

COMMISSION LETTER: #214-07
COMMISSION MEETING: 9/10/07
SUBJECT: L. A. Fitness Proposal
Woodward/696

September 6, 2007

THE HONORABLE MAYOR
AND
MEMBERS OF THE CITY COMMISSION

At its August 20th, 2007 meeting, the City Commission heard a presentation from representatives of the Schostak Brothers, including Robert Schostak, Robert Carson and William Cote, as well as Gary Collins, Director of Development for L. A. Fitness International.

Schostak Brothers had requested an opportunity to present a revised concept plan for development of the Woodward/I-696 site to the City Commission for its consideration. The proposed concept plan called for the development of a 45,000 square foot fitness center and associated surface lot with 315 parking spaces. The presentation included a conceptual site plan, preliminary floor plan and elevations of each side of the proposed building. No other land uses, buildings, structures or activities were included as part of the development presentation.

The City Commission referred the request and related information to staff for a report.

A similar presentation had been given to the Downtown Development Authority, DDA at its meeting of July 18th, 2007.

Subsequent to the City Commission's meeting the DDA held a Special Meeting on August 23rd, 2007 to consider the L.A. Fitness proposal. The DDA received and considered the staff report (Attachment A) and then adopted two resolutions (Attachments B and C).

Should the City Commission support the staff report and DDA's actions the resolution contained in Attachment D has been provided for the Commission's consideration.

Respectfully submitted,

Timothy E. Thwing, Director
Planning Department

Thomas R. Hoover
City Manager

cc David Gillam, City Attorney

Robert Nix
Kerr Russell Weber
Detroit Center, Suite 2500
500 Woodward Avenue
Detroit, Michigan 48226-3427

Robert Carson
Carson Fischer
4111 Andover, West Second Floor
Bloomfield Hills, Michigan 48302-1924

Robert Schostak
17672 Laurel Park Drive North, Suite 400E
Livonia, Michigan 48152

Gary Collins
LA Fitness
1350 East Touhy Avenue, Suite 180W
Des Plaines, Illinois 60018

Attachment A



MEMORANDUM

Planning Department

Meeting Date: 08/23/2007
211 Williams Street
P.O. Box 64
Royal Oak, MI 48067
Phone: (248) 246-3280
Fax: (248) 246-3005
ci.royal-oak.mi.us

DATE: August 23, 2007

TO: MEMBERS OF THE DOWNTOWN DEVELOPMENT AUTHORITY

FROM: Timothy E. Thwing, Executive Director

SUBJECT: **L. A. FITNESS PROPOSAL**

At its July 18th, 2007 meeting, the Board heard a presentation from representatives of the Schostak Brothers, including Robert Schostak, Robert Carson and William Cote, as well as Gary Collins, Director of Development for L. A. Fitness International.

Schostak Brothers had requested an opportunity to present a revised concept plan for development of the Woodward/I-696 site to the DDA for its consideration. The proposed concept plan called for the development of a 45,000 square foot fitness center and associated surface lot with 315 parking spaces. The presentation included a conceptual site plan, preliminary floor plan and elevations of each side of the proposed building. No other land uses, buildings, structures or activities were included as part of the development presentation.

The Board referred the request and related information to staff for a report.

A similar presentation was scheduled for the City Commission meeting of August 6th, 2007. However, at the request of Mr. Schostak that presentation was postponed until the City Commission meeting of August 20th, 2007. At that meeting, the same basic conceptual plan was presented with slight refinements and details. The only additional item was a verbal comment about offering space for "public art", if that was of interest to the City.

The "Restated Consolidated Amendment to Development Agreement" requires the following project to be developed in a single phase:

- A Hotel containing not less than 100 rooms nor more than 150 rooms and meeting rooms with a capacity consistent with the type of Hotel constructed, and is a limited service Hotel of at least the same quality associated with the Hilton Garden Suites, Marriott Residence Inn or Amerisuites, constructed in accordance with the Hotel Plans.

- Office Building – A first class multi-story office building with a minimum gross square footage of not less than 170,000 square feet nor more than 290,000 square feet constructed in accordance with the Office plans.
- Parking Structure – containing not less than the number of parking spaces required by City Ordinances.

The agreement does not give a deadline for construction of the project; instead, it relies on the concept of “Compensatory Payments” and allows the developer to establish the start date.

The agreement was set up in this fashion, during negotiations at the developer’s request, to allow them greater flexibility in the timing of the project and its required components.

BACKGROUND INFORMATION

In order to provide some historical perspective, the following has been prepared:

Beginning with a request from the Royal Oak City Commission, the Oakland County Planning Division initiated a study of the south end of Royal Oak in 1984. That study was completed in 1988 and provided the City with a “Framework Plan” to guide the overall development and redevelopment within the study area. The Study area was bounded by Lincoln, Woodward, Ten Mile (I-696) and Irving.

As part of the Framework Plan, the study recommended that an area bounded by the I-696 freeway, Woodward Avenue, Kenilworth Avenue and in general, the alley east of Main Street, be redeveloped in a mixed-used project of regional significance.

That Framework Plan was also the basis for the DDA’s Woodward/I-696 Tax Increment Financing and Development Plan adopted in March 1989.

Two conceptual plans were prepared to illustrate the type of mixed-use project recommended – one was entitled, “Royal Plaza”, and the other, “Habitat Village”. These can be found in the Woodward/I-696 Tax Increment Financing and Development Plan. The specific mixed-use plans have been modified over the years. However, the concept of a mixed-use project of regional significance has continued through every proposed project and plan for the area.

Chronology

The following is intended to outline some of the significant dates in the project’s evolution:

1. July 16, 1984 City Commission requests the assistance of Oakland County in preparing conceptual plans for the Woodward/I-696 area.
2. January, 1988 Conceptual plans publicly announced and presented to the City Commission by the Plan Commission.

3. Jan - May, 1988 Public Information and Comment period.
4. May, 1988 Property in the redevelopment area is rezoned to "Regional Business District" to accommodate the project
5. June, 1988 Residential property acquisition begins.
6. July - Oct, 1988 Developer selection process occurs, culminating in the selection of Burton-Katzman and River Place Properties as the preferred developer. The selection process involved a subcommittee of 3 City Commissioners, 3 Plan Commissioners and 3 Downtown Development Authority members. The Committee interviewed the 5 developer finalists and forwarded a recommendation to the City Commission that Burton-Katzman/River Place Properties be selected. The City Commission concurred in the recommendation.
7. January, 1989 DDA and City Commission adopt the Woodward/I-696 Tax Increment Finance and Development Plan.
8. January, 1989 Commercial property acquisitions begin.
9. June, 1991 DDA re-selects Burton-Katzman (absent River Place Properties, which withdrew from the project) as the preferred developer (The selection process involved a subcommittee of the Downtown Development Authority. The Committee interviewed 3 of the original 5 developer finalists who had retained an interest in pursuing the project. The Committee recommended, and the DDA approved, the re-selection of Burton-Katzman).
10. March, 1992 City Commission approves consolidation of Woodward/I-696 and Barton/Lafayette Development Areas.
11. Nov – Dec, 1992 Development Agreement with Crosswinds Communities for the residential portion of the project approved.
12. February 1993 DDA approves concept plan for project.
13. May, 1993 Construction of 124 condominium units to be known as Main Street Square begins.
14. July, 1993 Memorandum of Understanding with Burton-Katzman approved and executed by City Commission.
15. February, 1995 Construction of Main Street Square condominium units is completed.

16. July, 1995 Memorandum of Understanding with Burton-Katzman expires.
17. January, 1996 City/DDA selects CORVUS Real Estate Services.
18. March, 1996 Memorandum of Understanding with MDOT approved.
19. May, 1997 Memorandum of Understanding with MDOT amended
20. May, 1997 City/DDA sells land to CORVUS Development Interests II for \$2.8 million pursuant to approved plans and development agreement. That agreement called for a mixed-use project.
21. 1997-2001 Construction of 116 condominium units and site improvements for Main Street Centre East & West.
22. May, 2000 Developer has not started commercial portion of project. City/DDA has option to repurchase property.
23. October, 2000 City & DDA authorize repurchase of property pursuant to development agreement \$5.00 per sq. ft. or approximately \$904,000
24. February, 2001 City repurchases property minus liens, approximately \$590,000.
25. March, 2001 City/DDA direct staff to prepare a Request for Proposals (RFP).
26. May 4th 2001 Deadline for submitting Proposals – City/DDA received (7) Development Proposals:
27. June 2001 City/DDA selects Schostak Brothers
28. October 2001 City/DDA execute Development Agreement with Schostak Brothers/Woodward Gateway LLC.
29. May 2002 City/DDA approve First Amendment to Development Agreement
30. October 2002 City/DDA approve Second Amendment to Development Agreement
31. January 2003 City/DDA approve Third Amendment to Development Agreement
32. March 2003 City/DDA approve Fourth Amendment to Development Agreement
33. July 2003 City/DDA approve Consolidated Amendment to Development

Agreement

34. September 2003 City/DDA approve Restated Consolidated Amendment to Development Agreement.
35. October 1, 2003 Closing Date – Schostak purchase Woodward/I-696 property \$4.0 million
36. March 2004 Schostak Brothers requested that City/DDA consider a revised development plan that could include a “Showroom” for GMC, Buick and Pontiac, a Fresard Dealership.
37. March/May 2004 DDA/City waive first anniversary “Compensatory Payment” of \$150,000 while feasibility of including an automobile dealership in the development is explored.
38. July 2005 Fresard notifies DDA/City that it has formally terminated its role in the development project.
39. November 10, 2005 DDA receives “Compensatory Payment” of \$150,000
40. October 10, 2006 DDA receives “Compensatory Payment” of \$250,000
41. May 2007 DDA/City receive preliminary plans/proposal for a fitness facility at the Woodward/I-696 Site.
42. July 18, 2007 DDA receives formal presentation on L.A. Fitness proposal and refers to staff.
43. August 20, 2007 City Commission receives formal presentation on L.A. Fitness proposal and refers to staff.
44. August 23, 2007 DDA Special Meeting

MASTER PLAN AND ZONING ORDINANCE

In addition to the Development Agreement, the City’s current Master Plan and Zoning Ordinance address the development of the subject area.

The City of Royal Oak Master Plan depicts the Woodward/I-696 area as suitable for Mixed Use–Residential/Office/Commercial. This designation is intended to provide for a dynamic environment of compatible uses; one that maintains and promotes flexible redevelopment. Mixed Use-Residential/Office/Commercial is intended to provide for a mixture of residential, office and lower intensity commercial uses. This designation allows for any combination of residential, office, local commercial use. Upper floor residential above retail or office would be encouraged.

The City of Royal Oak Zoning Ordinance identifies the area in the Regional Business zoning district. A copy of that district follows:

§ 770-29. Regional Business.

A. Purpose.

- (1) The Regional Business Zone is intended to provide for the combining of office, high-density multiple-family, and hotels in a planned development, and to provide for the combining of ancillary retail and service uses with the office, hotel and/or residential development. The zone is established in order that the public health, safety and general welfare will be furthered through redevelopment efforts intended to correct and prevent physical deterioration and obsolescence, and promote economic growth in the City. The zone is also established to further the public health, safety and general welfare of the Detroit region through the provision of regionally oriented facilities in an urbanized area where necessary infrastructure improvement already exists, thus relieving the general public of the costs of providing such improvements in rural or semi rural areas.
- (2) It is further intended that this zone complement and enhance the City's Central Business District, rather than competing with it. Therefore, secondary retail business or service establishments are permitted only as set forth below and subject to the requirements set forth in subsequent sections of this chapter.

B. Permitted uses.

- (1) Offices for executive, administrative, legal, writing, clerical, stenographic, accounting, insurance, architectural, engineering, artists and other similar enterprises. Such uses shall contain up to 20,000 square feet.
- (2) Hotels or motels with no less than 100 units/suites, each containing no less than 300 square feet. All hotels and motels shall also contain conference/banquet room facilities to accommodate at least 500 persons.
- (3) Multiple-family dwellings at a density of no less than 10 units per acre.
- (4) Enclosed theaters, assembly halls, concert halls, auditoriums, convention halls, exhibition halls and sports and health facilities.

C. Special land uses.

- (1) Outdoor cafe service, operated by a restaurant or other food establishment which sells food or drinks for immediate consumption subject to the requirements set forth in §§ 770-50 and 770-51, if applicable.
- (2) The following uses shall be considered secondary uses and shall not exceed 10% of the total combined square footage of all primary and secondary uses:
 - (a) Standard restaurants, for on-site consumption, provided that establishments serving alcohol are subject to the requirements set forth in § 770-51, if applicable.
 - (b) Retail sale of food and beverages, drug and health care products, jewelry, tobacco, clothing, hardware, books, gifts, office and household supplies.
 - (c) Florists shops.
 - (d) Retail sales of gifts, books and jewelry.

- (e) Personal service establishments such as photographic studios, barber and beauty shops, watch, clothing and shoe repair, locksmith and similar establishments.
 - (3) General or specialty hospitals and medical clinics, subject to the requirements set forth in § 770-60, if applicable.
 - (4) Heliopad subject to the requirements set forth in § 770-61.
- D. Area and bulk regulations. The following minimum requirements shall apply to all permitted and special uses unless a more restrictive requirement is provided for in this chapter:
- (1) Lot size. No lot shall be less than 15 acres in area.
 - (2) Height. No structure shall be taller than 50 feet unless the Plan Commission determines that the following conditions have been met:
 - (a) The number of buildings so excepted shall not be detrimental to the site or surrounding properties and shall be consistent with an approved Master Plan for the area.
 - (b) The maximum height of any building excepted under this subsection shall not in any case exceed 120 feet.
 - (c) The total gross building square footage located on floors above 50 feet in height shall not exceed 30% of the total gross square footage of the development.
 - (d) The excepted buildings are consistent and compatible with the general character of the building development in the City.
 - (e) The excepted buildings serve a defined and generally recognized architectural purpose, i.e., creation of a focal point for the project, establishment of a view or vista, etc., which is central to the overall design concept of a regional business district development.
 - (f) The excepted buildings shall not be detrimental to adjacent properties outside of the Regional Business District Zone.
 - (3) Setbacks. All buildings located less than 100 feet from a residential zone shall be set back the greater of 25 feet or the average of the adjacent residential lots from the parcel boundary adjacent to the residential zone.

As the Board can see, both the Master Plan and Zoning Ordinance anticipate and even require that the site be developed in a mixed-use fashion. The purpose statement of the district indicates “combining” of land uses.

RECOMMENDATION

In conclusion, after reviewing the community’s original vision for the area, the progress that has been made toward the envisioned mixed-use development, the on-going and anticipated changes to the existing land use patterns and the numerous studies, plans and ordinances, it is my opinion that the proposal is not consistent with any of the following:

- City’s Master Plan; and
- City of Royal Oak Zoning Ordinance; and
- Royal Oak DDA, Downtown Development & Tax Increment Financing Plan; and
- Developer’s Original Proposal of June 2001; and

- Restated Consolidated Amendment to the Development Agreement; and
- Community's Vision.

The proposed project, "L.A. Fitness", is a single, stand-alone building and land use that does not rise to the level of regional significance nor does it create the "Gateway Entrance" to the community and downtown Royal Oak. The desire for a regional project was, and continues to be, the reason for

initiating the redevelopment project in the mid-1980's and subsequently investing in excess of \$20 million dollars for land acquisition and related tasks.

The most current Development Agreement was executed in September 2003; a mere four (4) years from this proposal. It called for a mixed-use development with a hotel, office building and parking structure. The proposed project mix and scale were found to be compatible with the City's goals and objectives. The developer, as a partner in bringing this project to fruition, agreed to the mixed-use development concept. The intended mixed-use project has now been diminished to the proposed single-user in a 45,000 square foot building with a surface parking lot.

The developer's presentation, before both the DDA and City Commission, outlined their desire and "need" to forgo the mixed-use development concept in favor of the proposed L.A. Fitness. Their proposal relies heavily on Schostak Brother's weak financial and marketing projections, L.A. Fitness' desire to be at this location, and the current economic and market conditions in the State of Michigan. These are some of the precise reasons why the Development Agreement does not require a construction time period, and it should not now be a basis for "settling" on a project that is not consistent with the community's long-standing plans for a mixed-use development.

During the developer's presentations, they also indicated that their efforts to develop the site, based upon the required concept, have failed and that they did not believe it would be a viable project in the near future. It appears, based upon those comments, that the current plan for "L.A. Fitness" may be their last development effort for some time. If that is the case, the DDA may want to consider initiating the "buy back" or termination provision pursuant to the terms of the Development Agreement.

Attachment B

Moved by Director Tomkiw
Supported by Director Domanski

To Deny Request to Amend Development Agreement to Allow Health Facility and to Deny Request for Approval of Transfer of Property to L.A. Fitness

The DDA has received requests from Woodward Gateway, L.L.C. (1) to amend the development agreement for the Woodward/I-696 property to permit development of a health facility, as proposed to the DDA on July 18, 2007, and (2) to approve the transfer of the property to L.A. Fitness for purposes of development of a health facility, as proposed to the DDA on July 18, 2007. In regard to those requests, the DDA makes the following findings:

- Effective October 17, 2001, the DDA, the City and Woodward Gateway entered into a Development Agreement for the conveyance of the property to Woodward Gateway for purposes of development, subject to the DDA's right to reacquire the property if it was not developed consistent with the terms and conditions of the Agreement.
- The Development Agreement provided for the phased development of an office building, a hotel, incidental retail and restaurant uses, a parking structure, and a parking structure addition, along with related infrastructure and site improvements.
- At Woodward Gateway's request, the parties entered into a First Amendment to Development Agreement effective April 15, 2002, which modified the timetable for development of the property.
- At Woodward Gateway's request, the parties entered into a Second Amendment to Development Agreement effective October 15, 2002, which further modified the timetable for development of the property.
- At Woodward Gateway's request, the parties entered into a Third Amendment to Development Agreement effective January 17, 2003, which further modified the timetable for development of the property.

- At Woodward Gateway's request, the parties entered into a Fourth Amendment to Development Agreement effective March 5, 2003, which further modified the timetable for development of the property.
- Effective July 31, 2003, the parties entered into a Consolidated Amendment to Development Agreement, which terminated all prior amendments to the Agreement and consolidated all applicable changes to that Agreement into a single document.
- In September of 2003, the parties entered a Restated Consolidated Amendment to Development Agreement effective as of July 31, 2003, which terminated the Consolidated Amendment and incorporated all applicable changes, modifications and amendments to the original Development Agreement.
- The Restated Consolidated Amendment provides for a single phase of development consisting of an office, hotel, parking structure, and related infrastructure and site improvements, and further modified the timetable for development of the property.
- The Restated Consolidated Amendment does not provide for the development of a health facility as the principal use of the property.
- The Development Agreement, as modified by the Restated Consolidated Amendment to Development Agreement, provides that the Agreement can only be modified, altered, or amended by written agreement of the parties.
- The Restated Consolidated Amendment requires Woodward Gateway to obtain the written consent of the DDA and the City prior to transferring any portion of the property.
- The Restated Consolidated Amendment provides that prior to the closing of all project construction loans, the DDA and the City have sole and absolute discretion to withhold consent to the transfer of any portion of the property.
- All project construction loans for development of the property have not closed.
- The development of a health facility on the property, as proposed to the DDA on July 18, 2007, is not in the best interest of the public health, safety and welfare for the following reasons:
 - The proposed development is not consistent with the City's Master Plan, which calls for Mixed Use - Residential/Office/Commercial development.
 - The proposed development is not consistent with the City's Zoning Ordinance. The property is designated as Regional Business, which is "intended to provide for the combining of office, high-density multiple-family, and hotels in a planned development, and to provide

for the combining of ancillary retail and service uses with the office, hotel and/or residential development.”

- The proposed development is not consistent with the Downtown Development Authority’s Woodward/I-696 Tax Increment Financing and Development Plan, which calls for a mixed-use project of regional significance.
- The proposed development is not consistent with the Oakland County Planning Division’s “framework plan” for the south end of the City, which calls for a mixed-use project of regional significance.
- The proposed development is not consistent with Woodward Gateway’s original proposal for the property, which called for a development consisting of an office building, a hotel, incidental retail and restaurant uses, a parking structure, and a parking structure addition, along with related infrastructure and site improvements.
- The proposed development is not consistent with the Restated Consolidated Amendment to Development Agreement, which calls for a development consisting of an office, hotel, parking structure, and related infrastructure and site improvements, and which specifically provides Woodward Gateway with a substantial amount of discretion as to when that development should take place.
- The proposed development is not consistent with the City’s long-standing vision of a mixed-use development that would serve as the “gateway” to the community.

On the basis of these findings, and other negative impacts on the public health, safety and welfare that may not specified in my motion, I move (1) to DENY the request from Woodward Gateway, L.L.C. to amend the development agreement to permit development of a health facility, as proposed to the DDA on July 18, 2007, and (2) to DENY the request from Woodward Gateway, L.L.C., to approve the transfer of the property to L.A. Fitness for purposes of development of a health facility, as proposed to the DDA on July 18, 2007.

ADOPTED UNANIMOUSLY

Attachment C

Moved by Director Tomkiw
Supported by Director Harrison

To Direct Counsel to Issue Notice of Intent to Terminate Development Agreement

Pursuant to Section 5.2 of the Development Agreement between the DDA, the City and Woodward Gateway, as modified by the Restated Consolidated Amendment to Development Agreement, I move that counsel for the DDA be directed to provide Woodward Gateway with written notice of the DDA's intent to send a Notice of Termination of the Development Agreement if the Project Construction Loan Closing (as defined in the Development Agreement, as amended) does not occur on or before October 1, 2007.

ADOPTED UNANIMOUSLY

Attachment D

The City Commission has received requests from Woodward Gateway, L.L.C. (1) to amend the development agreement for the Woodward/I-696 property to permit development of a health facility, as proposed to the City Commission on August 20, 2007, and (2) to approve the transfer of the property to L.A. Fitness for purposes of development of a health facility, as proposed to the City Commission on August 20, 2007. In regard to those requests, the City Commission makes the following findings:

- Effective October 17, 2001, the DDA, the City and Woodward Gateway entered into a Development Agreement for the conveyance of the property to Woodward Gateway for purposes of development, subject to the DDA's right to reacquire the property if it was not developed consistent with the terms and conditions of the Agreement.
- The Development Agreement provided for the phased development of an office building, a hotel, incidental retail and restaurant uses, a parking structure, and a parking structure addition, along with related infrastructure and site improvements.
- At Woodward Gateway's request, the parties entered into a First Amendment to Development Agreement effective April 15, 2002, which modified the timetable for development of the property.
- At Woodward Gateway's request, the parties entered into a Second Amendment to Development Agreement effective October 15, 2002, which further modified the timetable for development of the property.
- At Woodward Gateway's request, the parties entered into a Third Amendment to Development Agreement effective January 17, 2003, which further modified the timetable for development of the property.
- At Woodward Gateway's request, the parties entered into a Fourth Amendment to Development Agreement effective March 5, 2003, which further modified the timetable for development of the property.
- Effective July 31, 2003, the parties entered into a Consolidated Amendment to Development Agreement, which terminated all prior amendments to the Agreement and consolidated all applicable changes to that Agreement into a single document.

- In September of 2003, the parties entered a Restated Consolidated Amendment to Development Agreement effective as of July 31, 2003, which terminated the Consolidated Amendment and incorporated all applicable changes, modifications and amendments to the original Development Agreement.
- The Restated Consolidated Amendment provides for a single phase of development consisting of an office, hotel, parking structure, and related infrastructure and site improvements, and further modified the timetable for development of the property.
- The Restated Consolidated Amendment does not provide for the development of a health facility as the principal use of the property.
- The Development Agreement, as modified by the Restated Consolidated Amendment to Development Agreement, provides that the Agreement can only be modified, altered, or amended by written agreement of the parties.
- The Restated Consolidated Amendment requires Woodward Gateway to obtain the written consent of the DDA and the City prior to transferring any portion of the property.
- The Restated Consolidated Amendment provides that prior to the closing of all project construction loans, the DDA and the City have sole and absolute discretion to withhold consent to the transfer of any portion of the property.
- All project construction loans for development of the property have not closed.
- On July 18, 2007, Woodward Gateway made a formal presentation to the DDA in support of its requests to amend the Development Agreement to allow a health care facility and to approve the transfer of the property to L.A. Fitness.
- On August 23, 2007, the DDA moved to deny the request to amend the Development Agreement to allow a health facility and to deny the request for approval of the transfer of the property to L.A. Fitness.
- The development of a health facility on the property, as proposed to the City Commission on August 20, 2007, is not in the best interest of the public health, safety and welfare for the following reasons:
 - The proposed development is not consistent with the City's Master Plan, which calls for Mixed Use - Residential/Office/Commercial development.
 - The proposed development is not consistent with the City's Zoning Ordinance. The property is designated as Regional Business, which is "intended to provide for the combining of office, high-density multiple-family, and hotels in a planned development, and to provide

for the combining of ancillary retail and service uses with the office, hotel and/or residential development.”

- The proposed development is not consistent with the Downtown Development Authority’s Woodward/I-696 Tax Increment Financing and Development Plan, which calls for a mixed-use project of regional significance.
- The proposed development is not consistent with the Oakland County Planning Division’s “framework plan” for the south end of the City, which calls for a mixed-use project of regional significance.
- The proposed development is not consistent with Woodward Gateway’s original proposal for the property, which called for a development consisting of an office building, a hotel, incidental retail and restaurant uses, a parking structure, and a parking structure addition, along with related infrastructure and site improvements.
- The proposed development is not consistent with the Restated Consolidated Amendment to Development Agreement, which calls for a development consisting of an office, hotel, parking structure, and related infrastructure and site improvements, and which specifically provides Woodward Gateway with a substantial amount of discretion as to when that development should take place.
- The proposed development is not consistent with the City’s long-standing vision of a mixed-use development that would serve as the “gateway” to the community.

On the basis of these findings, and other negative impacts on the public health, safety and welfare that may not specified in my motion, I move (1) to DENY the request from Woodward Gateway, L.L.C. to amend the development agreement to permit development of a health facility, as proposed to the City Commission on August 20, 2007, and (2) to DENY the request from Woodward Gateway, L.L.C., to approve the transfer of the property to L.A. Fitness for purposes of development of a health facility, as proposed to the City Commission on August 20, 2007.