

**CITY OF LIVONIA
PUBLIC HEARING**

Minutes of Meeting Held on Monday, September 12, 2022

A Public Hearing of the Council of the City of Livonia was held at the Livonia City Hall Auditorium on **September 12, 2022**.

MEMBERS PRESENT: Jim Jolly, President
 Laura Toy, Vice President
 Scott Bahr
 Rob Donovic
 Kathleen McIntyre
 Scott Morgan

MEMBERS ABSENT: Brandon McCullough

OTHERS PRESENT: Paul Bernier, Assistant City Attorney
 Mark Taormina, Planning and Economic Development Director
 Sara Kasprovicz, Recording Secretary

The Public Hearing was called to order at 7:00 p.m. with President Jim Jolly presiding. This item is regarding Petition 2022-05-01-01 submitted by Nofar Hotel Group, pursuant to Sections 13.13 and 13.15 of the Livonia Vision 21 Zoning Ordinance, as amended, requesting to rezone the property at 31501 Schoolcraft Road, located on the south side of Schoolcraft Road between Merriman Road and Hubbard Avenue in the Northeast ¼ of Section 27, from C-3 (Highway Services) to C-4 (High Rise Commercial). This item will move to the Regular Meeting of **September 26, 2022**.

The Public Hearing is now open. There were 3 persons in the audience.

Jolly: Mr. Taormina, can you give us a brief introduction?

Taormina: Well, thank you. So, this is a rezoning petition involving former Mountain Jack's restaurant. This actually was built in the 1980s by Chuck Muir, it closed in the early 2000s, and was later converted to a cosmetology school that was called L'esprit. When that closed, the building has remained vacant for several years. The purpose of this rezoning petition would be to facilitate the future development of a four story Staybridge Suites Hotel. The zoning of this property is C-3, and while hotels are treated as a permitted use in the C-3 District, the major difference between the C -3 and C-4, which is what is being requested, is the building height. In the C-3 District, buildings are limited to 35 feet or two stories, and in the C-4 Zone, buildings are allowed to be up to four stories in height. This is, as you can see from the zoning map, in the aerial, is a flag-shaped property, has just under 400 feet of frontage on Schoolcraft Road about 66 feet of frontage on Merriman Road. That Merriman Road frontage, really, its purpose is to provide secondary access to the site. The proposal would completely demolish the existing building on the site,

which is about 7000 square feet, replace it with a new four-story hotel. As I said, this building would have a floorplan area of about 17,500 square feet. So altogether, the four stories combined would be about 70,000 square feet. It would accommodate 94 total keys and several other rooms. I won't go into the details on the hotel layout. Parking would comply with the zoning ordinance; access would effectively remain the same. Building materials, all those details, are something that we would get into as part of the site plan review process. Planning Commission is recommending approval of the rezoning. Thank you.

Jolly: Thank you, sir. For the petitioner. Is this your matter, sir? Yes, please come to the podium Introduce yourself. Good evening, sir, your name please?

Nofar: Good evening, Robert Nofar.

Jolly: Mr. Nofar, is there anything you'd like to add, at this time?

Nofar: No. Okay, if you don't mind standing there, anybody from the Council, do you have any questions or comments? Mr. Bahr.

Bahr: These types of requests, you know, typically require a lot of diligence to look into, but we did that a few years ago. This is essentially, as I understand it, a renewing of what we already approved a few years ago, just in light of the uniqueness of the last few years. They've essentially lost two to three years and they just like to rescind that, knowing that we studied exhaustively, then knowing that I ultimately decided to approve that and I'm willing now to offer an approval on this just recognizing what this is.

Jolly: Ok, anybody else? Ms. Toy.

Toy: Thank you, Mr. President. I thought I recognized this petition. Planning Commission, was it a unanimous vote, do we know offhand? If I may, also, Mark, if I made to Mark, Mr. President? Was any of, I remember the last time we talked about this, it had some zoning concerns, in regard to adult entertainment or something that went along with the property. Is that still occurring?

Taormina: So, to answer your first question, yes, it was a unanimous approval on the part of the Planning Commission. The issue of adult uses is one that is addressed under zoning as a C-3 District under the waiver approval process, certain adult businesses are allowed but again, subject to special land use or waiver use approval.

Toy: Do we, should I go to Petitioner for this, would you like, Mr. Taormina? Or should I ask you if any of that type of, however you want to label it, has been discussed with the petitioner at all or on Planning?

Taormina: Well, this would eliminate that possibility with a rezoning from C-3 to C-4. So, that would no longer be a concern.

Toy: So, C-4 wouldn't include that whatsoever?

Taormina: That's correct.

Toy: Great, sir. If I may, Mr. Nofar, may I ask you what your experience has been with this kind of establishment and where can we find one of these hotels, in that area?

Nofar: There is one at the Novi Providence Hospital. There is one right there. There is also one in Ann Arbor. There's also one, I believe, on the eastside. This would be one of the most, latest for typical design, it's a beautiful design. I think I introduced that design pre-COVID. And we're looking forward to hopefully moving forward.

Toy: Okay, and I guess my concern is, as I look down Schoolcraft Road, I see, you know, a lot of motels, hotels coming into the area. And I wonder how, as you said, this is unique, it's an attractive looking building. What's going to make you a little bit different, perhaps other than your name, if you will, or the color your brick? Perhaps what special kinds of venues do you have perhaps for your guests or is there anything unique about what you're trying to do? Because now we're getting into a residential area that is across the street, you're not right on top of it, but you can see it.

Nofar: Sure, I understand. So, the Staybridge is a unique brand, meaning it's an extended stay brand, its upper scale, extended stay brand, that it comes direct competition with like, Residence Inn, the same type, the same scale that offers guests, they need long term stays more like efficiency rooms, studio suites. It's not geared for the limited service, Holiday Inn Express, Hampton Inn, Fairfield, and those. It's more geared to corporate clientele as well, and there's not too many around in the area where there is a demand for it. So, that was it.

Toy: Thank you, I appreciate it.

Nofar: You're welcome.

Jolly: Mr. Donovic.

Donovic: Thank you, Mr. President. Thanks for being here this evening. I appreciate your time and thanks for trying to invest in our city. If I understand correctly, you also operate the Inkster and Schoolcraft location.

Nofar: We also own the Holiday Inn Express right there.

Donovic: I've looked at that, and over the years, it seems a very nice establishment, you guys keep it clean. I've heard no complaints from my end. So, in terms of experience as a brand, you guys have done a great job there. And I think there is a need for hotels in affluent communities. Just today I was talking to

somebody about it, they are big hockey fan, and they do a lot of travel hockey. And there's huge demand for communities like ours that are centrally located between the airport and downtown environments that are big into sports right now and people want to stay in hotels. So I think a nice modern hotel is something that's desirable. I think this meets that demand. My only concern was, looking at this and I this is just something I want to put out there, I only see one trash enclosure. I'm not sure, is that typical to only have one dumpster enclosure for a unit this large?

Jolly: That's not something...

Donovic: That's just something I wanted to talk about real quick. Thank you to my colleague. That's more detail-oriented, but in terms of the rezoning, I have no issue with it. There are other four-story hotels nearby. So, I think it's consistent with those as well. So, thank you, sir.

Jolly: Ms. McIntyre.

McIntyre: I am pleased with this. We did not discuss this, the last time you were before us, the rezoning, this is new, correct, Mark?

Taormina: That is correct.

McIntyre: And I understand that it increases the height, the allowable height, to four stories. And my colleague, Ms. Toy pointed out, there is residential within a quarter mile, half mile proximity, but this is not adjacent to any residential property. And I would, I would much prefer to have this as a C-4 and not a C-3. And the other thing that I'll point out is and with respect to the rezoning, the plans for what's going in in here, Nofars are well known, successful, well-respected managers and owners of a number of hotel properties not just in Michigan, but across the United States. And these are high end, named franchise brands. They have lobbies that people come and go through, so, you don't have, it's not a hotel set up, right, where you pull your car up, and you have access to the room. And the other thing is, the Nofars have a long history of working with our fire and police departments sharing videotape and being on top of security issues. They also have state of the art security systems in our hotels with monitoring of the parking lot and areas public areas within the hotels. So, did Mr. Bahr already offer?

Jolly: He did, an approving. Anything Mr. Morgan?

Morgan: No, I'm good.

Jolly: So at this time, we have an approving for the regular agenda, Sara, do you know when that's going to appear on the Regular?

McIntyre: 26th.

Jolly: Okay, so that will appear on the 26th, no, I don't think so. Is that going to be on the 26th?

Kasprowicz: This one is, yes, both of them.

Jolly: I thought I already approved the agenda for the 26th, and this was on there already?

Kasprowicz: Yes.

Jolly: So, this will appear on the agenda for September 26. Although there is an approving at this time, you still need to attend because anything potentially could happen at that time. I wouldn't suspect it would, but anything is possible. Okay. Thank you very much sir, have a nice night. At this time I should say this is a public hearing, there's nobody from the public who I think would like to address this? I don't think so, gentlemen. So public hearing is now officially closed with no public comments other than the petitioner.

As there were no further questions or comments, the Public Hearing was declared closed at 7:12PM.

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The Public Hearing was called to order at 7:13 p.m. with President Jim Jolly presiding. This item is regarding an appeal of the denial of the Planning Commission for Petition 2022-06-02-14 submitted by Stark Road Holdings L.L.C. requesting Special Waiver Use approval for a Planned Development under Sections 3.04 and 5.02 of the Livonia Vision 21 Zoning Ordinance, as amended, to utilize a Class C liquor license (sale of beer, wine and spirits for consumption on the premises) in connection with the operation of a multi-purpose recreational facility (Livonia Athletic District) at 14255 Stark Road, located on the west side of Stark Road between Schoolcraft Road and Lyndon Avenue in the Southeast $\frac{1}{4}$ of Section 21. This item will move to the Regular Meeting of **September 26, 2022**.

The Public Hearing is now open. There were 2 persons in the audience.

Jolly: Mr. Taormina, can you give us some initial details?

Taormina: Thank you again it's a request for a waiver use approval to operate in a Class C liquor license. This is the site of the former YMCA which is now the Livonia Athletic District, a privately owned, multipurpose health and fitness athletic facility. The zoning of the property is N-2, Neighborhood District and utilization of the class C license is possible under Section 2.502, which provides special labor use standards for plan developments that allow modifications of the ordinance for uses that are not permitted in the N-2 District. So, as a special waiver use, this will require a two thirds majority vote of City Council, in order to approve the non-residential use within the N-2 District. The subject property is about 9.6 acres in size. It has 350 feet of frontage on the west side of Stark Road. The buildings are predominantly located in the southeast half of the property. The westerly portion of the site is wooded and undeveloped.

Surrounding land uses include Frost Middle School to the south, John Stymelski Veteran's Park to the north, Ford Field and single-family homes to the east, and then Parkville Memorial Cemetery, as well as some more single-family homes to the west. LAD would restrict the sale and consumption of alcoholic beverages to specific areas of the building. I won't go into detail and allow the petitioner to describe how that operation would occur, but in general, these would be the Café LAD which is the front part of the building. They also have the arcade room, as well as the lounge area or the Observation Lounge, which overlooks the former tennis courts, which is now the soccer fields. There are I think two or three points of sale locations within the building that are proposed. A couple of special requirements as they apply to any on premise licenses. One is that it must be at least 1000 feet from another established Class C licensed business, there are no class C licensed businesses within 1000 feet so that that condition is just complied with. The other one is a 400-foot separation requirement from any church or schools. In this case, measured to the closest point between the buildings LED is 447 feet, roughly from Fall frost Middle School and approximately 956 feet from Christ Our Savior Lutheran Church, as well as The Early Childhood Center. So that too, is being complied with. Planning Commission, as you know, this is an Appeal of the Denial, and with that, Mr. Chairman, I'll be happy to answer any questions you have.

Jolly: Thank you, sir. Gentlemen, if whoever is going to be speaking come to the podium, please introduce yourself. If there are initial comments you'd like to make, please provide them now.

Hartzell: Yeah, hi. My name is John Heartsong. I am one of the owners of the Livonia Athletic District. I provided Mark with the presentation, I also emailed to all of you. Made a few adjustments, just adding some comments in the call I've had with people, so if you want, I could go through that real quick. And again, just trying to give an overview of what our goal planning is here. Go the next page please. So again, this is just kind of a recap of our phase one. It's a phased attack on what we're proposing. Phase One was buying the YMCA and we're converting it to our current use, which is, you know, a sports facility that has an indoor turf, batting cages, pickleball courts, office space with third party tenants, and an Olympic sized pool. We have some traditional leases inside Sailfish Swim Cub, Play-On Sports, Health Quest Physical Therapy, Happy Life Hospitality, which is a restaurant group hospitality, which is mine, Madonna University has leased space from us for training. And we sell programs and spaces, batting tunnels, pickleball courts and indoor soccer turf. Programming, so it's a big question of trying to understand our programming, and who's in the building and when. The office crew are really here 8:00 a.m. to 5:00 p.m. Athletic fields and pools really are working adults, come and work out 5:00 a.m. to 8:00 a.m., or some toddler programming from 8:00 a.m. to 10:00 p.m., to youth programs after school to about 7:00 p.m. to 8:00 p.m., and then adult games programs from 7:00 p.m. until 11:00 p.m. And then typical weekends, we had a weekend youth camps, sports tournaments for youth and adults, and special events. And our Phase Two, what we are posing here, is the plan of a special waiver for liquor license for

special interior areas. Specific interiors continue to transform the Livonia Athletic District as a community space for families, friends and teammates to gather together, play, eat and drink. Our alcoholic service specifically within the main lobby Café pickup area. We have two proposed spaces in the basement. There's a sauna, a spa and there's a golf simulator and clubhouse in the former racquetball area. And then we show kind of we're programming in a café, which extends throughout the lobby, Observation Lounge an arcade, the pickleball concession area and then the golf simulator space. Other spaces are either turf in areas that we wouldn't have allowed beverages on, food or beverage, or the private rented space in the basement which is opposed selling on health club area. Part of their potential lease, if they wanted the rights to be able to have the liquor license extend down there for their tenants, or their clients. The programming where we are, is we're family friendly entertainment space or community center. We're not adults only. We're not loud and disruptive and we're not a private member only club. There are a lot of the groups have come through our building. Some like buildings to what we are proposing is Detroit Athletic Club which has sports, dining, entertainment, DCFC Fieldhouse, which is a converted hockey rink into soccer indoor and outdoor, indoor spaces with a restaurant in the locker rooms that host youth and adult sports. Open Yard Athletics in Waterford, which hosts a plethora of sports, camps and activities with liquor license and full food. Ultimate Soccer in Pontiac, which is now, United Wholesale Mortgage, has a sports center and has a bar, an observation deck over there, multiple sports doing youth and adult sports. And then one of the calls, someone was just interested in kind of my work experience. This just shows some that, I've owned and run businesses for the last 25 years, starting in college. Started a painting company, construction company, and then I launched Detroit's Food Hall, which is a shipping company, a food hall, 20 lunch containers, six restaurants, three bars, live music, and its family friendly as well. And then recently launched (unknown) Hospitality Group that manages several liquor establishments. We have other partners that are qualified for this too. We also have extensive history, but they're not here. The direct business relation of operating section and the liquor space and with a lot of different large venue moving parts, it's a Detroit Shipping Company, and again, I mentioned has multiple pieces to it. Also has outdoor sand volleyball, live music, art galleries, separate lines of retail. And this is kind of very similar to what we'll find in Livonia, in the sense that we have multiple points of sale, and we control that through our management company. And then someone else asked about what our Phase Three was, which essentially is the full back yard redevelopment. We're not here today to present that, but just so you understand where we're going with this. We did it in a phase sense because some of the tenant space, they predicate their annual lease on getting the liquor license with your group. But the full plan is in the phase three. We build up the back yard. It's leaving the existing woodlands intact, just clean that up. But there's a lot of abandoned tennis courts back there that were left throughout 10 years by the former tenant owners. We're converting that into outdoor pickleball, beer garden/sports space, turfing one of the areas for kids play, and that would be really a bigger dynamic backyard. They both come back to you for another approval on that.

And a third phase, I just kind of show like the layout of that, which also shows the bottom corner that existing for indoor pickleball courts. And then you can see where the abandoned tennis courts are out there, how we convert different spaces to different uses.

Jolly: Thank you. So, I'm gonna provide my comments right off the bat. I told you on the phone, I think this is, it's an exciting project. It's the most creative use we could have for this building going forward. I've been to the Detroit Shipping Company. I mentioned that on our call. It's an impressive location. It's kind of a cool, for lack of a better way of saying. It's a really hip kind of thing, right? I think if we look around us, in regard to the use of, so first of all, I like what you're doing in general, right. In regard to requesting a liquor license, I think you probably left off the most important like scenario, which is really, The Hawk in Farmington Hills. That's their recreation center and they have a bar set up as well. And you can get drinks and carry them throughout the facility, at least to some extent. It's also like the Soccer Dome on Five mile and Plymouth. That's something very similar as well. In regards to being able to get a drink and use the driving range and use those kind of facilities like that. We talk a lot with residents, in regard to their not being really new, fresh, hip things kind of going on here. In this, in my time on Council, has been the most, right opportunity, we have to kind of do something that's different, right? And I think what you're doing with the building itself is great. I'm mostly excited about what's going on, in regard to Phase Three, and what that might add to the community. So with that being said, I'll hand it off to Mr. Donovic.

Donovic: Thank you, Mr. President. My first question to Mr. Taormina. I know we're not talking about Phase Three, but bear with me for a second. If we were to approve this usage for liquor license, would that be only limited to indoors, then petitioner have to come back before us in the future for any outdoor alcoholic beverage usage, or how network, or is that up to Council's discretion?

Taormina: That's up to Council's discretion. So, I would suggest that you in fact limit the license at this point to just what you've been presented with and that's the indoor activities. It would not preclude them from coming back. That's Phase Three is developed and appears before you for site plan approval for the expansion of liquor licenses. That's what I would recommend.

Donovic: Thank you, Mr. Taormina, thank you to the petitioner. Thanks for being here tonight. Thanks for the hard work. I'd like to echo some of my comments from President Jolly. I think this is very creative. I think it's state of the art. I think it's one of the cooler things we're doing in our community right now. Especially talking about attracting young people. I'm a sports fan myself. I like to play sports. I may not be very good at them, but I still like to go out with friends and hang out and as young adults and even parents that like to enjoy maybe a cold beer while they're playing soccer in their soccer league or where they're at a number of events that you, that this place offers. I think it's very modern looking and I think this isn't a bar atmosphere. I prefer to keep the alcoholic beverages limited to indoors only and then if you so choose after Phase

Three, you want to come back out and ask for alcoholic beverages outside. That's a different subject, but I'm okay indoors because again, typically speaking, with activity, you're out, you're hanging out with a friend, your club, organization, whatever different sporting organizations are out there, and you have a beer, you have a bag of chips, you have some food, whatever you're offering. But my biggest concern is, again, if you can fill in the blanks for me, is this. I don't know what's happening with the property taxes. We just got another email today from our Treasurer. Those are some really big numbers. I understand, and please, if you can fill in those blanks. I understand opening up a new business has a lot of costs, but when you're opening a new business, your property taxes, your obligation to be to the community should be worked into your financing. So, that's what's concerning to me as those numbers I've read, I don't know if they've been paid since. I know that a few months ago, this was a topic with the with the Commission, and the email I got today at 2:14 says these are outstanding. So, I'd like, if you could provide some content there, some context there, and go from there. Thank you, Mr. President.

Hartzell: Thank you. We're working on a payment plan because it's not over a year old and only a couple months old. Wayne County doesn't create payment plans. So, we just started paying 10% each month against it until we get to the winter months here. We were just kind of programming that. There were some cost overruns a bit on the, construction of the building was a little farther behind than we thought, and so, as we got into the summer months where we didn't have programming quite set up yet, there was a shortfall and we're working internally in our group to solve funding on that. We have multiple partners, and it kind of created a little bit of a bottleneck on us. So, we as an operational team had the ability to use our operational budget to start just knocking that off 10% of the time. So, it'll be done before we get to a point where it's the next issue.

Donovic: Mr. President.

Jolly: Yes sir.

Donovic: Thank you. Thank you for your explanation. For me, this is a great project and I'm not trying to hold you back when we're talking about, if I understand correctly, almost \$100,000, \$54,000 due to the county for 2021 Winter tax bill and then 2022 Summer tax bill \$46,000. And I know that's due on 14th, I believe in Livonia. So, I'm going to need more clarification on that. Those are just some really big numbers. I understand overrides and understand change orders. I want to work with you, but to get my vote, you know, those are some really large numbers that I find really concerning, that I need to see, you know, knocked down a lot more before we move forward on my end, as one Councilmember, but thank you to the petitioners, and thanks for what you are doing.

Jolly: Ms. Toy.

Toy: Thank you. Sir, in all due respect, I do agree with my colleague that just spoke. As a former Treasurer of the City, I'm very sensitive to the fact that taxes need to be paid on time, and they need to be collected. I think you're doing a wonderful project, but I think it's got to be paid for as you're doing it. And it just speaks of good community involvement when you pay your taxes. Before you get my vote, this has got to be straightened out, most definitely. I cannot, in good conscience, tell the taxpayers of this community that I'm voting for an establishment, even though it's a beautiful one, you're doing a fabulous job. You've got to get those taxes in line and paid on time. Thank you.

Jolly: Mr. Bahr.

Bahr: Question for Mark. Along the same vein of what Rob and Laura were just saying, when I reviewed the Planning Commission minutes, and they obviously denied this, but it appeared that the primary hang-up for them was this tax issue. Not so much the proposal itself, right? Is that your recollection?

Taormina: It is.

Bahr: Okay, I just that's what I was reading, but I just wanted to fill that in with something, thank you.

Jolly: Anybody else? Does anybody have a motion at this time they would like to offer? Mr. Donovic.

Donovic: Mr. President, I have a point of clarification. Are we able to, at public hearings, offer the committee option?

Jolly: So, you can offer the kitchen sink at this point, it doesn't really matter. There will be no votes tonight because it's a public hearing, it just kind of gives us a direction of things that are likely to be considered. It's not uncommon for there to be an approving, a denying and a committee the whole offered at such a meeting.

Donovic: Mr. President, I'd like to offer Committee and my intention is to give the petitioner ample opportunity to really put a dent in this. And a serious dent, not 10%. Again, this is for me personally, what I like to offer a committee option. Thank you, Mr. President.

Jolly: Thank you very much, anybody else? I see no more comments from the Council. I'll note that there is nobody here from the public, I think there's only people affiliated with the petition. So at this time, we have our direction. This will be on the agenda on September 26, as well, and thank you for coming out and we'll see you then.

Hartzell: Appreciate it, thank you.

As there were no further questions or comments, the Public Hearing was declared closed at 7:30 p.m.