Troy, Oakland County, Michigan, according to the plat thereof recorded in Liber 177 of Plats, Pages 14, 15 and 16, Oakland County Records, more particularly described as: Beginning at the Northwest corner of Lot 12; thence South 89 degrees 14 minutes 30 seconds East 1,027.24 feet along the Southerly right-of-way line of Maple Road (120 feet wide); thence South 00 degrees 38 minutes 29 seconds West, 496.09 feet along the Westerly right-of-way of I-75 (300 feet wide); thence North 89 degrees 14 minutes 30 seconds West, 378.53 feet; thence South 01 degrees 13 minutes 00 seconds West, 58.92 feet; thence North 89 degrees 14 minutes 30 seconds West, 476.26 feet; thence along the Easterly right-of-way line of Stephenson Highway (204 feet wide), Northerly 582.26 feet along the arc of a curve to the left (radius 2,985.49 feet, central angle of 11 degrees 16 minutes 36 seconds, chord bears North 16 degrees 33 minutes 12 seconds West, 581.33 feet) to the Point of Beginning.

Note: The property description is as furnished by client.

NOTE: COMMON AREA EASEMENT AS RECORDED IN LIBER 6049 PAGE 328 DOES NOT CROSS SUBJECT PROPERTY, THEREFORE IT IS NOT SHOWN ON THIS SURVEY.

NOTE: A BOUNDARY SURVEY IS NEEDED TO DETERMINE EXACT SIZE AND/OR LOCATION OF PROPERTY LINES, AND TO DETERMINE THE EXACT AMOUNT OF ENCROACHMENT.

NORTH



REC'D
DEC - 9 2005
PLANNING DEPT

CERTIFICATE: We hereby certify that we have surveyed the above-described property in accordance with the description furnished for the purpose of a mortgage loan to be made by the forementioned applicants, mortgagor, and that the buildings location thereon do not encroach on the adjoining property, nor do the buildings on the adjoining property encroach upon the property heretofore described, except as shown. This survey is not to be used for the purpose of establishing property lines, nor for construction purposes, no stakes having been set at any of the boundary corners.

Marcus E. Zyskowski

THIS SURVEY DRAWING IS VOID IF THE PROFESSIONAL SEAL IS NOT IN BLUE INK.

KEM-TEC
LAND SURVEYORS
22556 Gratiot Avenue
Eastpointe, MI 48021-2319
(586) 772-2222
FAX: (586) 772-4048

KEM-TEC WEST
LAND SURVEYORS
800 E. STADIUM
Ann Arbor, MI 48104-4355
(734) 994-0888 * (800) 433-6133
FAX: (734) 994-0667

PREPARED FOR: LASALLE BANK MIDWEST

DATE: 11/03/05	JOB #: 05-33532
SCALE: 1"=40'	REV.: 11-22-05
DRW. BY: BA	REV.:

8. PUBLIC HEARING – PROPOSED REZONING (Z 286-B) – Proposed Medical Office in Existing Building, Southeast corner of Maple Road and Stephenson Hwy (1420-1450 Stephenson Hwy), Section 35 – From R-C (Research Center) to O-M (Office Mid-rise) District

Chair Strat advised the petitioner that five (5) affirmative votes are required for a recommendation of approval of the rezoning request, and the petitioner has the option to postpone the item prior to the presentation to the Planning Commission.

Mr. Miller provided further clarification on the approval process, at the request of the petitioner.

Mr. Savidant presented a summary of the Planning Department report for the proposed rezoning request and reported that it is the recommendation of City Management to recommend approval of the rezoning request.

Mark Adams, Attorney, 201 W. Big Beaver Road, Troy, was present to represent the petitioner, and indicated the petitioner would continue with the proceeding. Mr. Adams said the University Physician Group plans to invest an additional $47 million in the project that would provide over 150 new jobs at the site. He said it is an incredible opportunity for both the owner and the City, and asked for favorable approval of the request. Mr. Adams offered to share presentational material on the proposed development.

Cynthia Sikina, Chief Financial Officer for University Physician Group, 550 E. Canfield, Detroit, was present also. Ms. Sikina said the investment is an effort to develop an ambulatory care facility that would better serve their patients. She said the University Physician Group currently practices medicine at 135 sites in the tri-county area, and the new development would benefit patients in the area as well as make their presence in the community more logical.

PUBLIC HEARING OPENED

No one was present to speak.

PUBLIC HEARING CLOSED

Resolution # PC-2006-01-008
Moved by: Wright
Seconded by: Schultz

RESOLVED, That the Planning Commission hereby recommends to the City Council that the R-C to O-M rezoning request, located on the southeast corner of Maple Road and Stephenson Highway, within Section 35, being approximately 11.5 acres in size, be granted.

Yes: All present (7)
No: None
Absent: Khan, Waller

MOTION CARRIED

HALL,
RENDER, KILLIAN,
HEATH & LYMAN

Attorneys at Law

Professional Limited Liability Company

201 West Big Beaver Road
Columbia Center, Suite 315
Troy, Michigan 48084
(248) 457-7505 Fax: (248) 740-7501

Mark R. Adams, Esq.
madams@HallRender.com
Direct Dial: (248) 457-7868

December 9, 2005

City of Troy Planning Department
500 W. Big Beaver Road
Troy, Michigan 48084

RECEIVED
DEC - 9 2005
PLANNING

Re: University Physician Group
1420-1450 Stephenson Hwy. in Troy
Property Tax I.D. No. 20-35-126-026
Rezoning Request
Our File No. 998121-000001

Dear Planning Department Representatives:

We are writing on behalf of University Physician Group ("UPG"), in connection with the City of Troy Rezoning Request (the "Request") filed today by UPG regarding 1420-1450 Stephenson Hwy. in Troy (the "Property"). UPG purchased the Property, currently zoned R-C, from Robbins Investments 1420 L.L.C. on November 30, 2005. UPG intends to utilize the Property for a medical office building, an ambulatory surgery center, a diagnostic center and related uses permitted in the O-M zoning class. To facilitate these uses, a rezoning from R-C to O-M is required. For the reasons very briefly set forth below, in UPG's opinion, the change requested is necessary for the preservation and enjoyment of substantial property rights. Further, such change will not be detrimental to the property rights of other persons located in the vicinity thereof.

1. Although UPG plans to make modifications to the interior of the building located on the Property to fit its intended purposes, UPG does not plan to materially expand the building's footprint or construct any new buildings on the Property. Further, UPG does not plan that the number of employees working at the site will materially exceed the number of General Motors Corporation and Saturn Corporation employees that historically worked at the Property. Any changes to these plans will, of course, be subject to applicable Troy ordinances and other City requirements.

2. The Property was originally zoned O-M before it was rezoned to R-C in the 1990s to accommodate the research facility needs of General Motors and Saturn. In addition, the requested rezoning complies with the City of Troy's current Future Land Use Plan. Therefore, rezoning the Property back to O-M is completely consistent with the City's long-term planning for the Property.

3. Prior to UPG's purchase of the Property on November 30, 2005, the Property was vacant for many months due to the prior owner's repeated inability to either sell or lease the Property. Rezoning of the Property will facilitate UPG's creation of many new jobs at the Property site and will generate significant commerce for the Troy business community.

4. Without the rezoning from R-C to O-M, UPG will be unable to utilize a significant portion of the Property for its intended uses, which would impose severe economic and business burdens on UPG. UPG may be required to lease a portion of the Property to one or more tenants whose uses, although permitted under R-C, would not be so beneficial to the community as UPG's health care related uses. Further, without the requested rezoning, UPG might be required to resell the Property in a very weak real estate market, possibly at a significant loss.

5. The rezoning will not negatively impact the Property, the Robbins Executive Office Park, the neighborhood, the City of Troy or its residence and visitors in any manner. In fact, all these areas and persons will benefit from the rezoning.

Please process UPG's Rezoning Request in the customary manner and approve the request. If you have any questions regarding these matters, please contact me.

Very truly yours,

HALL, RENDER, KILLIAN, HEATH & LYMAN, PLLC

Mark R. Adams

Mark R. Adams

MRA/pps

c: Mr. Michael A. Herbert
Kimberly J. Commins, Esq.

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