



AGENDA
CITY OF KENTWOOD PLANNING COMMISSION
TUESDAY, NOVEMBER 14, 2023
KENTWOOD COMMISSION CHAMBERS
4900 BRETON AVENUE, SE
7:00 P.M.

- A. Call to Order
- B. Pledge of Allegiance (Porter)
- C. Roll Call
- D. Declaration of Conflict of Interest
- E. Approval of the Minutes of October 24, 2023 and Findings of Fact for: **Case#24-23** – Hotel Conversion – Special Land Use and Site Plan Review to convert an existing office Building into a Hotel Located at 2180-44th Street SE; **Case#26-23** – Biggby Coffee – Special Land Use and Site Plan Review for a Drive Through Restaurant – Located at 2300 44th Street SE; **Case#27-23** – Kentwood Drive and Shine – Special Land Use and Site Plan Review for a Vehicle Wash Establishment – Located at 3311 Woodland Drive SE

F. Approval of the Agenda for November 14, 2023

G. Acknowledge visitors and those wishing to speak to non- agenda items.

H. Old Business

There is no Old Business

I. Public Hearing

Case# 28-23 - DAMA Ventures LLC – Special Land Use Indoor Vehicle Sales and Site Plan Review – Located within Phase A of 3350 Broadmoor Avenue, zoned I-1 Light Industrial

J. Public Meeting

Case#25-23 – Master Plan Amendment 52nd and Broadmoor Ave – Change in the Master Planned Land Use Designation from Industrial to Commercial located at the northeast corner of 52nd Street and Broadmoor Avenue

K. Work Session

Case#29-23 – GRR Ancillary – Rezoning of 10.57 acres of land from I-1 Industrial to C-PUD Commercial Planned Unit Development and Preliminary Site Plan Review located at the NW corner of 36th Street and Patterson Avenue

L. New Business

Set public hearing date of , for:

M. Other Business

1. Commissioners' Comments
2. Staff's Comments

N. Adjournment

*Public Hearing Format:

1. Staff Presentation – Introduction of project, Staff Report and Recommendation
Introduction of project representative
2. Project Presentation – By project representative
3. Open Public Hearing (please state name, address and speak at podium. Comments are limited to five minutes per speaker; exceptions may be granted by the chair for representative speakers and applicants.)
4. Close Public Hearing
5. Commission Discussion – Requests for clarification to project representative, public or staff
6. Commission decision – Options
 - a. postpone decision – table to date certain
 - b. reject proposal
 - c. accept proposal
 - d. accept proposal with conditions.

PROPOSED MINUTES OF THE REGULAR MEETING
OF THE KENTWOOD PLANNING COMMISSION
OCTOBER 24, 2023, 7:00 P.M.
COMMISSION CHAMBERS

- A. Chair Jones called the meeting to order at 7:00 p.m.
- B. The Pledge of Allegiance was led by Commissioner Quinn.
- C. Roll Call:
Members Present: Bill Benoit, Dan Holtrop, Sandra Jones, Ed Kape, Alex Porter, Ray Poyner, Darius Quinn, Doug VanderMeer,
Members Absent: Sarah Weir (with notification)
Others Present: Community Development Director Terry Schweitzer, Economic Development Planner Lisa Golder, Senior Planner Joe Pung, Planning Assistant Monique Collier, the applicants and one citizen.

Motion by Kape, supported by Quinn, to excuse Weir from the meeting.

- Motion Carried (8-0) –
- Weir absent -

- D. Declaration of Conflict of Interest

There was no conflict of interest statement expressed.

- E. Approval of the Minutes and Findings of Fact

Motion by Commissioner Holtrop, supported by Commissioner Poyner, to approve the Minutes of October 10, 2023 and the Findings of Fact for: Case#17-23 – Bosgraff Walma 44th - Change in the Master Planned Land Use Designation from Low Density Residential to Medium Density Residential located at 2802 – 44th Street -

- Motion Carried (8-0) –
- Weir absent -

- F. Approval of the Agenda

Schweitzer stated under new business we need to set a public hearing date of November 23, 2023 for: Case#29-23 – GRR Ancillary – Rezoning of 10.57 acres of land from I-1 Industrial to C-PUD Commercial Planned Unit Development and Preliminary Site Plan Review located at the NW corner of 36th Street and Patterson Avenue

Motion by Commissioner Quinn, supported by Commissioner Benoit, to approve the agenda for the October 24, 2023, meeting with change noted.

- Motion Carried (8-0) –

- Weir absent -

G. Acknowledge visitors wishing to speak to non-agenda items.

There was no public comment.

H. Old Business

Case#24-23 – Hotel Conversion – Special Land Use and Site Plan Review to convert an existing office Building into a Hotel Located at 2180-44th Street SE (**Tabled from the October 10 public hearing meeting**)

Golder stated the applicant will not be present, however if the commissioners get to a point and feel like they need his input, the applicant would be willing to table.

Golder stated the request is for a conversion of an office building into a 24-room hotel. Golder stated it is zoned for office and hotels are permitted with special land use in the office zone.

Golder stated with respect to the special land use standards, is it harmonious and appropriate in appearance with the existing intended character of the area. She stated the building itself is not going to change and pretty much looks the same. She stated there will be an additional 45 feet of landscaping along the south lot line adjacent to residential uses where currently there is a lot of parking. Golder stated it is serviced by sufficient public facilities and are there excessive additional requirements for public facilities and services.

Golder stated will it not involve activities and materials that would be detrimental to the general welfare by traffic, noise, smoke, fumes or glare. She stated a 24-unit hotel does not generate a lot of traffic. She stated staff is going to review the lighting plan. Golder stated the revised recommendation addresses some of the concerns about noise.

Golder stated the request meets the specific standards for hotels.

Golder stated at the work session there was concern as to whether this will turn in to a long-term residential rental. Golder stated she asked the City Attorney to look at that and he recommended some language that is in the recommendation. She stated in addition, there is the statement of operations which the City Attorney took what Mr. Rostov has provided and amended it to reflect what he thought would be better wording.

Golder stated she is recommending conditional approval of the special land use and site plan review as described in her memos dated October 24, 2023.

Jones opened the public hearing.
There was no public comment.

Motion by Kape, supported by Quinn, to close the public hearing.

- Motion Carried (8-0) –
- Weir absent -

Poyner stated this is an allowable use, it looks like the issues are being addressed and he is ok with the request.

VanderMeer stated he appreciates the applicant putting the maximum stay duration in his bylaws. He stated the rooms are spacious and was thinking that families or college kids would try to stay in the rooms long term.

Holtrop stated in the hotel operations statement, it states that all guest should have valid ID and complete the check-in process.

Quinn questioned what kind of mechanism do we have in place for long term enforcement of these conditions as it relates to butting up to a residential neighborhood. Golder stated that is why condition 4 in the recommendation states: “The applicant shall establish a noise complaint policy, that will be reviewed and approved by city staff.” The policy will include where guests can congregate, a description of prohibited activities and noises, quiet hours, and policies related to the consumption of alcohol on the premises. The consequences of non-compliance must be outlined within the policy. Failure of the hotel to enforce the approved noise policy or the Hotel Operating Statement can result in the revocation of the Special Land Use approval. Golder stated the remedy would be if it becomes a problem, we can take away their special land use approval.

Kape stated in the manufacturing housing industry they have a two heartbeat per bedroom law and that is a State law. He stated he doesn’t know if that carries over into apartments and hotels. Kape questioned if there will be elevators. Golder stated yes, they are already there.

Porter pointed out that in item 3 in the conditions will give the hotel the ability to put anyone out.

Motion by Holtrop, supported by Quinn, to grant conditional approval of the request for a Special Land Use a 24-room hotel as described in Case No. 24-23. Approval is conditioned on conditions 1 –9 and basis point 1 –8 as described in Golder’s memo dated October 24, 2023

- Motion Carried (8-0) –
- Weir absent

Motion by Holtrop, supported by Benoit, to grant conditional approval of the site plan dated October 17, 2023 for a 24-room hotel as described in Case No. 24-23.

Approval is conditioned on conditions 1 –5 and basis points 1 – 5 as described in Golder’s memo dated October 24, 2023

- Motion Carried (8-0) –
- Weir absent -

I. Public Hearing

Case#26-23 – Biggby Coffee – Special Land Use and Site Plan Review for a Drive Through Restaurant – Located at 2300 44th Street SE;

Golder stated the applicant is proposing a drive-thru Biggby Coffee facility located on a currently vacant property at 2300 44th Street. She stated it is zoned commercial, the proposed use is an 800 square foot coffee shop. She stated there is no indoor seating, only the drive-through and then there is a walk up window out in the front.

Golder stated if you want to get into the property you would access from the adjacent property to the east. There would be a direct turn into the property and then an easement that would allow you to get to the proposed Biggby. She stated staff has asked for information on the cross access easement. She stated when you exit, you would have to turn right, go through the intersection and then come all the way back if you want to go back to the west. She stated it is more difficult to get out to go westbound.

Golder stated the lot is narrow 85 feet wide. She stated there are wetlands to the south and to the west and that makes it impossible to get that rear exit that we might have thought we could get over to Countrywood Street..

Golder stated with the site plan, we have asked the applicant to provide the 10 foot landscape buffer on each side and that has been done. She stated we need more information on site lighting and staff will review a more detailed landscape plan.

Golder stated on the elevations that was received, there were too many signs, therefore staff will work on that at an administrative level.

Golder stated staff is recommending approval of the special land use and site plan review as described in her memos dated October 17, 2023.

Garner Tyson, the owner of Biggby Coffee was present. He stated they do have the easement paperwork.

Mark Bailey, with Feenstra and Associates was also present. He stated they received the document for the access easement. He stated the easement is 50 feet wide by 120 feet off the ROW. He stated they moved the site over about 1- 2 feet. He stated he has done everything for the EGLE review and it is straightforward.

Porter questioned how much room they have to get to the walk up window and how many people could be standing there the drive. Bailey stated it is 12 feet wide from the building out to the crosswalk.

Kape Quinn, Benoit, Poyner and Jones were ok with the request.

VanderMeer stated his concern is the walk-up windows with the two drive up windows seems to put pedestrians possibly in danger. He stated he is for the walk-up window, but it is putting it between the drive up windows that concerns him. Golder explained the drive-up windows are on the other side and the walk up is on the north side. She stated we want our community to be more walkable.

Motion by Benoit, supported by Poyner, to grant conditional approval of the special land use for Biggby Coffee Drive-Through facility as described in Case No. 26-23. Approval is conditioned on conditions 1 – 5 and basis points 1 – 5 as described in Golder’s memo dated October 17, 2023.

- Motion Carried (8-0) –
- Weir absent -

Motion by Benoit, supported by Poyner, to grant conditional approval of the site plan dated October 9, 2023 for Biggby Coffee Drive-Through facility as described in Case No. 26-23. Approval is conditioned on conditions 1 – 5 and basis points 1 – 5 as described in Golder’s memo dated October 17, 2023.

- Motion Carried (8-0) –
- Weir absent -

Case#27-23 – Kentwood Drive and Shine – Special Land Use and Site Plan Review for a Vehicle Wash Establishment – Located at 3311 Woodland Drive SE

Pung stated the request is a special land use and site plan review for a vehicle wash facility. Along with the vehicle wash, they are also proposing an accessory oil change and quick lube on the north end of the building.

Pung stated the site is 4 ½ acre in size located on the north side of Woodland Dr. west of the East Beltline. He stated the site is currently an overflow parking lot for the office building to the north which the applicant also owns and it used to be a Western Michigan University satellite campus.

Pung stated there is currently a drive that only provides access to Anna’s House which is on the adjacent property to the east. He stated with this proposal the drive would also serve as the main access to this site. The existing drive connection to the north goes into the other parking lot, that will be an egress only for bypass traffic.

Pung stated this site was conditionally rezoned to C2 Community Commercial in December of last year. One of the conditions of approval was that the use was restricted to the carwash and the accessory oil change only. As long as it is zoned C2 this is the only use that can be there, and the oil change can only be associated with the carwash.

Pung stated the applicant also went to the Zoning Board of Appeals for several variances. One was for a reduction to the rear yard setback. They were granted a variance of 28 feet to the rear yard setback. They were also granted a reduction of 17 feet to the adjacent residential to the northwest. They were also granted a waiver to the 10-foot buffer zone requirement along the property line, but one of the conditions of approval was that, they would be putting in a permanent landscape easement that would act as that buffer but it will be on the adjacent property to the north.

Pung stated the one change from the work session is, they are looking at retaining a portion of the existing pavement. He stated they are retaining the area in the west and plan on putting a small berm to hide. He noted the proposed condition: "The western most ninety-five (95) feet of existing pavement which will not be removed shall not be used for parking or storage and shall be kept free of weeds, trash, junk, etc. and shall be removed if it creates a nuisance or is otherwise a detriment to adjacent property or the surrounding neighborhood."

Pung stated at the work session the applicant was asked to modify the operations description. They have since modified the operations statement and the commissioners have received a copy.

Pung stated the proposed car wash is currently located on 3 separate parcels. He stated those 3 parcels will have to be combined as part of this project.

Pung stated regarding the egress to the north, the property owner currently owns all the parcels, it is a condition of approval that: A permanent egress easement, reviewed and approved by staff and the City Attorney, to East Beltline Avenue through the properties to the north (2329 East Beltline Avenue & 2333 East Beltline Avenue) shall be recorded.

Pung stated there was discussion regarding the possibility of backing up and stacking and blocking the egress. The applicant provided information on their busiest car wash of their holdings and it currently has about 3-4 vehicles an hour at the peak. He stated as a condition of approval: If vehicle stacking for the oil change/lube facility becomes an issue, as determined by city staff, by blocking egress to the north, then measures shall be taken to address the issue.

Pung stated staff also requested information on the noise generated by the carwash and the vacuum. The information was provided by the applicant. He stated based on the information they provided noise generated by either the carwash or the vacuums should not be an issue, but also as a condition of approval if it does become a detriment then measures will need to be taken to address those problems.

Pung stated he is recommending conditional approval of the special land use and site plan review as described in his memos dated October 19, 2023.

Andrew Rossell, with AR Engineering was present. He stated 15 of the Drive and Shine carwashes are adjacent to residential and they haven't received any complaints. He stated they have had studies by a third party and the vacuum sound level is about the same as a busy road.

Jones opened the public hearing.

There was no public comment.

Motion by Benoit, supported by Poyner, to close the public hearing.

- Motion Carried (8-0) –
- Weir absent –

Poyner stated the hours of operations is helpful with the noise. He questioned if a resident reported a noise issue, what is the process. Pung stated staff would go out to the site for a while and see if we can hear it and from there staff can go forward with enforcement.

VanderMeer questioned the drainage. Rossell stated there is an existing storm water basin. The parking lot was completely paved with catch basins throughout the middle of the parking lots. Rosell stated they are reducing the impervious cover but they do have some things to go through as far as verifying some storm calculations with the City Engineer.

Holtrop questioned if there were vacuums in the front. Rosell stated there are 10 vacuum spaces to the east and the vacuum canisters are all stainless steel. Holtrop questioned if there was anything reserved to the west for future use of vacuums. Rossell stated they would have to come back if they wanted more. Holtrop stated at the work session there was discussion about the pavement being removed. Pung stated they don't want to remove pavement anymore, that is why there were conditions assigned. Andrew stated he thinks they decided to keep the pavement because of the cost of removing.

Porter questioned whether the vacuums are available 24/7. Rossell stated no, they are only operational during business hours. Porter questioned where the wash water goes. Rosell stated they have a three tank system 80% is recycled and the rest is discharged to the sanitary sewer. Porter questioned was the sewer large enough for the water. Andrew stated yes with the small amount that is released. Andres stated they are still working with the City Engineer on the utility connections.

Jones questioned if there were other Drive and Shine's in the area. Rosell stated there are 3 in Kalamazoo and the rest are in Indiana.

Motion by Holtrop, supported by Quinn, to grant conditional approval of the special land use vehicle wash establishment as described in Case 27-23. The approval is conditioned on conditions 1 – 8 and basis points 1 – 7 as described in Pung’s memo dated October 19, 2023.

- Motion Carried (8-0) –
- Weir absent -

Motion by Holtrop, supported by Quinn, to grant conditional approval of the site plan September 18, 2023, as described in Case 27-23. Approval is conditioned on conditions 1 –11 and basis points 1 – 9 as described in Pung’s memo dated October 19, 2023.

- Motion Carried (8-0) -
- Weir absent -

J. Work Session

Case# 28-23 - DAMA Ventures LLC – Special Land Use Indoor Vehicle Sales and Site Plan Review – Located within Phase A of 3350 Broadmoor Avenue, zoned I-1 Light Industrial

Pung stated the request is for special land use and site plan review for indoor vehicle sales within the industrial district. He stated in 2012 the zoning ordinance was amended to allow for limited indoor vehicle sales within industrial districts subject to a special land use review. He stated that they are looking at utilizing about 3,900 square feet within an existing 15,000 square foot building. That would be the vehicle sales operation and storage. He stated it would be approximately 8 vehicles that they will be able to park indoors. He stated as indicated in their statement all activity would occur within the building.

Pung stated they indicated that there will be no open air display or storage and also there is no on site vehicle repair or maintenance on site. He stated the only thing they would be adding is an overhead door to the east side of the building to allow for vehicular access into the building. He stated based on all the information, the applicant answered all the questions from the general special land use standards and the site specific standards and based on that it looks like they comply with all the special land use standards. He stated there were no real issues with the request.

Ken Dixon, with Dixon architecture was present. He stated he is representing the applicant Marcko. He stated Marcko runs a transportation company he is shipping things in the US and all the vehicles come back empty. He saw an opportunity where he can pick up cars in areas where the vehicles are less expensive than what they are here in the West Michigan area then bring them back a maximum of 8 cars.

Dixon stated the request does not represent much site impact. They are adding garage doors to allow the vehicles to enter into the building. That will eliminate two parking stalls. He stated his operation doesn't require any parking. There will not be any outdoor storage of any of the vehicles. He is not going to use the parking lot for any vehicles that don't go to auction. Everything that comes to the site will be put inside the building. The hours of operation are Monday-Friday 9am-5pm. He doesn't expect a lot of traffic. Most of his cars will be listed online. Then if you are interested you can stop by between 9am-5pm or set up an appointment to see the vehicles.

Porter questioned if this will be staffed. Dixon stated 2 employees will be staffed at this location. Porter questioned if the space is suitable to have fuel and oil in them while stored inside. Pung stated the Fire Marshall and Inspector has been part of the discussion there are restrictions they are allowed to have a limited amount of gas and it must be sprinkled.

Kape, Quinn, Poyner were ok with the request

Holtrop stated his concern is that there will end up being cars outside. Dixon stated this isn't his primary business he just sees an opportunity to pick up cars.

Benoit questioned if there was any concern about taking industrial space. Pung stated this is a use that is allowed within our industrial district as a special land use.

Jones noted no vehicle repair or maintenance will occur on site. She questioned if there will be any prep or detailing work that would need to be done will that take place there. Dixon stated by the zoning ordinance it would have to take place somewhere else.

K. New Business

Motion by Holtrop, supported by Poyner, to set a public hearing date of November 28, 2023 for: Case#29-23 – GRR Ancillary – Rezoning of 10.57 acres of land from I-1 Industrial to C-PUD Commercial Planned Unit Development and Preliminary Site Plan Review located at the NW corner of 36th Street and Patterson Avenue

- Motion Carried (8-0) –
- Weir absent -

L. Other Business

1. Commissioners' Comments

VanderMeer stated Dykstra's Auto at 44th Street and Patterson Avenue had 7 cars parked outside on the east side of the site. Porter stated he also noticed a Boris Head delivery truck.

Holtrop stated he noticed more street trees along 52nd Street and thanked Pung.

Porter stated there is another lot that have several cars everywhere. Service Professor along Patterson Avenue at 50th Street has all of their service vehicles on the front parking lot.

Quinn stated Tuffy 44th and Kalamazoo needs to be cleaned up, there are cars everywhere

Jones questioned the status of Thomsons Auto, Schweitzer stated the 62- B District Court Judge recused herself and the court staff is working to get it reviewed by another District Court Judge

Jones stated the she attended the October 17 COW meeting along with Kape and she described the discussion about the zoning ordinance related to housing. He stated we will reconvene and meet with the City Commission again, their were concerns about diluting the ordinances.

2. Staff's Comments

Staff offered no additional comments.

M. Adjournment

Motion by Commissioner Benoir, supported by Commissioner Quinn, to adjourn the meeting.

- Motion Carried (8-0) –
- Weir absent -

Meeting adjourned at 8:30pm

Respectfully submitted,

Ed Kape, Secretary



**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
NOVEMBER 14, 2023**

Golder 10/24/23

PROJECT: 2180 44th Street hotel

APPLICATION: 24-23

REQUEST: Special Land Use for a 24-room hotel

LOCATION: 2180 44th Street SE

HEARING DATE: 10/24/23

MOTION: **Motion by Holtrop, supported by Quinn, to grant conditional approval of the request for a Special Land Use a 24-room hotel as described in Case No. 24-23. Approval is conditioned on conditions 1 –9 and basis point 1 –8 as described in Golder’s memo dated October 24, 2023**

- Motion Carried (8-0) –
- Weir absent

CONDITIONS:

1. Compliance with the Applicant’s Statement of Operation dated October 19, 2023.
2. Applicant to record a restrictive covenant, with language reviewed and approved by the city attorney, that the property cannot be used for “residential rental” purposes and that no landlord tenant relationship can be formed with any hotel guests.
3. The Applicant shall establish a guest policy or guest agreement that must be given to guests or posted in a prominent location that states, “Every Guest acknowledges that he or she is not a tenant but a licensee on a day-to-day basis, and that Guest has no property or possessory interest in the room being rented to Guest. The hotel may ask the Guest to leave the premises at any time.”
4. The applicant shall establish a noise complaint policy, that will be reviewed and approved by city staff. The policy will include where guests can congregate, a description of prohibited activities and noises,

quiet hours, and policies related to the consumption of alcohol on the premises. The consequences of non-compliance must be outlined within the policy. Failure of the hotel to enforce the approved noise policy or the Hotel Operating Statement can result in the revocation of the Special Land Use approval.

5. Hotel will be managed and maintained in a way that keeps the facility and the grounds up to date and in good operating condition. Hotel management will be on site at all times.
6. Staff approval of a landscaping and lighting plan. The landscaping plan shall include detailed information on the type, size and quantity of proposed landscaping and details regarding the fence along the south property line. The lighting plan must meet the standards of Chapter 20 of the Kentwood Zoning Ordinance and must minimize any adverse impact on adjacent properties and maximize security enhancements. The lighting plan will be subject to the review of the Kentwood Police Department.
7. Applicant shall provide operational security cameras within and outside of the hotel (including the parking lot) to ensure the safety of guests. The proposed security camera system shall be subject to the review of the Kentwood Police Department.
8. Relocation of the current driveway to align with the drive aisle nearest to the hotel. The other existing driveway serving the property shall be closed.
9. The one-way drive aisles on the east and west sides of the parking area shall be two-way drives of at least 24' of width.

BASIS:

1. The applicant's Statement of Operations includes rental policies, improvements, employees, and amenities that will ensure that the operation will be harmonious with the character of the area. The Statement of Operations also includes a representation to the City of the durational limit that will apply to all customers and guests to ensure that the hotel does not become a long-term rental property.
2. Michigan law does not have clear rules that distinguish hotel guests from tenants. If a guest becomes a tenant, there are specific tenant rights and landlord obligations that come into play and the nature of the use will have been changed. The requirement for restrictive covenants would prohibit the property from becoming a residential rental property (multifamily development) which is not permitted in the C-4 District.

3. The Special Land Use Standards outlined in Section 15.02 require that the use not include any uses, activities, processes, materials, and equipment or conditions of operation that will be detrimental to any persons, property or the general welfare by reason of excessive production of traffic, noise, etc. The hotel is located in an Office zone with residential uses to the south. The noise policy will ensure that noise will not be an issue for the neighboring properties.
4. The hotel must be kept in good operating condition to minimize complaints and requests for city services.
5. The addition of security cameras for the hotel will ensure the safety of guests in the common areas of the hotel and in the outdoor perimeter of the property.
6. The property is zoned for Office use, which allows for hotels with Special Land Use approval. A total of 24 rooms are proposed. The use will not generate significant amounts of traffic and will be screened from view of the neighboring properties. Landscaping and fencing have been proposed along the south lot line to screen the residence to the south.
7. A hotel generates relatively little traffic when compared to other commercial/office uses that are permitted by right in the C-4 Office District.
8. Discussion at the work session and public hearing.



**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
NOVEMBER 14, 2023**

Golder 10/19/23

PROJECT: 2180 44th Street hotel
APPLICATION: 24-23
REQUEST: Site plan review of a 24-room hotel
LOCATION: 2180 44th Street SE
HEARING DATE: 10/24/23

MOTION:

Motion by Holtrop, supported by Benoit, to grant conditional approval of the site plan dated October 17, 2023 for a 24-room hotel as described in Case No. 24-23. Approval is conditioned on conditions 1 –5 and basis points 1 – 5 as described in Golder’s memo dated October 24, 2023

- Motion Carried (8-0) –
- Weir absent -

CONDITIONS:

1. Compliance with the Applicant’s Statement of Operation dated October 19, 2023.
2. Staff approval of a landscaping and lighting plan. The landscaping plan shall include detailed information on the type, size and quantity of proposed landscaping and details regarding the fence along the south property line. The lighting plan must meet the standards of Chapter 20 of the Kentwood Zoning Ordinance and must minimize any adverse impact on adjacent properties and maximize security enhancements. The lighting plan will be subject to the review of the Kentwood Police Department.
3. Applicant shall provide operational security cameras within and outside of the hotel (including the parking lot) to ensure the safety of guests. The security camera system proposed shall be subject to the review of the Kentwood Police Department.



4. Relocation of the current driveway to align with the drive aisle nearest to the hotel. The other existing driveway serving the property shall be closed.
5. The one-way drive aisles on the east of west sides of the parking area shall be two-way drives of at least 24' of width.

BASIS:

1. The applicant's Statement of Operations includes rental policies, improvements, employees, and amenities that will ensure that the operation will be harmonious with the character of the area. The Statement of Operations also includes a representation to the City of the durational limit that will apply to all customers and guests to ensure that the hotel does not become a long-term rental property.
2. The addition of security cameras for the hotel will ensure the safety of guests in the common areas of the hotel and in the outdoor perimeter of the property.
3. The property is zoned for Office use, which allows for hotels with Special Land Use approval. A total of 24 rooms are proposed. The use will not generate significant amounts of traffic and will be screened from view of the neighboring properties. Landscaping and fencing have been proposed along the south lot line to screen the residence to the south.
4. Approval of the Special Land Use for the proposed hotel.
5. Discussion at the work session and public hearing.



**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
NOVEMBER 14, 2023**

Golder 10/17/23

PROJECT: Biggby Coffee Drive Through

APPLICATION: 26-23

REQUEST: Special Land Use for a Drive-Through Facility

LOCATION: 2300 44th Street SE

HEARING DATE: October 24, 2023

MOTION: **Motion by Benoit, supported by Poyner, to grant conditional approval of the special land use for Biggby Coffee Drive-Through facility as described in Case No. 26-23. Approval is conditioned on conditions 1 – 5 and basis points 1 – 5 as described in Golder’s memo dated October 17, 2023.**

- Motion Carried (8-0) –
- Weir absent -

CONDITIONS:

1. Drive-through shall be operated in accordance with the Applicant’s operations narrative dated October 5, 2023.
2. Review and approval by the Kentwood City Engineer and compliance with the Kentwood Fire Marshal’s memo dated October 2, 2023. Applicant shall provide turning radius information to ensure that service vehicles accessing the site can be accommodated.
3. Approval of the proposed site wetland mitigation by the Michigan Department of Environment, Great Lakes and Energy (EGLE).
4. Applicant shall provide a copy of the recorded cross access easement with the property to the east.
5. Staff approval of final landscaping and lighting plan for the site.

BASIS:

1. The final landscaping must be reviewed to ensure that it meets the requirements of Chapter 19 of the Zoning Ordinance and provides adequate visibility from the public street. The plan must also be reviewed from a safety standpoint to ensure that all areas of the site meet the lighting uniformity standards of Chapter 20 of the Zoning Ordinance.
2. The applicant has proposed the mitigation of wetlands area that must be approved by EGLE.
3. The site plan indicates the easement with the adjacent property as a proposed, rather than an existing easement.
4. The plan otherwise meets the Special Land Use Standards of Section 15.02 and 15.04BB of the Zoning Ordinance.
5. Discussion during work session and public hearing.



**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
NOVEMBER 14, 2023**

Golder 10/17/23

PROJECT: Biggby Coffee Drive Through

APPLICATION: 26-23

REQUEST: Site Plan Review for a Drive-Through Facility

LOCATION: 2300 44th Street SE

HEARING DATE: October 24, 2023

MOTION: **Motion by Benoit, supported by Poyner, to grant conditional approval of the site plan dated October 9, 2023 for Biggby Coffee Drive-Through facility as described in Case No. 26-23. Approval is conditioned on conditions 1 –5 and basis points 1 –5 as described in Golder’s memo dated October 17, 2023.**

- Motion Carried (8-0) –
- Weir absent -

CONDITIONS:

1. Drive-through shall be operated in accordance with the Applicant’s operations narrative dated October 5, 2023.
2. Review and approval by the Kentwood City Engineer and compliance with the Kentwood Fire Marshal’s memo dated October 2, 2023. Applicant shall provide turning radius information to ensure that service vehicles accessing the site can be accommodated.
3. Site plan shall reflect the recorded cross access easement with the property to the east.
4. Staff approval of final landscaping and lighting plan for the site.
5. Staff approval of the building elevations and signage.

BASIS:

1. The final landscaping must be reviewed to ensure that it meets the requirements of Chapter 19 of the Zoning Ordinance and provides adequate visibility from the public street. The plan must also be reviewed from a safety standpoint to ensure that all areas of the site meet the lighting uniformity standards of Chapter 20 of the Zoning Ordinance.
2. The site plan indicates the easement with the adjacent property as a proposed, rather than an existing easement.
3. The building elevation must meet the materials requirements of Section 8.03 2 of the Zoning Ordinance. The signage proposed for the proposed building elevations does not meet the requirements of the Kentwood Zoning Ordinance
4. Approval of the Special Land Use drive through for Biggby.
5. Discussion during work session and public hearing.



**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
NOVEMBER 14, 2023**

Pung 10/19/23

PROJECT: Kentwood Drive and Shine

APPLICATION: 27-23

LOCATION: 3277, 3311, & 3343 Woodland Drive, SE

HEARING DATE: October 24, 2023

REVIEW TYPE: Special Land Use for vehicle wash establishment

MOTION: **Motion by Holtop, supported by Quinn, to grant conditional approval of the special land use vehicle wash establishment as described in Case 27-23. The approval is conditioned on conditions 1 – 8 and basis points 1 – 7 as described in Pung's memo dated October 19, 2023.**

- Motion Carried (8-0) –
- Weir absent –
-

- CONDITION:
1. Planning Commission approval of the site plan dated September 18, 2023.
 2. Use to be operated consistent with the project narrative dated September 22, 2023, and revised October 16, 2023.
 3. All washing activities shall be done within the building.
 4. A permanent egress easement, reviewed and approved by staff and the City Attorney, to East Beltline Avenue through the properties to the north (2329 East Beltline Avenue & 2333 East Beltline Avenue) as depicted in Exhibit 1 shall be recorded.
 5. If the sound generated by the outdoor vacuums or the car wash drying system becomes a detriment to adjacent residential or neighboring properties, measures shall be taken to mitigate the detrimental impacts.
 6. If vehicle stacking for the oil change/lube facility becomes an issue, as determined by city staff, by blocking egress to the north, then measures shall be taken to address the issue.

creates a nuisance or is otherwise a detriment to adjacent property or the surrounding neighborhood.

7. The three (3) parcels (3277, 3311 & 3343 Woodland Drive) shall be combined.
8. Staff review and approval of a landscape plan.
9. Staff review and approval of an exterior photometric plan consistent with current Zoning Ordinance requirements.
10. Compliance with all applicable standards and requirements of the Kentwood Engineering Department.
11. Compliance with all applicable standards and requirements of the Kentwood Fire Department.

BASIS:

1. The use is a special land use in the C2 Community Commercial district and as such is compatible with the current zoning of the property and the Master Plan recommendation for commercial development of the site.
2. Section 8.03.B of the Zoning Ordinance requires a rear yard setback of 30 feet (the rear yard building setback is two (2) feet), Section 19.03.C requires a 10-foot buffer zone adjacent to the office zone to the north (no on-site buffer zone is provided).

The Zoning Board of Appeals approved variances (Case V-23-10) in February of this year for a reduction of 28 feet to the required rear yard setback and waiver to the required 10-foot buffer zone adjacent to the office use to the north. A condition of the approval was that a permanent landscape easement was to be created on the adjacent property to the north.

3. A permanent egress easement is required to ensure that access to East Beltline Avenue remains accessible for the site in the event property ownership changes, etc.
4. The applicant has indicated that the oil change operation would see less than three (3) cars per hour which will not produce a wait outside of the service bays.
5. The applicant wishes to retain the western portion of the exiting pavement. To prevent the area from becoming a nuisance or detriment to the area, parking and storage are prohibited in this area, and it shall be maintained to prevent it from becoming a nuisance or detriment. The pavement will need to be removed if it does become

a nuisance or detriment. Section 15.04.F.11 states that a vehicle wash establishment building, and its accessory uses and buildings shall be located not less than one hundred (100) feet from any right-of-way line or from any side or rear lot line abutting a residential district. The building is setback eighty-seven (87) feet from the adjacent residential property to the northwest; a variance (Case V-23-01) was granted allowing for the reduced setback from the residential property.

6. The site plan otherwise meets the requirements of the Kentwood Zoning Ordinance.
7. Representations by the applicant at the work session and public hearing.
8. Discussion at the work session and public hearing.

Exhibit 1: Permanent Landscape Easement

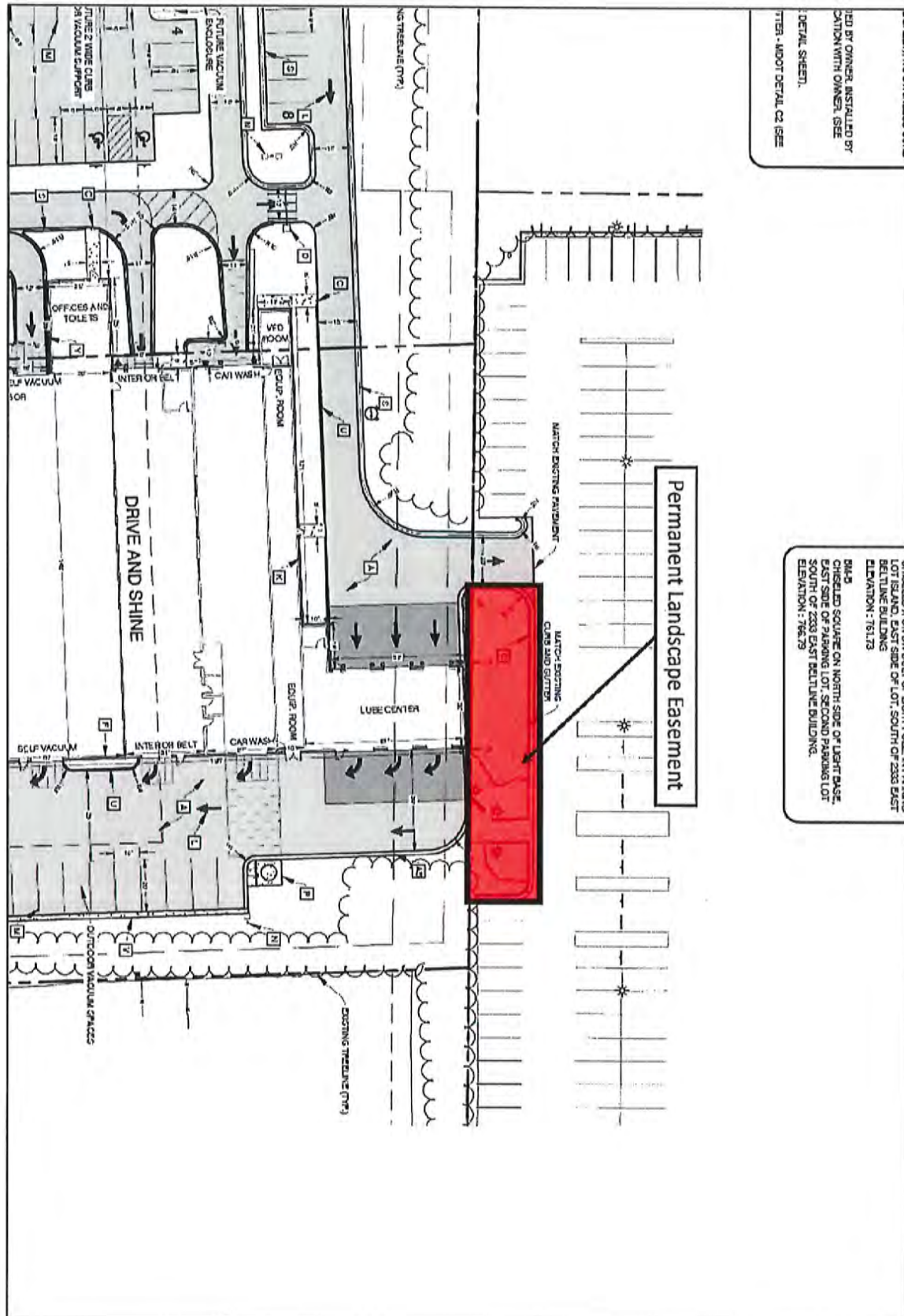


Exhibit 2: Egress Easement to East Beltline Avenue





**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
NOVEMBER 14, 2023**

Pung 10/19/23

PROJECT: Kentwood Drive and Shine

APPLICATION: 27-23

LOCATION: 3277, 3311, & 3343 Woodland Drive, SE

HEARING DATE: October 24, 2023

REVIEW TYPE: Site plan review for a vehicle wash establishment

MOTION: **Motion by Holtrop, supported by Quinn, to grant conditional approval of the site plan September 18, 2023, as described in Case 27-23. Approval is conditioned on conditions 1 –11 and basis points 1 – 9 as described in Pung's memo dated October 19, 2023.**

- Motion Carried (8-0) -
- Weir absent -

- CONDITION:
1. Planning Commission approval of the special land use vehicle wash establishment.
 2. All washing activities shall be done within the building.
 3. Recording of a permanent landscape easement, reviewed, and approved by staff and the City Attorney, on the adjacent property to the north (2333 East Beltline Avenue) as identified in Exhibit 1.
 4. A permanent egress easement, reviewed and approved by staff and the City Attorney, to East Beltline Avenue through the properties to the north (2329 East Beltline Avenue & 2333 East Beltline Avenue) as depicted in Exhibit 2 shall be recorded.
 5. If vehicle stacking for the oil change/lube facility becomes an issue, as determined by city staff, by blocking egress to the north, then measures shall be taken to address the issue.
 6. The western most ninety-five (95) feet of existing pavement which will not be removed shall not be used for parking or storage and shall be kept free of weeds, trash, junk, etc. and shall be removed if it

7. Compliance with all applicable standards and requirements of the Kentwood Engineering Department.

8. Compliance with all applicable standards and requirements of the Kentwood Fire Department.

BASIS:

1. The use is a special land use in the C2 Community Commercial district and as such is compatible with the current zoning of the property and the Master Plan recommendation for commercial development of the site.

2. A permanent egress easement is required to ensure that egress remains accessible for the site in the event property ownership changes, etc.

3. Based on the information provided by the applicant for sound generated by the outdoor vacuums and interior drying system (see Exhibit 2 and Exhibit 3), the use is not anticipated to have a substantial and adverse impact on neighboring property nor create any type of blight within the area.

4. The applicant has indicated that the oil change operation would see less than three (3) cars per hour which will not produce a wait outside of the service bays.

5. Section 15.04.F.11 states that a vehicle wash establishment building, and its accessory uses and buildings shall be located not less than one hundred (100) feet from any right-of-way line or from any side or rear lot line abutting a residential district. The building is setback eighty-seven (87) feet from the adjacent residential property to the northwest; a variance (Case V-23-01) was granted allowing for the reduced setback from the residential property.

6. Representations by the applicant at the work session and public hearing.

7. Discussion at the work session and public hearing

Exhibit 1: Egress Easement to East Beltline Avenue



Exhibit 2: Automotive Drying System Sound Levels



INDUSTRIAL INC.

FAST, DEPENDABLE SALES & SERVICE

P.O. BOX 235 BETHEL PARK, PA 15102

PHONE (412) 833-0113 FAX (412) 833-7027

REF: Aerotherm Automotive Drying System

SLG Industrial the exclusive manufacturer of the Aerotherm Automotive Drying System, our dryers are designed with the intent to minimize noise levels, while maximizing drying efficiency. These dryers produce only 82 decibels of noise at 5' of distance from the output nozzle.

To minimize noise impact to neighboring properties, we recommend that the dryers be installed inside the building- not outside. When mounted inside a masonry, the noise level outside the building is insignificant compared to average traffic noise. Here are some noise level measurements when dryers are mounted inside an 8" masonry block building:

- At 50' of distance directly forward of the exit of the dryers, the noise level is 63 decibels
- At 100' of distance directly forward of the exit of the dryers, the noise level is 58 decibels
- At 100' of distance and perpendicular to the carwash exit, the noise level is at only 54 decibels
- At 100' of distance and perpendicular to the carwash exit, the noise level is at only 45 decibels

President

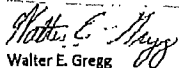

Walter E. Gregg

Exhibit 3: Vacuum Sound Levels



SOUND LEVEL METER READINGS

MODEL: FT-DD-T340HP4 (40hp VACSTAR TURBINE VACUUM PRODUCER)

READING ONE: 43 DB-A, 3 FEET FROM CORNER OF ENCLOSURE @ 45° ANGLE
AND NO BACKGROUND NOISE OR OUTSIDE INTERFERENCE.

READING TWO: 36 DB-A, 10 FEET FROM CORNER OF ENCLOSURE @ 45° ANGLE
AND NO BACKGROUND NOISE OR OUTSIDE INTERFERENCE.

READING THREE: 24 DB-A, 20 FEET FROM CORNER OF ENCLOSURE @ 45° ANGLE
AND NO BACKGROUND NOISE OR OUTSIDE INTERFERENCE.

READING FOUR: 12 DB-A, 30 FEET FROM CORNER OF ENCLOSURE @ 45° ANGLE
AND NO BACKGROUND NOISE OR OUTSIDE INTERFERENCE.

NOTE: THESE READINGS WERE TAKEN OUTSIDE OF 8'x10'x8' CINDER BLOCK ENCLOSURE WITH 4 WALLS,
4-0 DOOR AND CONCRETE SLAB WITH NO ROOF.

SOUND LEVEL METER USED:

SIMPSON MODEL #40003 -- MSHA APPROVED.
MEETS OSHA & WALSH-HEALY REQUIREMENTS FOR NOISE CONTROL.
CONFORMS TO ANSI S1.4-1983, IEC 651 SPECS FOR METER TYPE.

Vacutech
1350 Hi-Tech Drive, Sheridan WY, 82801
PHONE: (800) 917-9444 FAX: (303) 675-1988
EMAIL: info@vacutechllc
WEB SITE: vacutechllc.com



PLANNING STAFF RECOMMENDATION

Pung 10/27/2023

PROJECT: DAMA Ventures, LLC

APPLICATION: 28-23

LOCATION: 3350 Broadmoor Avenue, SE

HEARING DATE: November 14, 2023

REVIEW TYPE: Special Land Use for indoor vehicle sales in an industrial district

RECOMMENDATION: Conditional approval of the Special Land Use Indoor Vehicle Sales as described in Case 28-23. The approval is conditioned on the following:

CONDITION:

1. Planning Commission approval of the site plan dated September 26, 2023.
2. The indoor vehicle sales shall be operated within the area identified as Phase A on the site plan.
3. Business shall be operated consistent with the description from the applicant received October 2, 2023.
4. No open-air display or storage of inventory is permitted.
5. All activity shall occur within the enclosed building.
6. No vehicle repair or maintenance shall occur on-site.
7. Compliance with all applicable standards and requirements of the Kentwood Engineering Department.
8. Compliance with all applicable standards and requirements of the Kentwood Fire Department.

BASIS:

1. The use is a special land use within an industrial district and as such is compatible with the current industrial zoning of the property and the Master Plan recommendation for industrial development of the site.

2. The use is not anticipated to have a substantial and adverse impact on neighboring property nor create any type of blight within the area.
3. Representations by the applicant and applicant's representative at the work session and public hearing.
4. Discussion at the work session and public hearing

City of Kentwood Planning Commissioners,

I am the owner of the building located at 3350 Broadmoor Avenue SE. This is the site of the former Spectrum Health Services clinic. At this time, I am considering a small renovation which will allow me to provide indoor vehicle sales in the northeast portion of the building. The small sales area (which will only accommodate 8 cars at full capacity) will focus on the resale of used vehicles via internet sales with standard working hours Monday through Friday from 9am to 5pm.

In discussions with the Kentwood Planner, I learned that indoor vehicle sales is only allowable in this zoning district when approved by the Planning Commission as a Special Land Use. I have had drawings prepared by my Architect to clearly demonstrate the intent of this business. I'm also providing this narrative to clarify the limited impacts of the proposed use.

Per City of Kentwood Zoning Ordinance 15.02, The proposed special land use and its location shall:

- A. Be designed, constructed, operated and maintained so as to be harmonious and appropriate in appearance, with the existing or intended character of the general vicinity and that a use will not change the essential character of the area in which it is proposed.

Response: The proposed addition of the indoor vehicle showroom shall be compatible and harmonious with the general vicinity. The use is a low impact operation which will not detract from the character of the area.

- B. Be served adequately by essential public facilities and services such as highways, streets, police and fire protection, drainage structures, refuse disposal, water and sewage facilities or schools.

Response: The existing building is adequately served by public facilities. The proposed indoor vehicle sales activities shall not have any detrimental affect on those existing facilities.

- C. Not create excessive additional requirements at public cost for public facilities and services.

Response: The proposed indoor vehicle sales use shall not create any excessive additional requirements at public cost for public facilities and services.

- D. Not involve uses, activities, processes, materials, and equipment or conditions of operation that will be detrimental to any persons, property, or the general welfare by reason of excessive production of traffic, noise, smoke, fumes, glare, electrical or electromagnetic interference or odors.

Response: The proposed indoor vehicle sales use is a low impact operation which will not negatively affect the surrounding area. Other than the limited traffic created by staff and customers visiting the site, no other activities will occur on-site which would result in excessive traffic, noise, smoke, fumes, glare, electrical or electromagnetic interference or odors.

- E. Be compatible and in accordance with the goals, objectives and policies of the master plan and promote the intent and purpose of the zoning district in which it is proposed to locate.

Response: The proposed indoor vehicle sales shall be compatible with the Kentwood master plan and support the purpose and intent of the overlaying zoning district.

- F. Be subject to stipulations by the Planning Commission of additional conditions and safeguards deemed necessary for the general welfare, for the protection of individual property rights, and for insuring that the intent and objectives of this ordinance will be observed. The breach of any condition, safeguard, or requirement shall automatically invalidate the granting of the special land use.

Response: The proposed indoor vehicle sales shall be subject to the conditions of the Kentwood Planning Commission which they deem necessary.

- G. Comply with all applicable licensing ordinances.

Response: The proposed indoor vehicle sales will comply with all applicable licensing ordinances.

In addition, per City of Kentwood Zoning Ordinance 15.04, The following subparagraph identifies specific requirements that shall be complied with by the individual special land use:

HH. Indoor vehicle sales in industrial.

1. All activities to occur within the enclosed building.

Response: All the proposed vehicle sales shall occur within the showroom. No outdoor sales of vehicles is proposed.

2. No open-air display or storage of inventory.

Response: No open-air display or storage of inventory is proposed.

3. No vehicle repair or maintenance to occur on-site.

Response: There are no vehicle repair or maintenance activities proposed to occur on-site.

4. Vehicle display and/or storage area limited to 5,000 sqft.

Response: The vehicle showroom and supporting storage rooms are 3,984 sqft.

Thank you for your time and consideration of this exciting business venture.

Sincerely,

Marko Franovic

Enclosures:

- Special Land Use Application
- Application Fee
- 15 copies of drawings (24"x36")



PLANNING STAFF RECOMMENDATION

Pung 10/27/2023

PROJECT: DAMA Ventures, LLC

APPLICATION: 28-23

LOCATION: 3350 Broadmoor Avenue, SE

HEARING DATE: November 14, 2023

REVIEW TYPE: Site plan review for indoor vehicle sales in an industrial district

RECOMMENDATION: Recommend conditional approval of the site plan dated September 26, 2023, as described in Case 28-23. Approval is conditioned on the following:

CONDITION: 1. Planning Commission approval of the special land use indoor vehicle sales.

2. The indoor vehicle sales shall be operated within the area identified as Phase A on the site plan.

3. No open-air display or storage of inventory is permitted.

4. All activity shall occur within the enclosed building.

5. No vehicle repair or maintenance shall occur on-site.

6. Compliance with all applicable standards and requirements of the Kentwood Engineering Department.

7. Compliance with all applicable standards and requirements of the Kentwood Fire Department.

BASIS: 1. The proposed use is a special land use within an industrial district and as such is compatible with the current industrial zoning of the property and the Master Plan recommendation for industrial development of the site.

2. The proposed use is not anticipated to have a substantial and adverse impact on neighboring property nor create any type of blight within the area.
3. The site plan otherwise meets the requirements of the Kentwood Zoning Ordinance.
4. Representations of the applicant and applicant's representative at the work session and public hearing.
5. Discussion at the work session and public hearing.



KENTWOOD PLAN REVIEW

Fire Department Information

Occupant ID: 24414

Inspection Date: 10/16/2023

Inspected By: QUICK, PATRICK

Facility Information

Occupant Name: SBS TRANSPORT

Business Address: 3350 BROADMOOR Avenue
Southeast

Inspection Information

Inspection Type: SITE PLAN ONLY

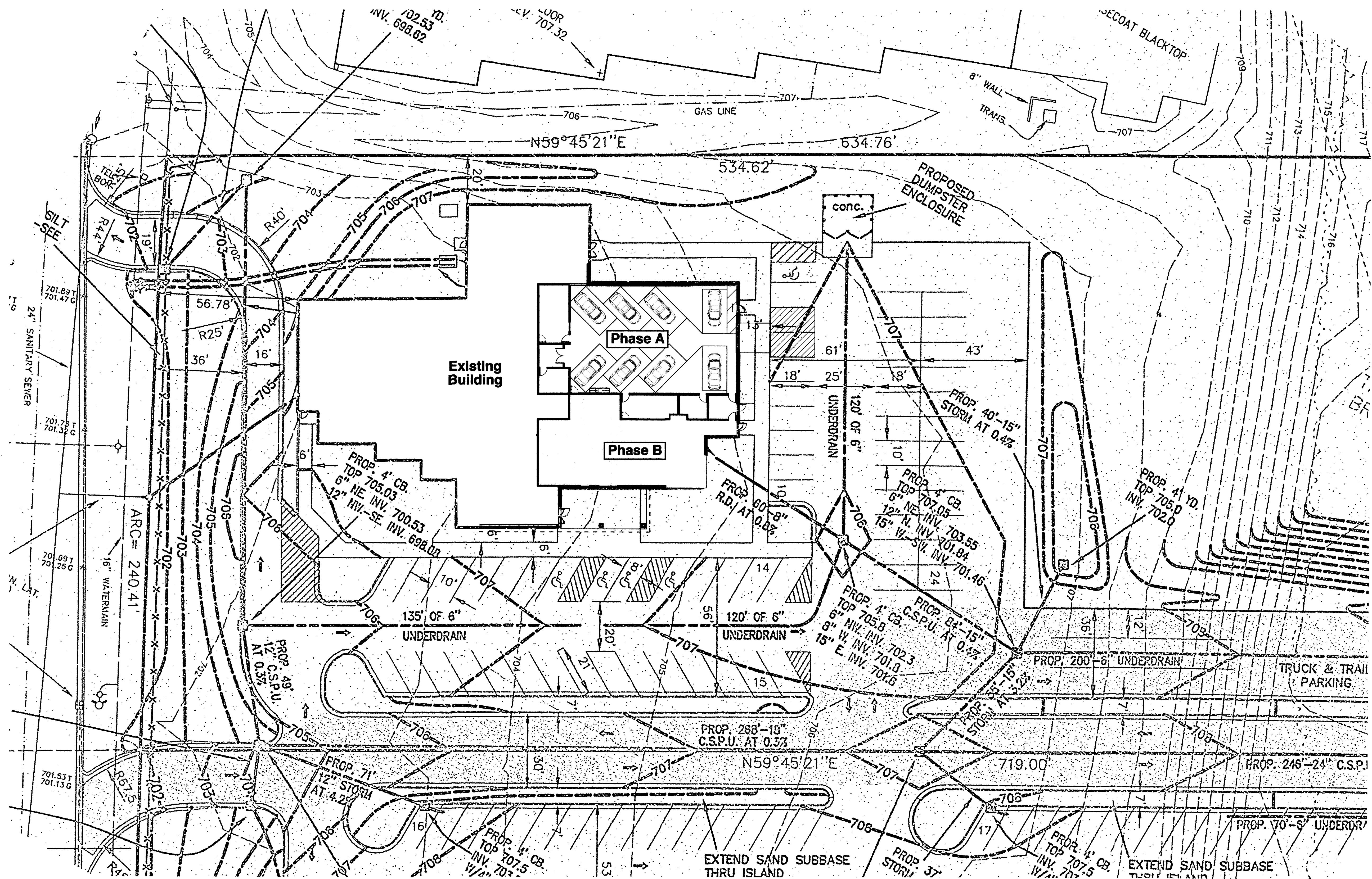
Inspection Notes: Site plan review for change of use for site. Plans approved as submitted.

Fire Code Reference

Description	Comments
Approved vehicle access for fire fighting shall be provided to all construction or demolition sites prior to and during the time of construction. Access road(s) (20 feet wide, designed and maintained to support a vehicle weighing 20 tons on a single axle with dual wheels and standard road tires) shall be constructed as required. This road may be gravel, but vehicle access must be maintained and unobstructed at all times. (IFC 501.4, 503.1.1, 503.2.3, 503.4, 3310.1)	
Provide fire lane(s) on the _____ side(s) of the building. Each side of the building where a fire lane is required must have an entrance as close to the middle as possible. The fire lane must be a minimum of 10 feet and a maximum of 30 feet from the building, and within 100 feet of all fire department connections. (IFC 503.1.1)	Current fire lanes are sufficient. If building footprint changes, changes to fire lanes may be required.
"No Parking – Fire Lane" signs shall be placed no closer than 25 feet apart or further than 75 feet apart. (IFC 503.1.1) The bottom of the sign must be 6'4" from grade level.	
Install _____ inch Arabic numerals on the front of the building in a color that contrasts with the immediate background on which the numerals are mounted and that will be readily visible during normal daylight. (IFC 505.1 – 505.1.7)	4 inch address number facing the street required.
Required means of egress shall be maintained during construction and demolition, remodeling or alterations and additions to any building. (IFC 3311.2)	
An approved automatic sprinkler system shall be provided _____ throughout the entire building or in specific portion(s)/area(s) identified by the Fire Marshal in accordance with the code. (IFC 903; NFPA 13)	Sprinkler system to be maintained.

Signatures

First Name	Last Name	Signature Date
Pat	Quick	10/16/2023



Dixon
ARCHITECTURE
523 Ada Drive SE, Suite 200
PO Box 404
Ada, MI 49301
p. (616) 682-4570
www.dixonarch.com

ES&E
6504 28th Street Southeast Suite J
Grand Rapids, Michigan 49546
p. (616) 777-1844
https://esetransportllc.com

DCI
DYKHOUSE CONSTRUCTION INC.
7634 Clyde Park SE, PO Box 188
Byron Center, MI 49315
PHONE: 616-878-0184 FAX: 616-878-0140
www.DykhouseConstruction.com

DAMA Ventures SLU
3350 Broadmoor Avenue SE
Grand Rapids, Michigan
Proposed Site Plan

Made in Michigan

Revisions:
Bid Set: 06/20/23
SLU Submit: 9/26/23

Project No: 223008
Issue Date: 9/26/23
Reviewer: KCD
Drawn By: KCD

A1.1

General Notes

- UNLESS NOTED OTHERWISE, ALL NON-LOAD BEARING INTERIOR PARTITION WALLS SHALL BE CONSTRUCTED OF STEEL STUDS W/ SOUND ATTENUATION BATTS AND 5/8" GYPSUM BOARD EACH SIDE. PROVIDE GYPSUM BOARD CONTROL JOINTS @ 30'-0" O.C.
- REFER TO WALL TYPES AND EXTERIOR ELEVATIONS FOR ALL EXTERIOR WALL MATERIALS.
- ALL WOOD FRAMING THAT COMES IN CONTACT WITH DISSIMILAR MATERIAL SHALL BE TREATED TO RESIST DECAY AND/OR HAVE A BARRIER TO PREVENT MOISTURE TRANSMISSION.
- ALL METAL TO METAL CONNECTIONS SHALL BE SUCH AS TO AVOID DISSIMILAR METAL GALVANIC CORROSION.
- FLOOR DRAINS, UNLESS REQUIRED OTHERWISE, SET ALL FLOOR DRAINS 1/2" BELOW FLOOR LINE AND PITCH FROM 24" RADIUS.
- UNLESS INDICATED OTHERWISE, FLOOR MATERIAL CHANGES SHALL OCCUR BENEATH DOORS OR TRESHOLDS.
- GYPSUM BOARD PARTITION SYSTEMS:
 - EXTEND STUDS ABOVE CEILINGS TO BOTTOM OF STRUCTURE AND ANCHOR FIRMLY, USING SAME STUD SIZE AND SPACING.
 - STUDS SHALL BE SPACED AT 16" O.C. UNLESS NOTED OTHERWISE.
 - GYPSUM BOARD SHALL EXTEND TO STRUCTURE OR RATED ASSEMBLY.
 - ALL INTERIOR STUD PARTITIONS SHALL HAVE GYPSUM BOARD ON EACH SIDE.
 - WHERE SOUND BATT INSULATION IS REQUIRED PROVIDE UNFACED NOISE BARRIER BATT INSULATION TO FRICION FIT IN STUD PARTITION FROM FLOOR TO UNDERSIDE OF STRUCTURE.
- WHERE OPENINGS IN INTERIOR PARTITIONS OCCUR (INCLUDING DOORS AND WINDOWS), CONSTRUCTION ABOVE OPENINGS SHALL MATCH ADJACENT CONSTRUCTION IN FINISH AND FIRE RATING.
- PROVIDE DEFLECTION TRACK OR SIMILAR ASSEMBLY THAT WILL ALLOW FOR MINIMUM 1" DEFLECTION AT TOP OF ALL INTERIOR STUD WALLS THAT EXTEND TO THE STRUCTURE.

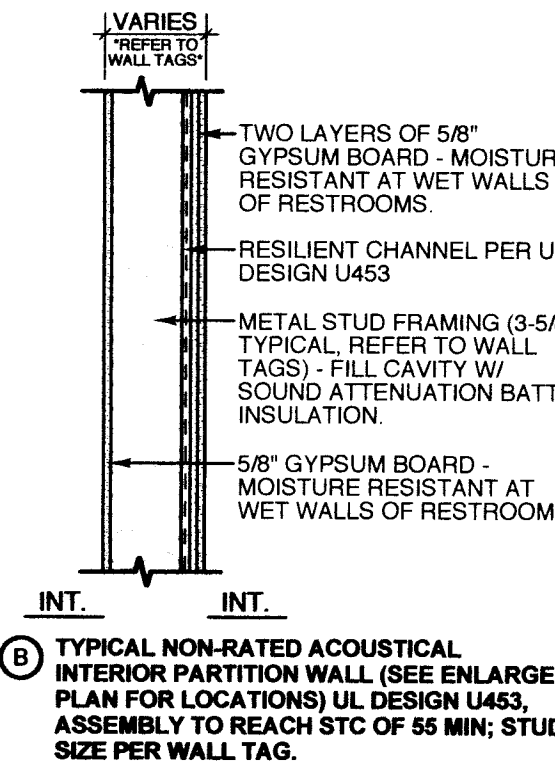
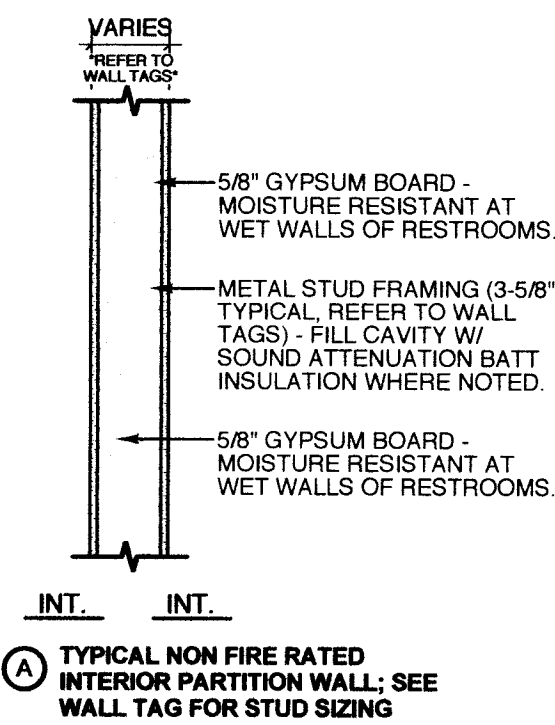
Wall Types Legend

FIRE RESISTANCE RATING	WALL INSULATION
1 1 HOUR	A NONE
2 2 HOUR	T SOUND ATTENUATION
3 3 HOUR	- NONE
4 4 HOUR	- NONE

WALL COMPOSITION	WALL STUD & FINISH HEIGHT
NUMBER - EXTERIOR WALL TYPE	E EXTERIOR, SEE SECTIONS
LETTER - INTERIOR WALL TYPE	X SHAF, SEE SECTIONS
	S BOTTOM OF STRUCTURE
	C EXTEND 6" ABOVE CEILING
	O OTHER, SEE WALL TYPE
	(#) TOP OF WALL IN INCHES
	R UNDERSIDE OF ROOF DECK

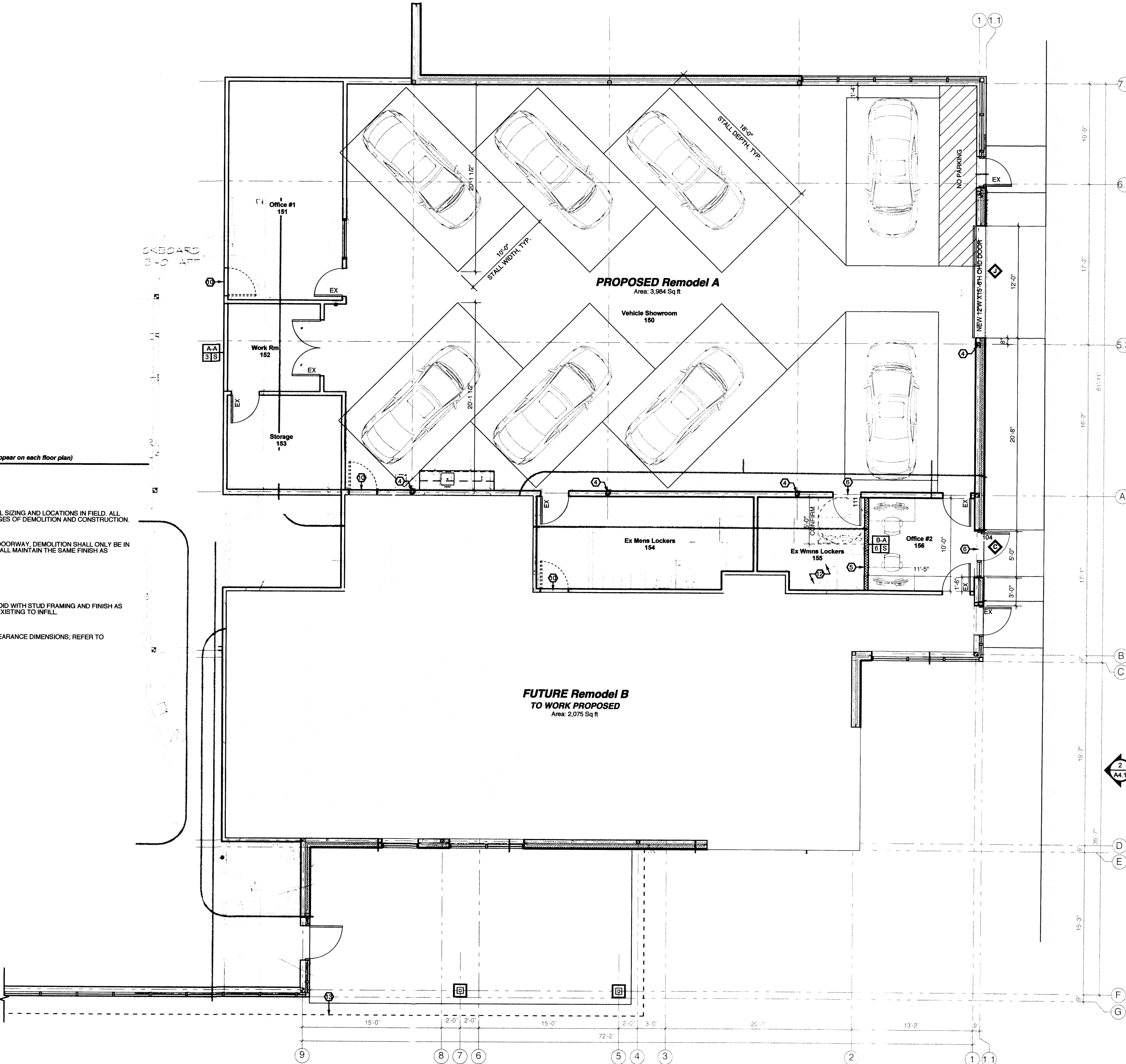
STUD SIZE	CONCRETE WALL THICKNESS
1 1 5/8" METAL STUD	A 4" NOMINAL BLOCK/ 4" CONC
2 1 1/2" METAL STUD	B 6" NOMINAL BLOCK/ 6" CONC
3 3/8" METAL STUD	C 8" NOMINAL BLOCK/ 8" CONC
4 4" METAL STUD	D 10" NOMINAL BLOCK/ 10" CONC
5 2x4 WOOD STUD	E 12" NOMINAL BLOCK/ 12" CONC
6 6" METAL STUD	F 14" REINFORCED CONCRETE
7 2x6 WOOD STUD	
8 2x8 WOOD STUD	
9 2x10 WOOD STUD	
0 OTHER: SEE WALL TYPES	

Wall Types (INTERIOR - DENOTED WITH LETTERS)



Floor Plan Key Notes (Not all keynotes appear on each floor plan)

- NOT USED
- NOT USED
- NOT USED
- EXISTING STRUCTURAL COLUMNS, VERIFY STRUCTURAL SIZING AND LOCATIONS IN FIELD. ALL STRUCTURAL ITEMS TO BE RETAINED DURING ALL STAGES OF DEMOLITION AND CONSTRUCTION.
- NOT USED
- DEMO EXISTING WALL TO PROVIDE ACCESS FOR NEW DOORWAY. DEMOLITION SHALL ONLY BE IN THE EXTENTS AS NEEDED FOR THE NEW DOOR AND SHALL MAINTAIN THE SAME FINISH AS PREVIOUSLY CONSTRUCTION WHEN FINISHED.
- NOT USED
- NOT USED
- NOT USED
- DEMO EXISTING DOOR AND DOOR FRAME AND INFILL VOID WITH STUD FRAMING AND FINISH AS APPLICABLE TO PROVIDE SMOOTH TRANSITION FROM EXISTING TO INFILL.
- NOT USED
- CONFIRM EXISTING PLUMBING FIXTURES MEET ADA CLEARANCE DIMENSIONS; REFER TO ENLARGED RESTROOM PLANS.



1. Proposed Main Floor Plan

SCALE: 3/16" = 1'-0"
IMPROVEMENT FLR AREA: 2,137 SQ FT

WALL DESIGNATION (Reproduce in Color)

NEW PROPOSED WALLS STRUCTURAL ITEMS EXISTING MASONRY WALLS

Dixon
ARCHITECTURE
523 Ada Drive SE, Suite 200
PO Box 404
Ada, MI 49301
p. (616) 682-4570
www.dixonarch.com

EBE
6504 28th Street Southeast Suite J
Grand Rapids, Michigan 49546
p. (616) 777-1844
https://sbstransportllc.com

DCI
DYKHOUSE CONSTRUCTION INC
7614 Clyde Park SW, PO Box 158
Byron Center, MI 49315
PHONE 616 878 0134 FAX 616 878 0140
www.DykhouseConstruction.com

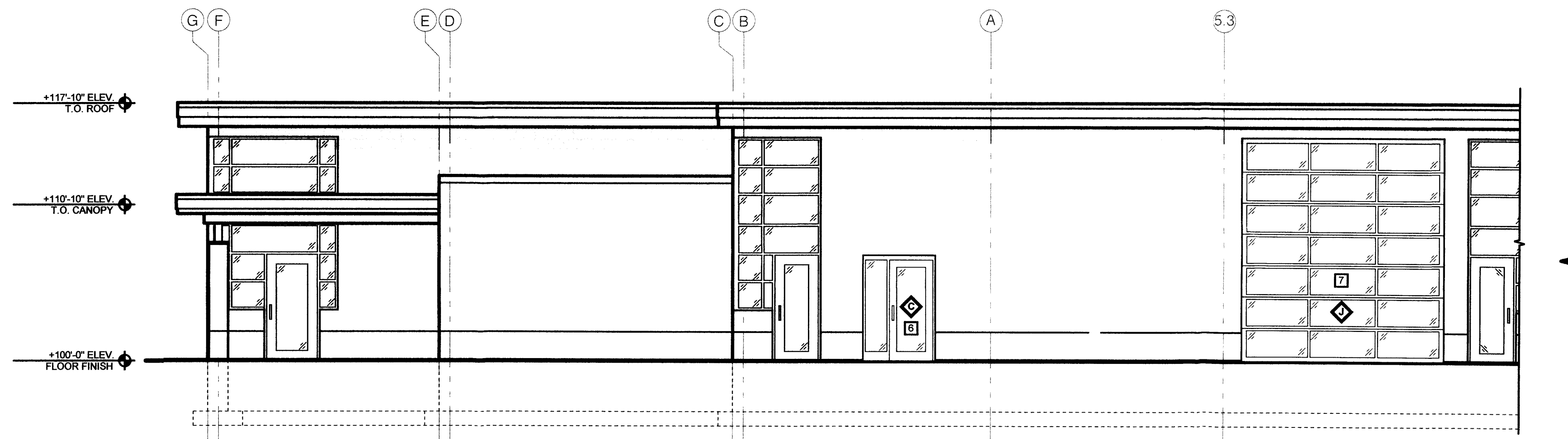
DAMA Ventures SLU
3350 Broadmoor Avenue SE
Grand Rapids, Michigan
Proposed Floor Plan

Made in Michigan

Revisions:
Bid Set: 06/20/23
SLU Submit: 9/26/23

Project No: 223008
Issue Date: 9/26/23
Reviewer: KCD
Drawn By: LPWKCD

A2.1



2. East Elevation
SCALE: 3/16" = 1'-0"

Exterior Materials Legend (ALL SELECTIONS TO BE CONSIDERED "BASIS OF DESIGN")

LABEL	MATERIAL	MANUFACTURER	STYLE	COLOR
1				
2				
3				
4				
5				
6	ALUMINUM STOREFRONT SYSTEM	TUBELITE OR EQ.	TBD	BLACK FOR PRICING
7	GLASS OVERHEAD DOOR	TBD	TBD	BLACK FOR PRICING
8				
9				
10				

xon
ARCHITECTURE
523 Ada Drive SE, Suite 200
Ada, MI 49301
p. (616) 682-4570
www.dixonarch.com

EBG
6504 28th Street Southeast Suite J
Grand Rapids, Michigan 49546
p. (616) 777-1844
https://sbstransportllc.com

DCi
DYKHOUSE CONSTRUCTION INC
7616 Clyde Park SW, PO Box 158
Byron Center, MI 49315
PHONE: 616.878.0154 FAX: 616.878.0140
www.DykhouseConstruction.com

DAMA Ventures SLU
3350 Broadmoor Avenue SE
Grand Rapids, Michigan
Proposed Exterior Elevations

Made in Michigan

Revisions:
Bid Set: 06/20/23
SLU Submit: 9/26/23

Project No: 223008
Issue Date: 9/26/23
Reviewer: KCD
Drawn By: LPWKCD

A4.1



MEMORANDUM

TO: Planning Commission

FROM: Terry Schweitzer, Community Development Director

DATE: November 8, 2023

RE: Prospective Master Plan Amendment from Industrial to Commercial in the Northeast Quadrant of 52nd Street and Broadmoor Avenue (M-37)

The work session for the proposed master plan amendment from Industrial to Commercial in the Northeast Quadrant of 52nd Street and Broadmoor Avenue (M-37) took place on October 10, 2023. City staff and the applicant, Andrew Anderson, provided perspectives on the current Industrial land use designation for the properties as well as the relative merit, opportunities and development issues associated with the proposed commercial land use designation. In addition, each of the Planning Commissioners took part in a lengthy discussion concerning the request at hand. The topics of discussion included the rising popularity of the pickleball sport, the developer's desire for a site at least 4 acres in size and convenient interstate access, the relative scarcity of industrial real estate in the area, the relative value and viability of the site as an industrial versus commercial use, job creation and coordination of singular access onto 52nd Street and Broadmoor Avenue (M-37) shared between the properties under the control of the applicant and the two other properties immediately to the south.

In response to your requests, please see: the packet you received for the October 10, 2023, work session, a summary of the October 19, 2023, East Beltline Advisory Board meeting, and a memo from City Assessor Andy Johnson regarding industrial versus commercial land values. We are awaiting a memo from Tim Mroz, Senior Vice President, Community Development for The Right Place relating to industrial real estate supply and the feasibility of the industrial concept plan for the Andrew Anderson properties. The memo from Tim Mroz will be emailed to you, the applicant, and posted on the city's website as soon as it arrives.

STAFF REPORT October 5, 2023

PREPARED FOR: Kentwood Planning Commission

PREPARED BY: Terry Schweitzer

CASE NO.: 25-23 Master Plan Amendment NE Quadrant 52nd St and M-37

GENERAL INFORMATION

APPLICANT: Andrew Anderson
 2465 Cascade Springs Drive, SE
 Grand Rapids, MI 49546

APPLICANT
REPRESENTATIVE: Andrew Anderson

STATUS OF
APPLICANT: Petitioner by Way of Buy and Sell Agreement

REQUESTED ACTION: Amend Master Plan Designation from Industrial to Commercial

EXISTING ZONING OF
SUBJECT PARCEL: I-1 Light Industrial

GENERAL LOCATION: Northeast Quadrant of 52nd Street and Broadmoor Avenue (M-37)

PARCEL SIZE: 7 acres

EXISTING LAND USE
ON THE PARCEL: Vacant

ADJACENT AREA
LAND USE: N- Office
 S- Industrial Office/Warehouse
 E-Railroad Spur/Industrial Truck Terminal/Manufacturer
 W- Commercial Gas Station Convenience Store/Drive Through
 Restaurant

ZONING ON ADJOINING
PARCELS: All adjoining properties are zoned I-1 Light Industrial except for
 CPUD to the West

Proposal Overview:

The applicant, Andrew Anderson, has submitted a narrative dated 9/1/2023 as well as conceptual floor and site plans to build a pickleball and Wiffleball restaurant and recreational sports courts on properties addressed 5080, 5090, 5140 Broadmoor Avenue, SE and 4581 52nd Street, SE. The restaurant use would be permissible under the current I-1 Light Industrial zoning, subject to Special Land Use and Site Plan review and approval by the Planning Commission. Retail as

well as indoor and outdoor recreational uses are not permitted under the I-1 Light Industrial zoning.

Compatibility with Master Plan:

The Kentwood Master Plan designation for this site is industrial use. The proposed combination of uses is commercial in nature, thus the request to change the current land use designation.

Relevant Zoning Ordinance Sections:

Chapter 8 contains the Commercial/Office Districts. Chapter 10 contains the Industrial Districts.

Streets and Traffic

Broadmoor Avenue is a state trunkline, M-37, and across the frontage of the site it is a four-lane boulevard within a 205-foot-wide public right-of-way. The 52nd Street frontage is a five-lane arterial roadway within an 83-100-foot-wide public right-of-way. No direct left turns are allowed at the intersection as well as along the Broadmoor frontage.

Traffic Analysis

The magnitude of this proposed land use change, especially along the M-37 State Trunkline, warrants a comprehensive review including the Michigan Department of Transportation MDOT, KCRC and the neighboring Four Corner communities. We will work through the Grand Valley Metro Council to assemble a meeting of the East Beltline Zoning Advisory Committee.

The attached narrative submitted by the applicant details their reasoning for the proposed land use change. Their site selection process put a high premium on locations proximate to a highway interchange to be readily accessible to the entire metro area.

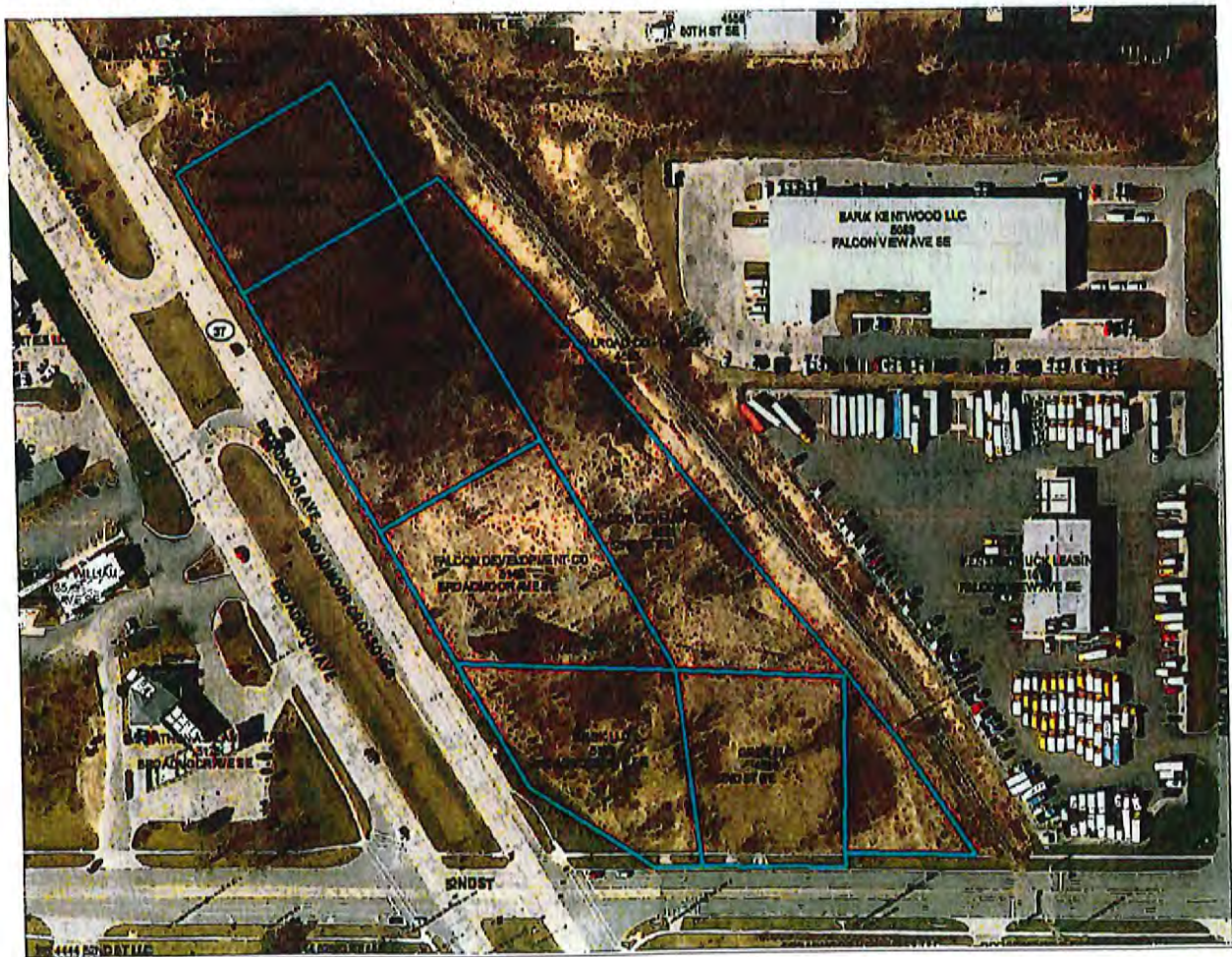
Regardless of the land use designation, there is a need to rely upon access control standards relative to the intersection of a major arterial street and a state trunkline as well as safely distancing private driveways from the boulevard median openings administered by MDOT and KCRC. We are seeking guidance from our road agency partners to ascertain what type of traffic analysis may be desirable/necessary to factor into the project review.

Staff Analysis

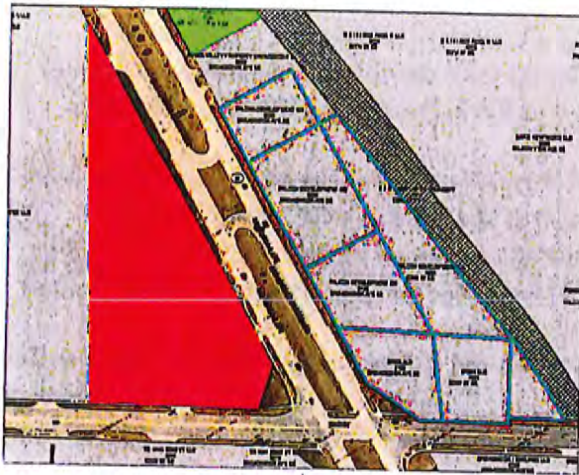
1. The 2000 Kentwood Wireless Communications Plan identified this northeast quadrant of Broadmoor and 52nd Street as one of the eight preferred cell tower sites within the city limits. The effect of the plan was to encourage tower providers and wireless communications service providers to first consider preferred sites before other possible sites within the city. Furthermore, the designated sites were allowed towers by right. We recently contacted airport staff and learned that the cell tower concept would be subject to FAA Part 77 restrictions.
2. The primary staff concern relates to the availability of land suitably zoned to support industrial development in Kentwood and the greater Grand Rapids area. A recent Crains Grand Rapids Business article dated August 8, 2023, highlighted the scarcity of available industrial real estate in the West Michigan area. We reached out to Tim Mroz, the Senior Vice President of Community Development with The Right Place for their perspective on the availability of industrial properties. He provided us with the attachments to this staff report describing the industrial vacancy rates in the southeast portion of the Grand Rapids Metro area through the second quarter of 2023 from the viewpoint of JLL and NAI Wisinski of West Michigan. Mroz also provided the

2023 The Right Place Development Report which described their pursuit of build-ready industrial sites.

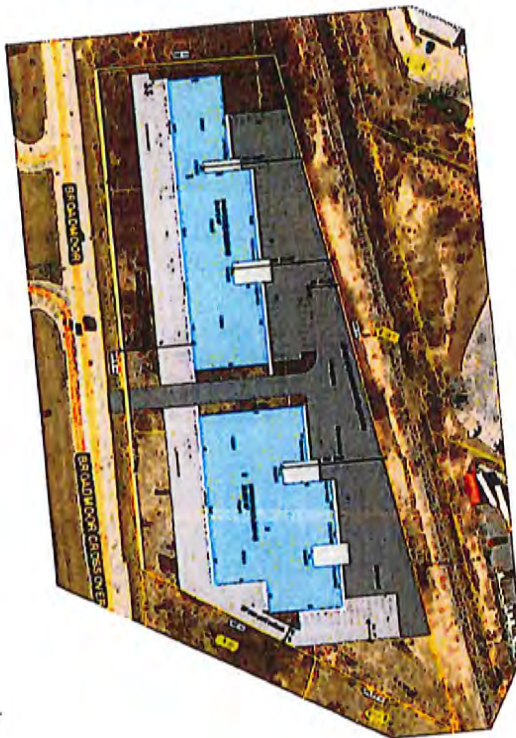
3. The current amount of industrially zoned land in Kentwood is approximately 2760 acres and it is a major component of the city's tax base. Working with the City Assessor's Office we have identified the subject site as well as 6 others that appear to be vacant and available for industrial development according to the Commercial Alliance of Realtors website. However, these sites only range from 1-10 acres in size.
4. The site of the Veneklasen Construction industrial development along the east side of Broadmoor Avenue, just south of 52nd Street is arguably configured like this northeast corner. It is not unreasonable to expect that a similar industrial development would likewise be successful. We recently received a concept plan from a group considering this northeast corner for two industrial buildings of between 34,000 and 38,000 square feet in area.
5. Planning staff feels the land use designation for this site and the two properties immediately to the south should continue to be consistent and if the land use designation is changed to commercial, the properties should be developed as part of a commercial PUD. Given this location at the intersection of an arterial street and a state trunkline, access onto Broadmoor Avenue and 52nd Street should be integrated.
6. Area outlined in blue is the Anderson property and the corner properties that should likewise be considered for the same change.



7. Current Land Use Designations



8. Recently Submitted Concept Plan

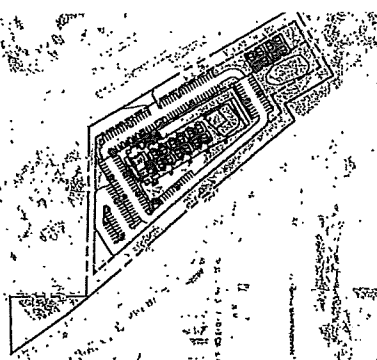


I am proposing a change to the Master Plan, and if that succeeds, the rezoning of 5080,5090, 5140 Broadmoor Ave. SE and 4581 52nd St. SE located in the city of Kentwood. I am seeking these changes so that I can build a pickleball and Wiffle® ball restaurant and recreational sport courts social club. Currently, restaurants are permitted in L1 zoning. However, sport courts, like the ones I want to include with my restaurant, are not included in L1 zoning.

Therefore, I am asking the Planning Commission to change their master plan for the above addresses so that I can build my restaurant and recreational sport courts social club that will cater to people who want to play pickleball and Wiffle® ball, (inside and out) and/or who are looking for a great meal in the surrounding area or on the way to the airport.

My restaurant will include six indoor pickleball courts as well as an indoor regulation-size Wiffle® Ball field. I will also have four outdoor pickleball courts and outdoor seating. Besides the pickleball courts and Wiffle® ball field, I will have a bar and restaurant for the surrounding "working" community that will serve burgers, sandwiches, soups, and salads; hence a gathering place. I will also offer a juice bar as well as small "pro shop." The second story of the building will have a conference room for corporate events that will overlook the indoor pickleball courts. This building will be a standard steel industrial building. This restaurant will add a much-needed eatery away from the busy 28th St. corridor and add to the growing evidence that Kentwood is a great community to live, work, and play.

Thank you. Andy Anderson

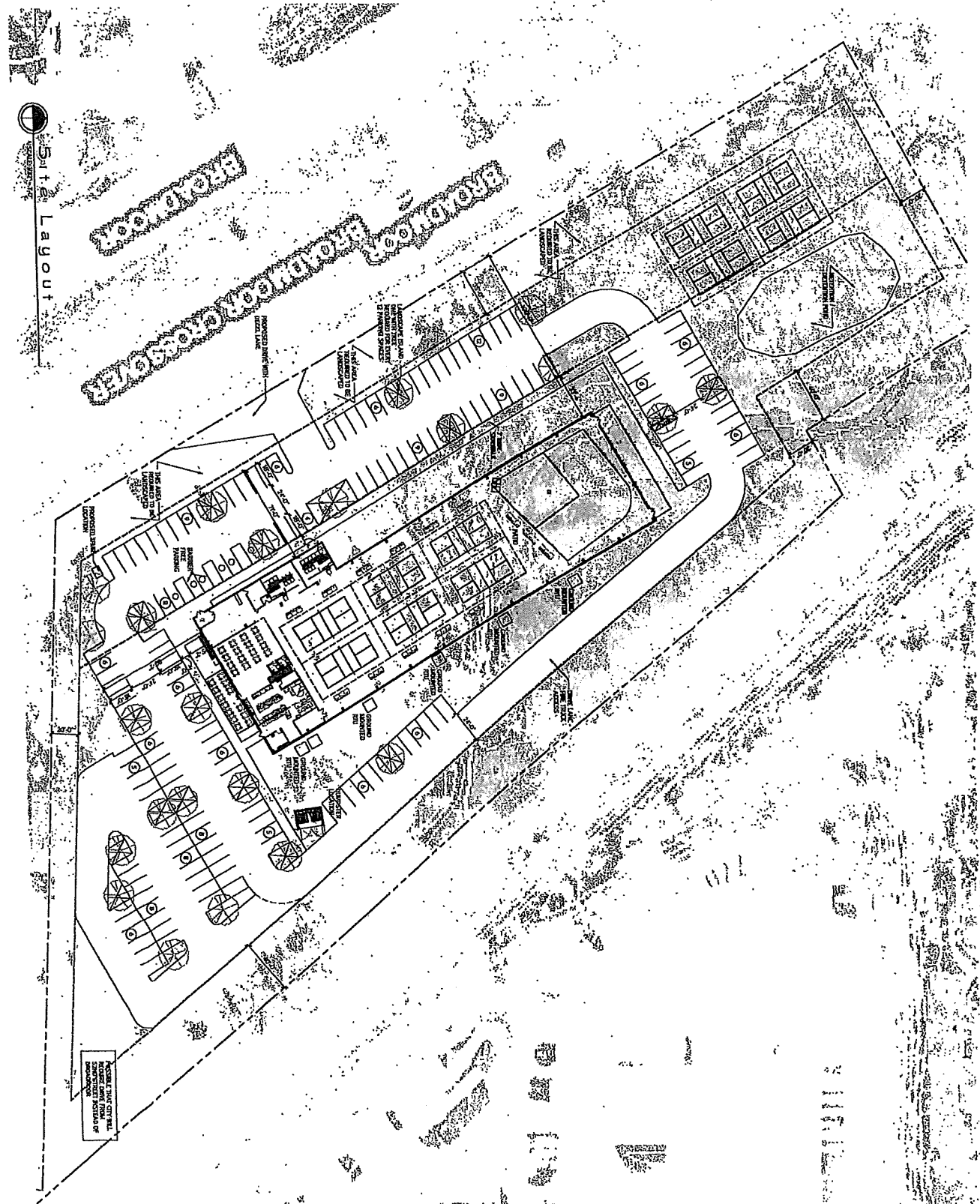


Site Layout

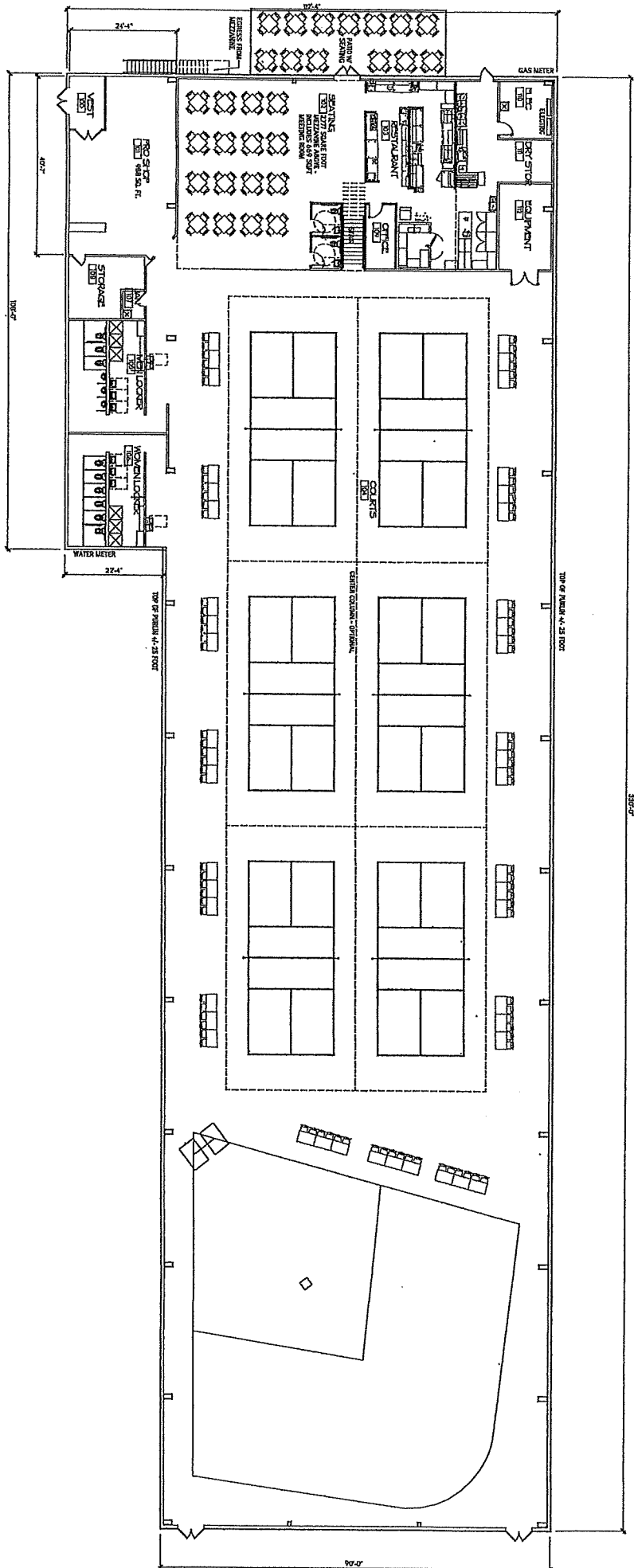
PARKING STANDARDS
 GARAGE/RETAIL/RECREATION - APPROX. 4 SPACES PER 1,000 SQ. FT.
 OFFICE/RETAIL - APPROX. 1 SPACE PER 300 SQ. FT.
 RESTAURANT - APPROX. 1 SPACE PER 300 SQ. FT.
 HOTEL - APPROX. 1 SPACE PER 300 SQ. FT.
 STORAGE - APPROX. 1 SPACE PER 300 SQ. FT.

PARKING ZONING
 GARAGE/RETAIL/RECREATION - APPROX. 4 SPACES PER 1,000 SQ. FT.
 OFFICE/RETAIL - APPROX. 1 SPACE PER 300 SQ. FT.
 RESTAURANT - APPROX. 1 SPACE PER 300 SQ. FT.
 HOTEL - APPROX. 1 SPACE PER 300 SQ. FT.
 STORAGE - APPROX. 1 SPACE PER 300 SQ. FT.

TOTAL SPACES	77 SPACES
PERMITTED	77 SPACES



Site Layout



First Floor Plan
Scale: 1/8" = 1'-0"
2024.01.15.10.00

West Michigan industrial real estate remains scarce as demand eases

Danielle Nelson

August 8, 2023

Prime industrial real estate along U.S. 131 near Byron Center. Credit: Courtesy of Brian Silvernail, Byron Center Real Estate
Industrial real estate vacancies increased slightly in areas of West Michigan during the second quarter, though experts say opportunities for industrial buildings and vacant land remain scarce.

Quarterly reports from local brokerages indicate industrial vacancy rates between 1.6% and 2.9%, covering areas that span the lakeshore to M-66 east of Grand Rapids.

Colliers International's West Michigan office, for example, reported a slight vacancy rate increase, from a record low of 2.1% in the first quarter to nearly 2.7% in the second quarter of this year.

Keep up with all things West Michigan business. Sign up for our free newsletters today.

NAI Wisinski of West Michigan reported a 1.8% overall vacancy rate across five submarkets of West Michigan, from Muskegon to Saugatuck along the lakeshore to around Greenville and Hastings east of Grand Rapids.

Chris Prins, partner and senior vice president of industrial brokerage at NAI Wisinski of West Michigan, noted that a "continued supply issue" for both sales and leases is the main factor affecting the region's industrial market.

"There are simply not enough industrial buildings on the market for sale or for lease," Prins wrote in a recent second-quarter market report. "Common sense would tell you that the solution would be to construct more industrial buildings. However, with rising interest rates, high construction costs and a shortage of industrial vacant land, the rent required to make the overall project cost viable is keeping several developers on the sidelines. ... Without the economies of scale that come along with constructing a large building, it is difficult to get construction costs down to where it makes sense relative to market rents."

Randy Bronkema, owner of Grandville-based Independence Realty, noted that the acceleration of demand for industrial facilities that was driven by low interest rates is now starting to balance out.

"We are starting to see more buildings on the market and a little bit more marketing time," he said. "We are going to go back to a little more buyer-seller market versus buildings that were put on the market and were selling more or less instantly."

Bronkema added that "location, location location" remains the primary driver of whether industrial buildings and properties are leased or sold.

Prime locations

With prime industrial buildings generally located near freeways, Bronkema said that the M-6 interchange near Byron Center and M-37 through Kentwood have been growing, along with areas around the Gerald R. Ford International Airport. Areas in Walker near Fruit Ridge Avenue also have experienced strong industrial growth, according to local brokers.

Grand Rapids-area submarkets such as downtown, northeast and outside of the metro area have vacancy rates below 1%, according to Colliers. The southwest

and northwest submarkets have vacancy rates of 2.2% and 1.6%, respectively. The southeast metro area boasts the highest vacancy rate of 5%, according to Colliers.

Multiple brokerages also noted American Seating Co.'s recent announcement that it is relocating its office and manufacturing operations from the west side of the city of Grand Rapids to a former Steelcase building on the city's south side. Company officials said future plans for American Seating's legacy manufacturing operations, which has shrunk over the years, is still undetermined.

Meanwhile, brokers also reported an increase in overall asking lease rates during the second quarter. Asking lease rates are trending upward, ranging from \$4.94 to \$6.59 per-square-foot. Brokers at real estate services firm JLL noted that a \$4.94 per-square-foot average asking rent during the second quarter is a 15.9% increase from the same period last year.

As well, the region's low supply of industrial space has contributed to increased activity in the sublease market this quarter, according to Advantage Commercial Real Estate.

"As the supply of new space stays low, companies look to absorb current space through subleasing. This surge is reflected in the absorption of sublease space over the past few months," according to Advantage Commercial Real Estate's second-quarter market report.

Of more than 805,000 square feet of sublease space listed at the start of the second quarter, more than 272,074 has been absorbed.

"This level of sublease absorption is truly remarkable, especially when compared to previous sublease reports. Over the past two years, excluding this quarter, only 203,557 (square feet) of sublease transactions were reported, further highlighting the significance of this quarter's numbers," according to Advantage Commercial Real Estate.

Construction on an industrial property between 84th Street and 100th Street south of Grand Rapids. Credit: Courtesy of Brian Silvernail, Byron Center Real Estate

Land scarcity, new construction

The latest quarterly reports also indicate ongoing strong demand for land amid a scarcity of ready-to-build properties throughout West Michigan.

"In the south Grand Rapids area, going to Byron Center ... there is a major demand for industrial properties," said Brian Silvernail, owner of Byron Center Real Estate. "However, there is very little availability of (land) that just doesn't have zoning for industrial properties, but also the infrastructure, meaning the sewer and water in particular, that would facilitate industrial facilities."

Some notable Grand Rapids-area construction starts in the second quarter include:

- Holland-based Enviro-Clean Services **started construction** on a new facility at 1151 44th St. in Grand Rapids. The 47,000-square-foot building will consist of 17,000 square feet for their business and roughly 30,000 square feet of spec industrial space for other tenants.
- Ada-based Ascent Fine Cabinetry **acquired a 2.1 acre parcel** in the Walker View Industrial Park in Walker to roughly triple the size of its manufacturing footprint. Company officials plan for 15,600 square feet of new space with a potential future expansion up to 31,000 square feet.
- Robert Grooters Development Co. **broke ground** on its new speculative industrial building in Gaines Township. The more than \$9 million facility will add nearly 200,000 square feet of industrial space to the market for new companies or those looking to expand in southeast Grand Rapids.

Silvernail noted that increases in land prices are prevalent, regardless of whether they're close to a freeway, because of a lack of land with industrial zoning and utilities.

Design plans for Enviro-Clean's new Grand Rapids office, which will include 30,000 square feet of speculative industrial space. Credit: Courtesy of Enviro-Clean Services Inc.

"Right now, I have an industrial piece of land between 84th Street and 100th Street that a sewer line is being brought to," he said. "The water line is there. It is already zoned, and it does front the freeway. I am advising my client to put the pricing at \$200,000 per acre. Typically, in the past, that was more of an office-type price for land, not industrial. In the past, it was hovering at or around the \$100,000 mark. Now it is at the \$150,000 watermark. For land on the freeway, it goes up from there."

Meanwhile, Colliers forecasts that the development pipeline should catch up in late 2023. The firm's quarterly report also notes that with the relatively small amount of new construction, vacancy rates should remain low throughout the next few years, and growth will continue in submarkets with highway access and near the airport.

"The future of West Michigan is very strong," Bronkema said. "It has been strong, and it will probably continue to be strong because we are somewhat of a niche market. We are small, but then we are big if you add all of our suburban cities to it. Our businesses are diverse. We have grown and adapted to our current economy and current global situations, so I think we are going to be strong."

More from Crain's Grand Rapids Business:

LG Energy Solution 'seriously considering' Holland for North American HQ

Construction outlook strong at mid-year, though industry leaders forecast 2024 slowdown

Former HopCat owner sells vacant Grand Rapids property to another restaurateur

- **TAGS**
- Advantage Commercial Real Estate
- Colliers International West Michigan
- industrial real estate
- NAI Wisinski of West Michigan

Previous articleMichigan dangles \$150M toward restarting nuclear plant, but what else would it take?

West Michigan

West Michigan industrial market holds steady in Q2 amid strong fundamentals

- Automotive related activity continues to gain traction, as LG Energy Solution nears completion on their expansion and Gotion will move forward with their own \$2.4 billion battery plant in Big Rapids.
- Average asking rents continue to trend upward toward \$5.00 p.s.f., currently at \$4.94 p.s.f., up 15.9% year-over-year.**
- American Seating is relocating their manufacturing operations from the West Side of Grand Rapids to the former Steelcase Campus on the south side.

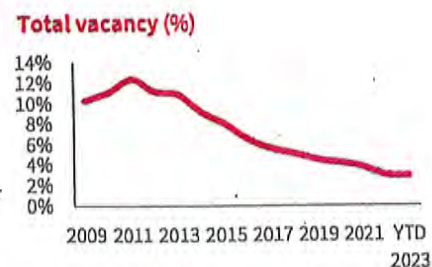
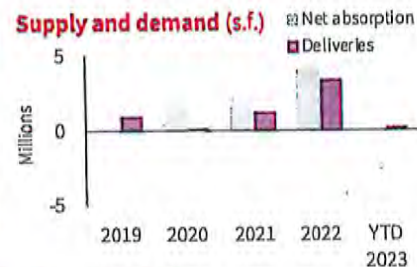
The second quarter saw total vacancy hold steady at 2.9% in the West Michigan industrial market as there was an absence of major leasing activity once again. The bulk of leasing activity was made up of smaller and mid-sized transactions and move-ins. American Seating is relocating their manufacturing operations from the West Side of Grand Rapids to the former Steelcase Campus on the south side, while in May, Axis Automation moved into their 75,000 s.f. space in Walker. In Kentwood, GrandStone Imports signed a 50,000 s.f. lease, and in Kalamazoo, Gaishin Manufacturing is taking space at 5200 Cork Street. **Average asking rents continue to trend upward toward \$5.00 p.s.f., currently at \$4.94 p.s.f., up 15.9% year-over-year.**

Automotive related activity continues to gain traction, as LG Energy Solution nears completion on their expansion to produce lithium-ion batteries in Holland and Gotion officially will move forward with their own \$2.4 billion battery plant in Big Rapids north of Grand Rapids. The development pipeline remains strong, with over 1.9 m.s.f. under construction across the region. Grooters Development and Honeycrisp Ventures remain active players, and we should expect to see additional projects break ground throughout the year given the strong fundamentals in the market. Expansion activity also remains prevalent with users such as Evapco Select Technologies, RoMan Manufacturing and Apex Controls all investing millions to expand operations in the region.

Outlook

Moving forward, we can expect the strong fundamentals in the West Michigan market to remain. Automotive and EV related investment will drive activity in the region moving forward, as suppliers will plant their flag near the large-scale manufacturing developments. It will be interesting to keep an eye on pre-leasing activity in the current pipeline as current projects deliver and additional projects break ground.

Fundamentals	Forecast
YTD net absorption	-16,728 s.f. ▲
Under construction	1,941,800 s.f. ▲
Total vacancy	2.9% ▼
Sublease vacancy	859,019 s.f. ►
Direct asking rent	\$4.94 p.s.f. ▲
Sublease asking rent	\$5.31 p.s.f. ▲
Concessions	Stable ►



JLL Research Report

Industrial Statistics

	Inventory (\$B)	Quarterly total net absorption (\$B)	VTD total net absorption (\$B)	VTD total net absorption (% of stock)	Total occupancy (%)	Total availability (%)	Average total asking rent (\$/sq ft)	Quarterly completions (k sq ft)	VTD Completions (k sq ft)	Under construction (k sq ft)
West Michigan total										
Warehouse & Distribution	115,427,644	198,218	276,524	0.2%	2.9%	4.4%	\$5.08	95,130	95,130	1,521,800
Manufacturing	132,567,124	-135,118	-293,252	-0.2%	2.9%	2.9%	\$4.82	0	131,872	420,000
Overall Total	247,994,768	63,100	-16,728	0.0%	2.7%	3.6%	\$4.97	95,130	227,002	1,941,800
Northeast Grand Rapids										
Warehouse & Distribution	7,022,132	0	39,600	0.6%	0.8%	0.8%	\$7.95	0	0	0
Manufacturing	8,305,146	-1,668	64,830	0.8%	0.5%	0.5%	\$5.75	0	79,498	0
Overall Total	15,327,278	-1,668	104,430	0.7%	0.6%	0.6%	\$6.16	0	79,498	0
Northwest Grand Rapids										
Warehouse & Distribution	10,421,723	-11,910	324,519	3.1%	2.2%	2.8%	\$5.45	0	0	200,000
Manufacturing	12,966,533	161,732	156,732	1.2%	1.9%	3.2%	\$5.24	0	0	0
Overall Total	23,388,256	149,822	481,251	2.1%	2.0%	3.0%	\$5.34	0	0	200,000
Southeast Grand Rapids										
Warehouse & Distribution	35,289,958	283,630	383,800	0.8%	3.0%	4.8%	\$4.63	95,130	95,130	228,800
Manufacturing	28,898,824	-68,019	-104,544	-0.4%	3.5%	5.4%	\$4.28	0	0	0
Overall Total	64,188,782	215,611	279,256	1.2%	3.2%	5.1%	\$4.46	95,130	95,130	228,800
Southwest Grand Rapids										
Warehouse & Distribution	15,062,812	9,150	-122,500	-0.8%	2.8%	2.8%	\$4.52	0	0	0
Manufacturing	28,333,102	232,100	186,643	0.7%	1.0%	1.0%	\$5.13	0	0	0
Overall Total	43,395,914	241,250	64,143	0.1%	1.7%	1.7%	\$4.73	0	0	0
Southwest Michigan										
Warehouse & Distribution	22,990,724	-281,500	-257,310	-1.1%	5.2%	9.3%	\$5.53	0	0	1,035,000
Manufacturing	24,164,999	-401,289	-554,773	-2.3%	4.6%	4.2%	\$5.16	0	0	420,000
Overall Total	47,155,723	-682,789	-812,083	-1.7%	4.9%	6.7%	\$5.41	0	0	1,455,000
West Shore										
Warehouse & Distribution	24,630,295	218,848	108,312	0.4%	1.6%	1.9%	\$4.80	0	0	60,000
Manufacturing	29,898,420	-57,974	-42,140	-0.1%	1.9%	1.9%	\$5.49	0	52,374	0
Overall Total	54,528,715	160,874	66,172	0.1%	1.8%	1.9%	\$5.22	0	52,374	60,000



NAI Wisinski of
West Michigan

Q2'
2023

INDUSTRIAL

WEST MICHIGAN
MARKET REPORT

Office • Industrial • Retail • Multifamily • Investment

GRAND RAPIDS THE MARKET



Grand Rapids is the state's second-largest city, located between Chicago and Detroit in western Michigan.



1,109,533

TOTAL POPULATION



130+

INTERNATIONAL COMPANIES



\$74,743

MEDIAN HOUSEHOLD
INCOME



37.2

MEDIAN AGE

Grand Rapids-Kentwood, MI Metropolitan
Statistical Data.

Source: U.S. Census Bureau,
The Right Place

INDUSTRIAL MARKET TRENDS

There are several items that are impacting the current West Michigan industrial real estate market. The main one being a continued supply issue both on the sale and lease side. There are simply not enough industrial buildings on the market for sale or for lease. Common sense would tell you that the solution would be to construct more industrial buildings. However, with rising interest rates, high construction costs and a shortage of industrial vacant land, the rent required to make the overall project cost viable is keeping several developers on the sidelines. There are a few speculative industrial projects in the works, but only a few. In order to make construction numbers work relative to market rent numbers, the speculative buildings being built are larger in scale and divisible to around 50,000 square feet. Which means the pipeline of speculative industrial buildings divisible in the 5,000-30,000 square foot range is bare. Without the economies of scale that come along with constructing a large building, it is difficult to get construction costs down to where it makes sense relative to market rents.

The other side of the coin is industrial vacancy rates are around 1.8%, lease rates and building values keep increasing, and there is strong demand for industrial space. Some of this demand is coming from manufacturers, but a high percentage is logistics and distribution related. The supply chain issues we've experienced over the last 24 months seem to be improving, and inflation is heading in the right direction. These are all good indicators of a strong industrial real estate market.

Another effect on the current market conditions is the necessity for buyers and tenants to give themselves ample time to find the right building. Due to the low number of buildings currently on the market, it is taking longer than ever to find the right building, and it is important for buyers and tenants to plan accordingly. Companies who need space are having to be creative. Often this involves modifying, reconfiguring, or even adding on to a building to fit their needs. There are also a lot of properties that sell prior to even hitting the market. Knowing about available off-market properties is a big advantage for prospective tenants and buyers.

The best way to put yourself in a position to know about off-market opportunities is to work with an experienced real estate team. The industrial team at NAI Wisinski is the largest and most experienced in our market. Our team of 16 industrial agents have an average of more than 22 years of experience serving industrial real estate clients throughout West Michigan and Southwest Michigan. If you are looking to sell, purchase, or lease an Industrial Building, please contact us and let our experience and market knowledge begin working for you.



CHRIS PRINS, SIOR

Partner, Senior Vice President
Industrial Brokerage

NOTABLE INDUSTRIAL TRANSACTIONS



LEASED

200 MAPLE ST. NW,
SPARTA
59,568 SF



LEASED

5275 68TH ST. SE, SUITE 4
CALEDONIA
25,920 SF



LEASED

5300 BROADMOOR AVE. SE,
SUITE D, GRAND RAPIDS
50,000 SF



LEASED

692 8TH S ST.,
KALAMAZOO
15,600 SF



LEASED

41 BUCKLEY ST. SW, SUITE B
GRAND RAPIDS
9,190 SF



SOLD

1154 COMSTOCK ST.,
MARNE
8,512 SF

MARKET ACTIVITY

- › American Seating Co. is moving its longtime manufacturing operation and offices from Grand Rapids' west side to the former SteelCase campus on the city's south side to be closer to major freeways and the airport among other reasons. The company hopes that the nearly 4 million-square-foot campus, with plans to renovate, will help recruit more employees.
- › Education-focused furniture manufacturer MIEN Co. is repurposing part of the former Baker Furniture site along the Grand River into the company's new headquarters. This includes redeveloping an existing 131,000-square-foot industrial building as well as adding 50,000 square feet of office space at 1661 Monroe Ave. NW.
- › A Kentwood-based development firm, Grooters Development Company, begins construction on a 200,000-square-foot industrial building on 60th Street SE near Patterson Avenue in Gaines Township. The projected cost estimate is more than \$9 million and will host multiple businesses who need space for distribution, warehousing and logistics, or light manufacturing.

Q2' 2023

WEST MICHIGAN INDUSTRIAL SUBMARKET STATISTICS

Methodology: The industrial market report includes industrial buildings within each of the defined submarkets. Excluded are government buildings and institutional properties.

SUBMARKET	TOTAL RBA	VACANT AVAILABLE SF	VACANCY RATE	TOTAL AVERAGE NNN RATE (\$/SF/YR)	TOTAL NET ABSORPTION (SF)
Lakeshore					
Warehouse	20,309,948	224,413	1.1%	\$3.97	142,338
Manufacturing	32,557,592	523,682	1.6%	\$6.01	134,496
Hightech Flex	1,530,829	39,373	2.6%	\$8.82	290,498
Total	54,398,369	787,468	1.4%	\$6.01	567,332
Northeast					
Warehouse	5,988,171	0	0%	\$4.95	10,381
Manufacturing	8,122,739	49,715	0.6%	\$4.72	307,366
Hightech Flex	588,627	0	0%	\$7.95	1,400
Total	14,699,537	49,715	0.3%	\$4.94	319,147
Northwest					
Warehouse	5,786,046	59,322	1.0%	\$4.73	11,814
Manufacturing	14,499,137	285,986	2.0%	\$6.11	53,146
Hightech Flex	1,076,496	24,678	2.3%	\$7.25	0
Total	21,361,679	369,986	1.7%	\$5.79	64,960
Southeast					
Warehouse	24,324,389	302,151	1.2%	\$5.52	8,027
Manufacturing	26,587,434	1,201,122	4.5%	\$6.45	50,333
Hightech Flex	3,132,987	29,411	0.9%	\$9.21	7,919
Total	54,044,810	1,532,684	2.8%	\$6.19	66,279
Southwest					
Warehouse	8,833,039	64,838	0.7%	\$7.73	-32,938
Manufacturing	23,249,841	440,794	1.9%	\$5.03	167,578
Hightech Flex	745,605	0	0%	\$4.50	0
Total	32,828,485	505,632	1.5%	\$5.74	134,640
Total Overall	177,332,880	3,245,485	1.8%	\$5.69	1,152,358

Industrial Statistical Changes Year-over-Year and Quarter-over-Quarter

2Q23 vs. 2Q22



NET ABSORPTION

VACANCY RATE



CONSTRUCTION



ASKING RATES

2Q23 vs. 1Q23



NET ABSORPTION

VACANCY RATE



CONSTRUCTION

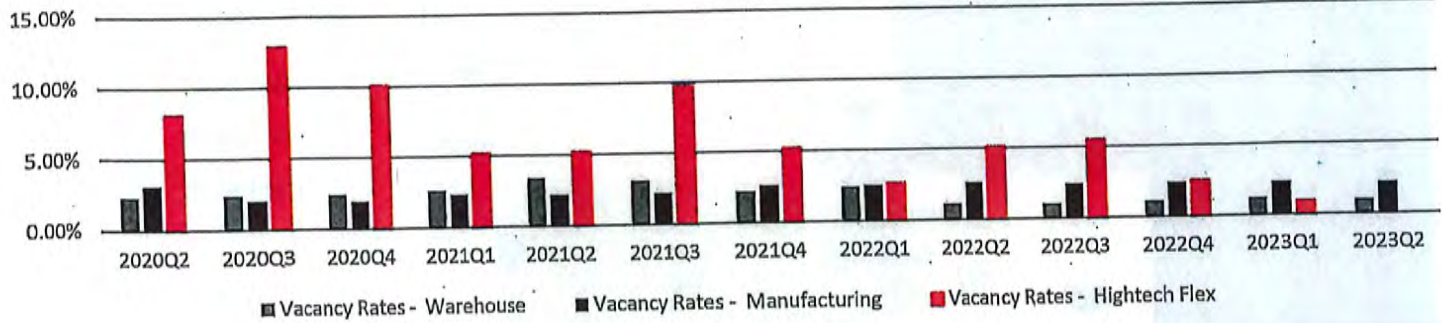


ASKING RATES

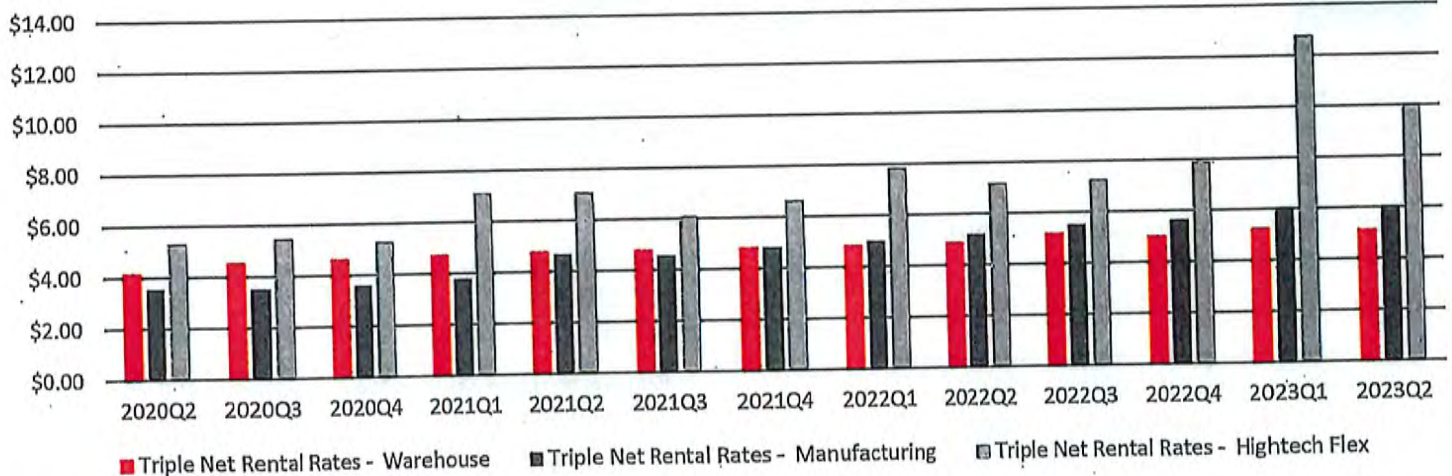
*Disclaimer: Historical data figures are subject to change based upon the timing of when CoStar receives market information. NAWWM uses the numbers available at the time each quarterly report is published.

INDUSTRIAL OVERALL MARKET REPORT

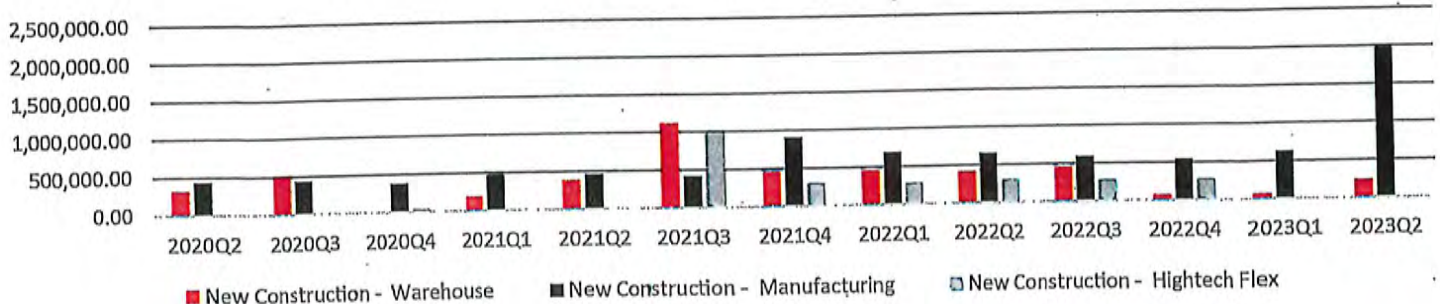
Vacancy Rate



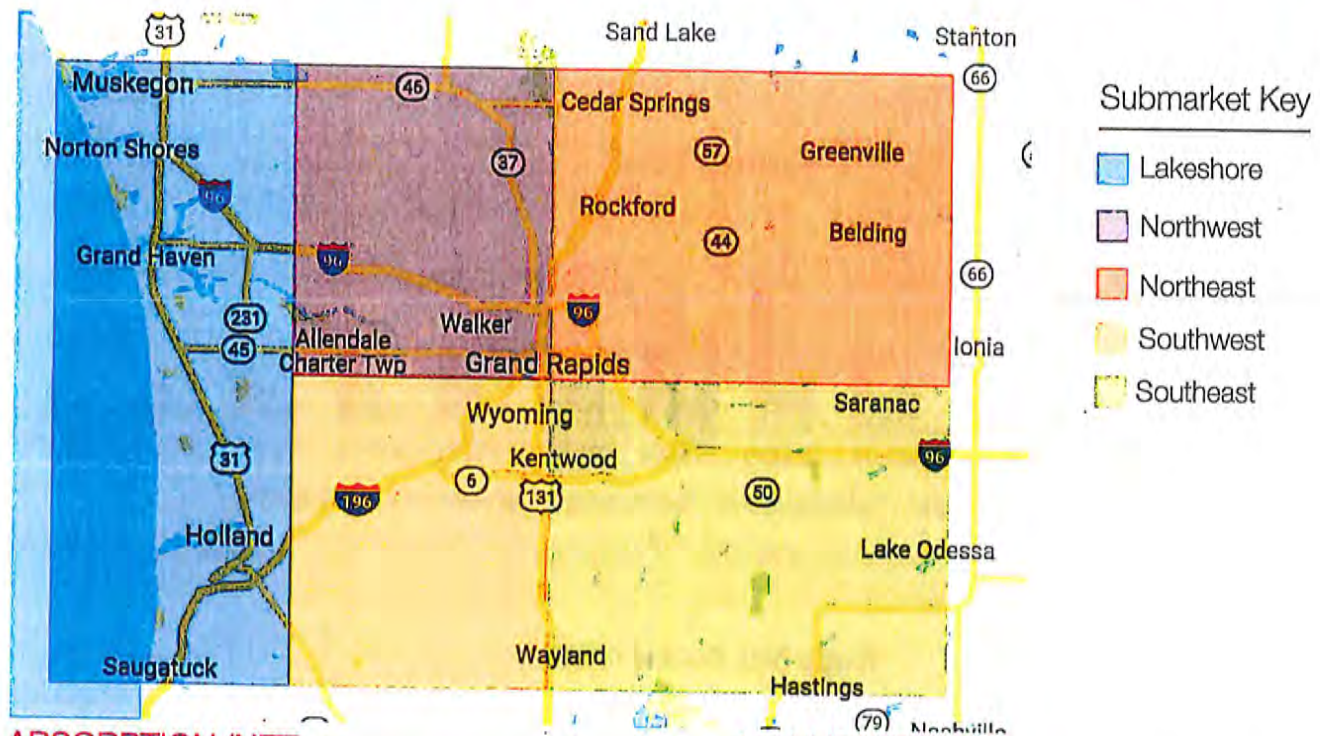
Triple Net Rental Rates



New Construction



METHODOLOGY | DEFINITIONS | SUBMARKET



ABSORPTION (NET)

The change in occupied space in a given time period.

AVAILABLE SQUARE FOOTAGE

Net rentable area considered available for lease; excludes sublease space.

AVERAGE ASKING RENTAL RATE

Rental rate as quoted from each building's owner/management company. For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NN basis.

BUILDING CLASS

Class A Product is office space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office space built after 1980, fair to good finishes & wide range of tenants.

DELIVERIES

Buildings that have their certificate of occupancy and are allowed to be moved into by the tenant/purchaser.

HIGHTECH FLEX

This type of space is only found in Flex buildings. It can be used as office, medical, industrial, warehouse, distribution, quasi-retail, or research and development space.

MANUFACTURING

A sub-type of industrial building primarily used for manufacturing products. May also include warehousing or distribution areas.

RBA

Rentable Building Area - mainly used for office and industrial.

SF/PSF

Square foot/per square foot, used as a unit of measurement.

UNDER CONSTRUCTION

Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place.

VACANCY RATE

All physically unoccupied lease space, either direct or sublease.

WAREHOUSE

A secondary type of industrial building generally used for storage and or distribution.

*The Lakeshore submarket was expanded to include Muskegon, MI.

OUR TEAM

NAI Wisinski of West Michigan was formed in the spring of 2011 when NAI West Michigan merged with The Wisinski Group. This merger brought together two successful, reputable companies to form what is now the largest independently owned commercial real estate firm in West Michigan.

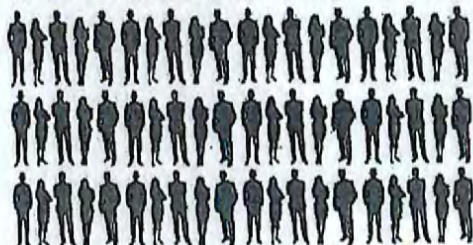
Our focus is simple: building client relationships for life. We do this by utilizing the rich diversity of skills and specialties of our agents and staff, actively listening to our clients, offering market appropriate advice, providing access to the industry's most current and proven technologies, and delivering the best possible service to each and every client. NAI Wisinski of West Michigan is headquartered in Grand Rapids, MI and maintains a second location in Kalamazoo, MI. Our company provides all facets of commercial real estate services, including brokerage and property management, throughout the entire West Michigan region.

Through our relationship with NAI Global, we have access to over 300 affiliate offices throughout the world.
NAI Wisinski of West Michigan: Local Knowledge, Global Reach, Achieve More.

BY THE NUMBERS

REAL ESTATE PROFESSIONALS

52



6

CCIM

DESIGNEES

8

SIOR SIOR

DESIGNEES

INDUSTRIAL SPECIALISTS

Jim Badaluco, SIOR
616.575.7029
jimbad@naiwwm.com

Joel Burgess
616.242.1112
joelb@naiwwm.com

Dane Davis
269.459.0434
daned@naiwwm.com

Jack Garrett
616.242.1111
jackg@naiwwm.com

Joshua Jacobs
269.459.0430
joshua@naiwwm.com

Stu Kingma, SIOR
616.575.7022
skingma@naiwwm.com

Kurt Kunst, CCIM, SIOR
616.242.1116
kurtk@naiwwm.com

Bob Lotzar
616.575.7041
bobl@naiwwm.com

Jodi K. Milks, CCIM
269.207.1040
jodim@naiwwm.com

Chris Prins, SIOR
616.242.1107
chrisp@naiwwm.com

Noah Rachor
616.242.1126
noahr@naiwwm.com

Connor Shultze
269.459.0435
connors@naiwwm.com

Kara Schroer, CCIM
269.459.0435
karas@naiwwm.com

Dave Smies, CCIM, SIOR
616.242.1122
daves@naiwwm.com

Doug Taatjes, CCIM, SIOR
616.242.1117
doug@naiwwm.com

Chadwick Versluis, SIOR
616.242.1125
chadv@naiwwm.com

NAI Wisinski of West Michigan

COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

Grand Rapids Office

100 Cesar E. Chavez Suite 100
Grand Rapids, MI 49503
616.776.0100

Kalamazoo Office

1803 Whites Rd Suite 2
Kalamazoo, MI 49008
269.353.0311



naiwwm.com

THE RIGHT PLACE

DEVELOPMENT REPORT



2023

SUMMARY

Greater Grand Rapids offers a high-growth, cost-competitive environment to take development projects from concept to concrete. The industrial market is primed with demand for build-ready sites. Likewise, vibrant communities and a growing population present countless opportunities for commercial development. Meanwhile, Greater Grand Rapids is in the midst of a housing boom, with studies indicating a 35,000-unit shortfall, equating to significant growth opportunities for multifamily developers and residential builders alike.

Note on the data: Greater Grand Rapids refers to the Grand Rapids-Kentwood metropolitan statistical area (MSA), which includes Kent, Ionia, Montcalm, and Ottawa counties.



CURRENT DEVELOPMENT CLIMATE

Office

Greater Grand Rapids witnessed several new major office projects recently, including the launch of both Perrigo's and Acrisure's downtown headquarters and the Michigan State University Grand Rapids Innovation Park. These major projects helped contribute to a nearly 6 percent increase in total inventory from approximately 12.6 million s.f. in 1Q22 to nearly 13.4 million s.f. in 1Q23. With the addition of this new premium space, direct asking rents increased over the past year, rising 5 percent to \$21.57 per s.f. Vacancies edged up, increasing more than two percent. At the same time, the post-Covid remote work trend continues, with the sublease market expanding as companies contemplate their office strategy. The office construction pipeline was largely expended with the large development projects noted above. As of 1Q23, approximately 11,000 s.f. of new office space is slated to come online in the coming months.

Key Metrics	Q1 2022	Q1 2023	Change
YTD Net Absorption	-33,761 s.f.	-38,094 s.f.	↓
Existing Supply	12,622,564 s.f.	13,365,446 s.f.	↑
Under Construction	421,000 s.f.	10,812 s.f.	↓
Total Vacancy	11.5%	13.7%	↑
Direct Asking Rent	\$20.48 p.s.f.	\$21.57 p.s.f.	↑

Source: JLL U.S. Office Insights

Industrial

The Greater Grand Rapids industrial market remains robust in 2023 with numerous projects, including Speed Rack Products Group and Amazon's Warehouse and Distribution Center, driving an additional 2.5 million s.f. of industrial space from 1Q22 to 1Q23. At the same time, total vacancy rates have edged down slightly from 3.2 percent in 1Q22 to 3 percent in 1Q23, while direct asking rents increased nearly 2 percent from \$4.35 per s.f. in 1Q22 to \$4.43 per s.f. in 1Q23. The construction pipeline currently sits at approximately 500,000 s.f. as of 1Q23.

Key Metrics	Q1 2022	Q1 2023	Change
YTD Net Absorption	716,339 s.f.	144,168 s.f.	↓
Existing Supply	143,660,369 s.f.	146,888,883 s.f.	↑
Under Construction	1,712,000 s.f.	521,930 s.f.	↓
Total Vacancy	3.2%	3%	↓
Direct Asking Rent	\$4.35 p.s.f.	\$4.43 p.s.f.	↑

Source: JLL U.S. Industrial Insights

Retail

Major brands and retailers continue to choose Greater Grand Rapids as a place to do business. Over the past year, brands including HomeGoods, Sierra Trading Post, and Whole Foods have established retail presences in the region. Moreover, smaller retailers including Gazelle Sports and numerous restaurants continue to open shop around the area. These projects led to a 112,000 s.f. increase in net absorption from 1Q22 to 1Q23, spurred substantially by a 48,000 s.f. retail project in Grandville and other projects. Total inventory remains nearly 145,000 s.f. less in 1Q23 than the same quarter the previous year. At the same time, asking rents increased nearly 14 percent in 1Q23 over 1Q22. The construction pipeline for new retail currently sits at 14,000, with much of pipeline from 1Q22 deployed during the past year.

Key Metrics	Q1 2022	Q1 2023	Change
YTD Net Absorption	-52,644 s.f.	59,927 s.f.	↑
Total Inventory	20,975,096 s.f.	20,830,458 s.f.	↓
Under Construction	172,194 s.f.	14,250 s.f.	↓
Total Vacancy	6.2%	4.9%	↓
Direct Asking Rent	\$13.91 p.s.f.	\$15.81 p.s.f.	↑

Source: Colliers

Housing

Greater Grand Rapids' housing market remains extremely tight, largely due to a significant lack of supply, though demand has shown signs of cooling, compared to the previous year, due to rising interest rates. New single-family listings in Kent County decreased nearly 14 percent in 1Q23 to 1,349 units, compared to 1,563 during the same quarter the previous year. Likewise, closed sales decreased 6.5 percent to 1,216 over the same period. Average days on market increased from 16 days in 1Q22 to 27 days 1Q23 while the percentage of houses selling over list price declined to 100.7 percent from 105.3 percent. Townhome and condo sales underwent many of the same trends with fewer listings and closed sales, from 1Q22 to 1Q23. Townhomes and condos also spent more time on the market on average with more properties selling under list price.

Single Family Year to Date			
Key Metrics	Thru 3/22	Thru 3/23	% Change
New Listings	1,563	1,349	-13.7%
Pending Sales	1,450	1,354	-6.6%
Closed Sales	1,301	1,216	-6.5%
Days on Market Until Sale	16	27	+68.8%
Median Sales Price	\$278,000	\$294,900	+6.1%
Average Sales Price	\$339,392	\$340,010	+0.2%
Percent of List Price Received	105.3%	100.7%	-4.4%

Source: Grand Rapids Association of Realtors

Townhouse-Condo Year to Date			
Key Metrics	Thru 3/22	Thru 3/23	% Change
New Listings	341	269	-21.1%
Pending Sales	320	263	-17.8%
Closed Sales	289	240	-17.0%
Days on Market Until Sale	28	36	+28.6%
Median Sales Price	\$265,000	\$258,700	-2.4%
Average Sales Price	\$274,487	\$281,500	+2.6%
Percent of List Price Received	102.7%	99.1%	-3.5%

Source: Grand Rapids Association of Realtors

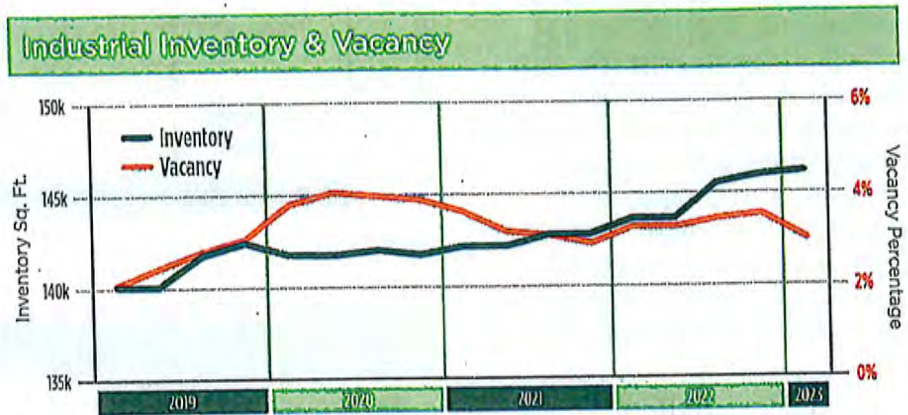


STATE OF DEVELOPMENT DIVING DEEPER

INDUSTRIAL - Key Metrics

INVENTORY & VACANCY

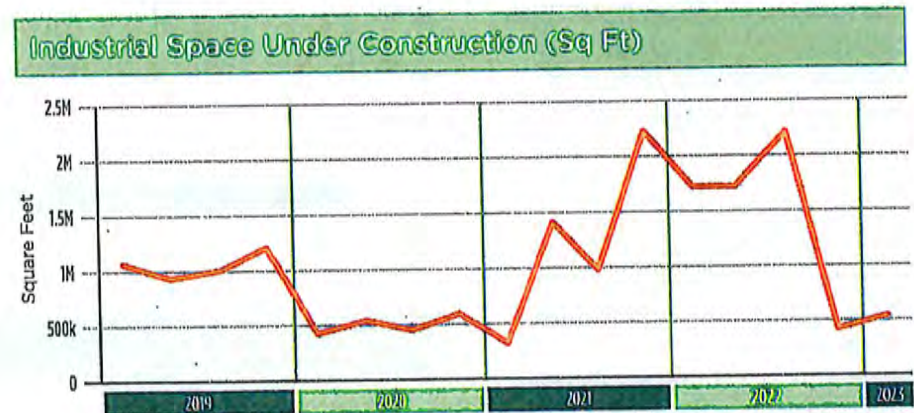
Industrial inventory has climbed steadily since 2019. During the last year, industrial inventory rose 2 percent, adding approximately 2.5 million square feet from 1Q22 to 1Q23. Large-scale projects including Speedrack Products Group's Walker expansion, and Amazon's Warehouse and Distribution Center in Gaines Township contributed to overall inventory growth in the past year.



Source: JLL

SQ. FT. UNDER CONSTRUCTION

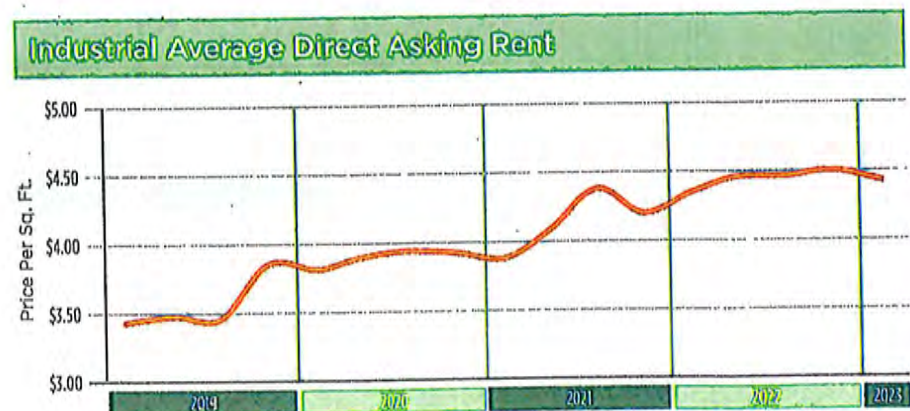
Industrial projects under construction ticked up in 1Q23 after having much of the pipeline drained from project completions through 2022.



Source: JLL

ASKING RENTS

In 1Q23 asking rents for industrial properties showed the first dip since 4Q21, edging down 1.6 percent from the previous quarter. Industrial rents remain approximately 2 percent above those during the same quarter the previous year, and around 29 percent above those of 2019 levels.

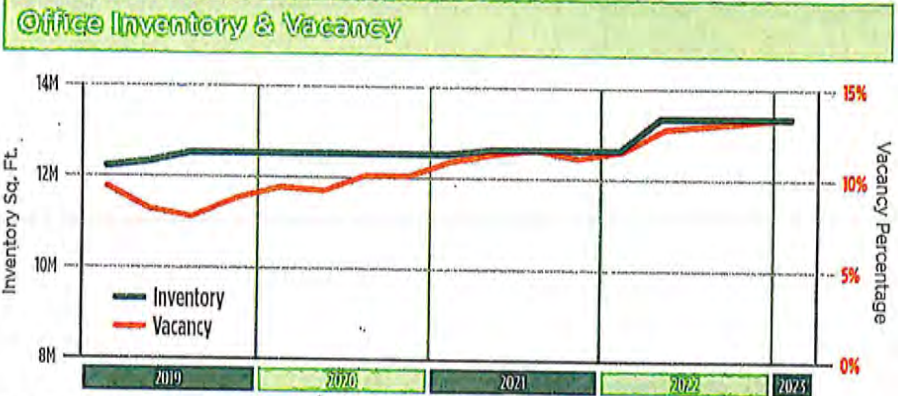


Source: JLL

OFFICE - Key Metrics

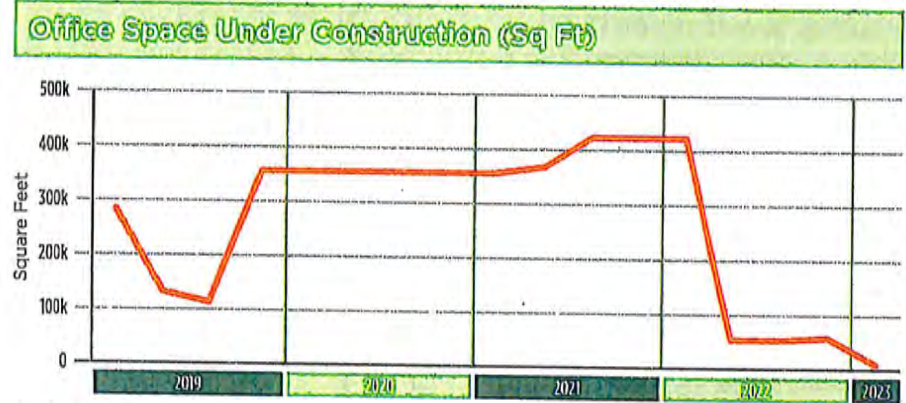
INVENTORY & VACANCY

Office inventory has remained relatively flat historically. From 1Q19 to 1Q23, inventory rose 9 percent with 5 percent of that growth occurring over the past year as large developments, including the new downtown headquarters of Perrigo and Acrisure, and Michigan State University Grand Rapids Innovation Park, came online. Meanwhile, vacancy rates in the office sector continue to climb moderately.



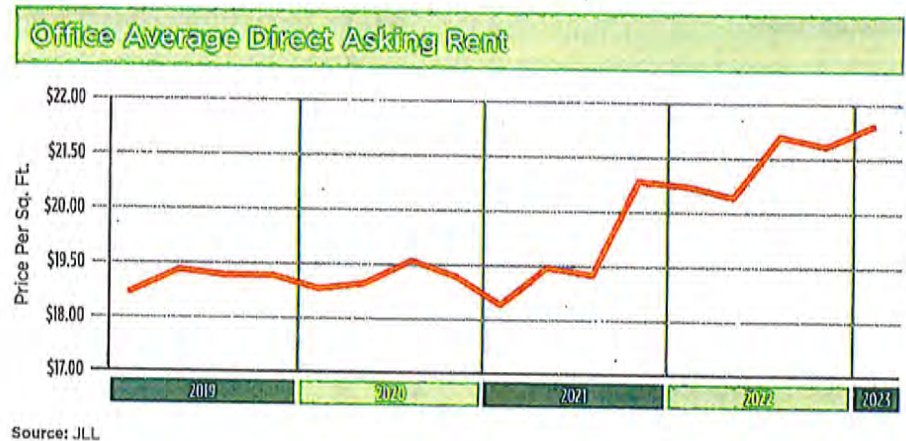
SQ. FT. UNDER CONSTRUCTION

The backlog of office space under construction that had built up between 2Q21 and early 2022 was largely exhausted by 2Q22.



ASKING RENTS

Rents for office space continue to increase, reaching \$21.57/sq-ft in 1Q23 from \$18.43/sq-ft during the same quarter of 2019, representing a 17 percent increase, driven largely by the addition of new Class A space.



RETAIL – Key Metrics

INVENTORY & VACANCY

Total retail inventory in Greater Grand Rapids increased nearly 3 percent from 1Q21 to 1Q23, with substantial positive net absorption occurring from 1Q22 to 1Q23. During that time, a nearly 50,000 s.f. retail development in Grandville, containing Sierra Trading Post, Home Goods, and Kid to Kid stores, came online along with numerous other restaurants and boutique retailers across the region. Vacancy rates in the retail sector have generally trended downward, declining from nearly 6.2 percent in 1Q21 to nearly 4.9 percent in 1Q23.

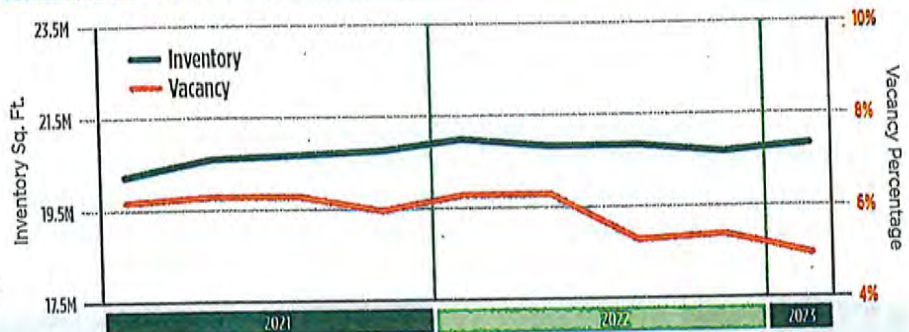
SQ. FT. UNDER CONSTRUCTION

Much of the pipeline for new retail built up between 3Q21 and 1Q22 was expended in the second quarter of 2022. Approximately 150,000 s.f. was deployed during this time. Currently, roughly 14,000 s.f. of construction is slated for future completion.

ASKING RENTS

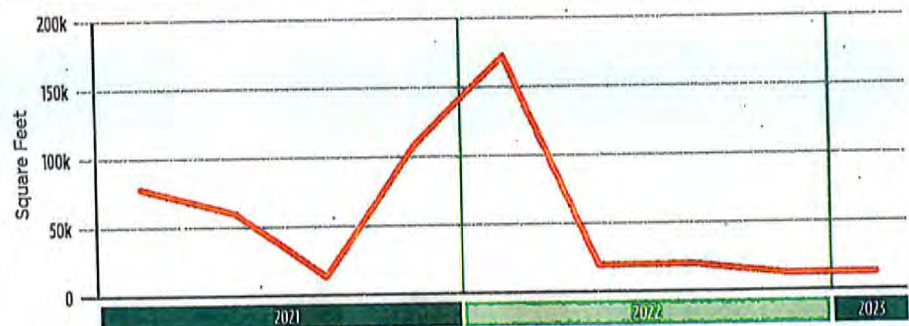
Rents on retail properties have generally trended upwards over the last two years, rising nearly 15 percent from 1Q21 to 1Q23. The majority of the increase in rents have occurred post Q2 2022.

Retail Inventory & Vacancy



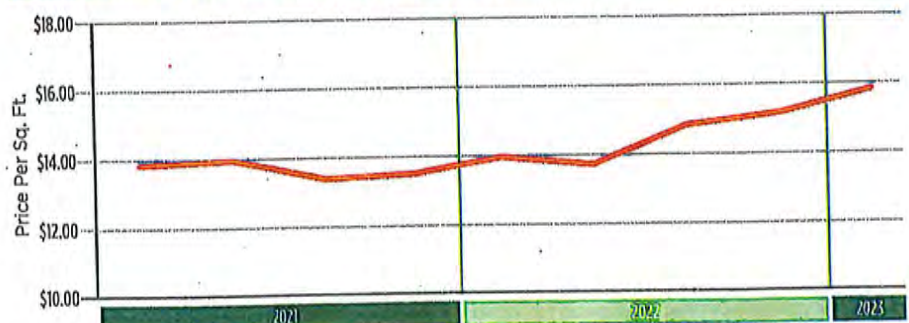
Source: Colliers

Retail Space Under Construction (Sq Ft)



Source: Colliers

Retail Average Direct Asking Rent



Source: Colliers

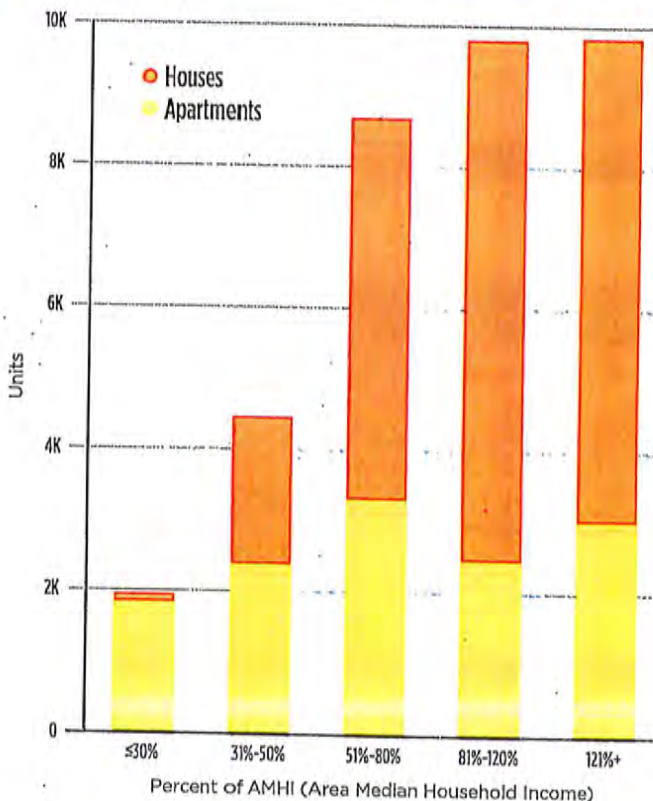
HOUSING – Key Metrics

In 2022 community partners across Greater Grand Rapids commissioned a housing needs study to identify gaps in the housing market across Kent County. Among the findings, the study identified the need for nearly 35,000 additional new housing units in Kent County between 2022 and 2027. This forecast breaks down the gap in housing into roughly 13,000 additional rental units and 22,000 additional homes across Kent County from 2022 to 2027. View the full housing needs assessment at rightplace.org/housingnext.

An analysis of residential building permits shows the pace of new construction increasing post-pandemic, particularly among single-family, 2-unit housing, and 3-4-unit housing. In 2021 and 2022 multi-family developments with more than 5 units did not meet pre-pandemic numbers. However, 2023 numbers show more than half as many building permits were pulled for 5+ unit developments in the first three months of the year than the whole of 2022.

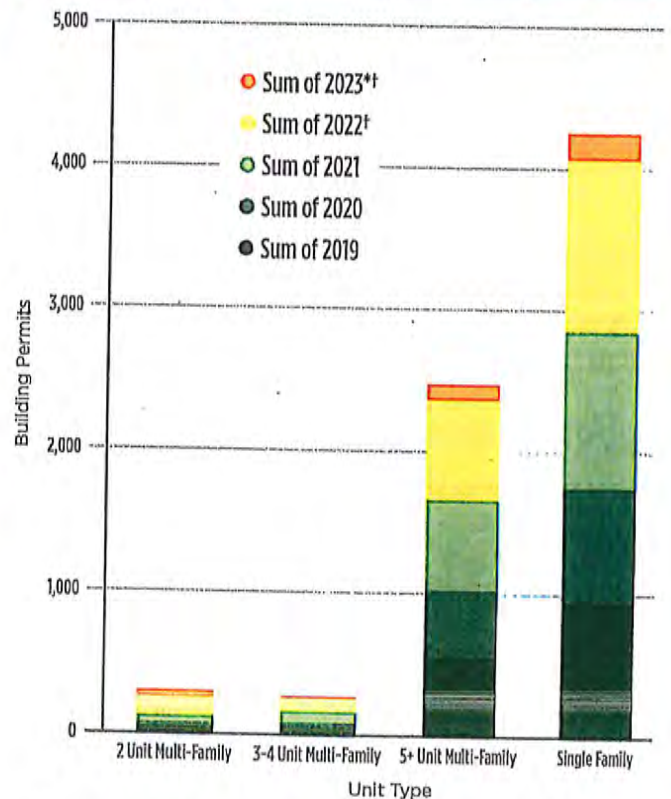


Housing Gaps 2022-2027 (Kent County)



Source: Bowen Research
(Commissioned by the Grand Rapids Chamber of Commerce and Housing Next)

Residential Building Permits by Unit Type (Kent County)



*2023 data represents building permits year-to-date from January to March 2023.
†2022 and 2023 represent preliminary numbers and are subject to change.

Source: U.S. Department of Housing and Urban Development

Commercial Building Permit Data

The Right Place analyzed commercial building permits filed between 1Q21 and 2Q23 for municipalities and townships in Kent County, providing deep insights into the region's development pipeline. Here is what the analysis found:

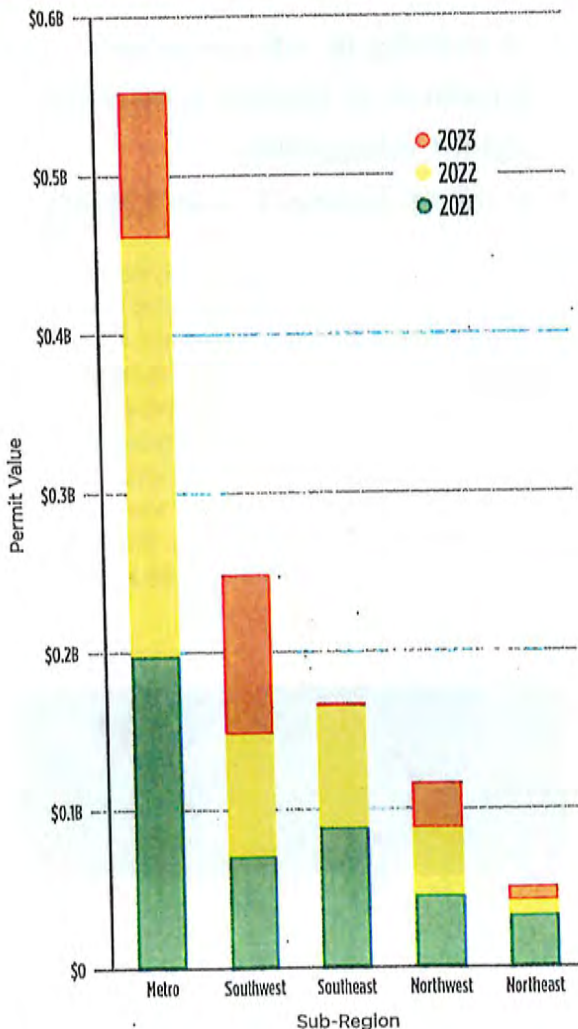
\$1.1B
total
investment

\$3M
average
investment
per project

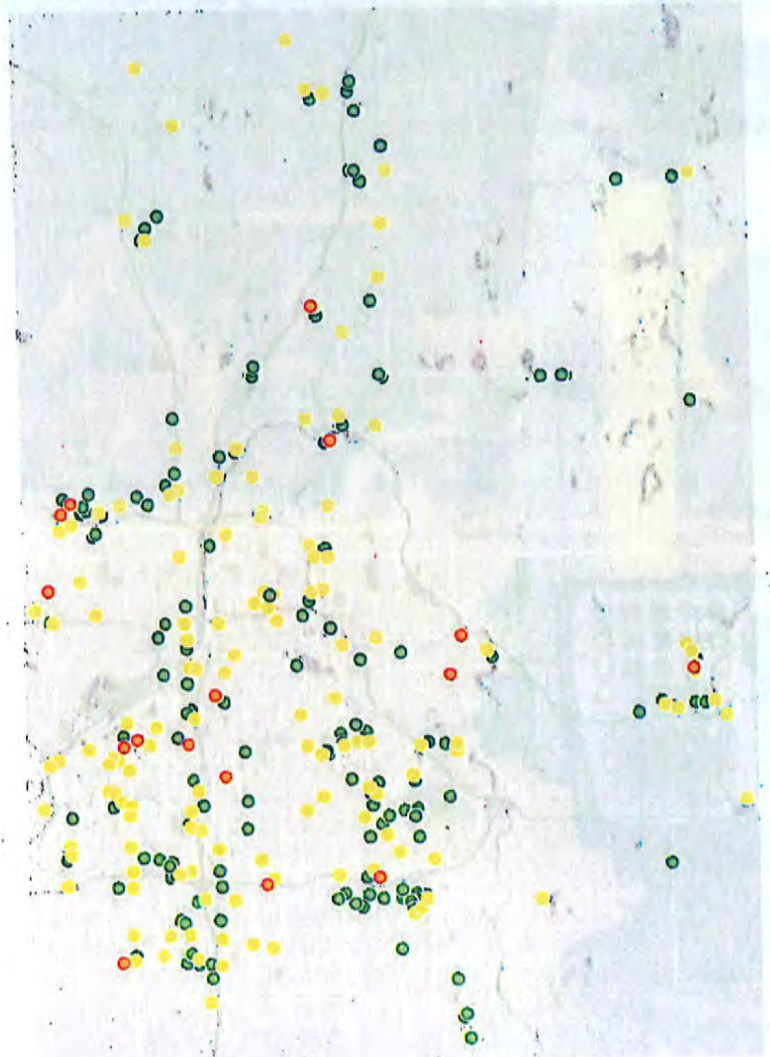
68%
building
permits for new
construction

30%
building permits
for additions or
remodels

Building Permit Investment Analysis



Source: BuilderTrack Report



Source: BuilderTrack Report

— INDUSTRIAL SITE READINESS INITIATIVE —



Land Development

The Right Place, in collaboration with a group of its regional economic development partners, real estate professionals, and a consulting group, engaged in a site readiness analysis for West Michigan during the past year. The partnership conducted an environmental scan of large (100+ acres) sites across the region to create an inventory of potential future business development sites. The analysis included:

- **Proximity to Infrastructure**
- **Distance to Highway/Freeway**
- **Talent Availability**
- **Current Zoning/Future Land Use**

The analysis collected nearly 150 potential sites which were then screened and narrowed to create a list of 30 "top tier" sites for future evaluation. Full technical documentation and geotechnical assessments were generated for each of the 30 sites, and further vetting yielded five primary and five secondary sites. The consortium will work with local communities to further develop these ten sites - which range from 74 acres to 285 acres - build ready.

For additional information, please contact **Travis Alden** of The Right Place at aldent@rightplace.org.

- DEVELOPMENT HIGHLIGHTS -

Development in Greater Grand Rapids continues to surge ahead with substantial projects across industrial, office, retail, and in mixed-use developments. The following information represents notable development projects occurring throughout Greater Grand Rapids cataloged by The Right Place.

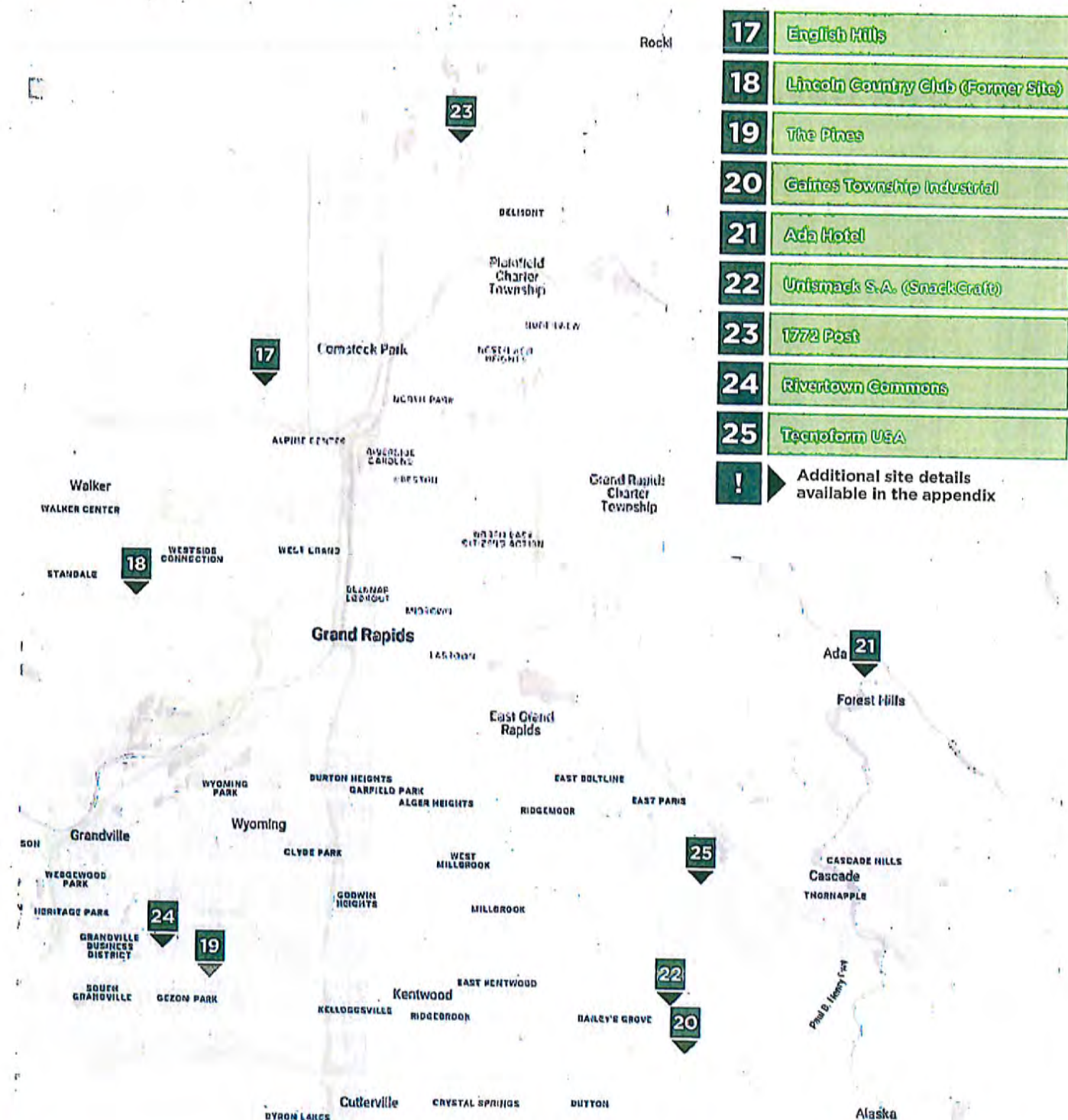
Downtown Development Projects



- | | |
|----|------------------------------------------------------------------|
| 1 | Corewell Health Center for Transformation & Innovation |
| 2 | MSU Innovation Park |
| 3 | Perrigo North American Headquarters |
| 4 | RDV Development |
| 5 | GVSU Daniel and Pamela DeVos Center for Interprofessional Health |
| 6 | Lyon Street Reactivation |
| 7 | Amway Grand Plaza Renovation |
| 8 | GVSU Corewell Parking Structure |
| 9 | Residence Inn |
| 10 | Acrisure HQ |
| 11 | Box Board Lofts |
| 12 | Bold Advanced Medical Future Health (BAMF) Headquarters |
| 13 | Wealthy & Sheldon Lofts |
| 14 | Factory Yards |
| 15 | Leonard & Front |
| 16 | Rockford Development on Alabama |
| ! | Additional site details available in the appendix |

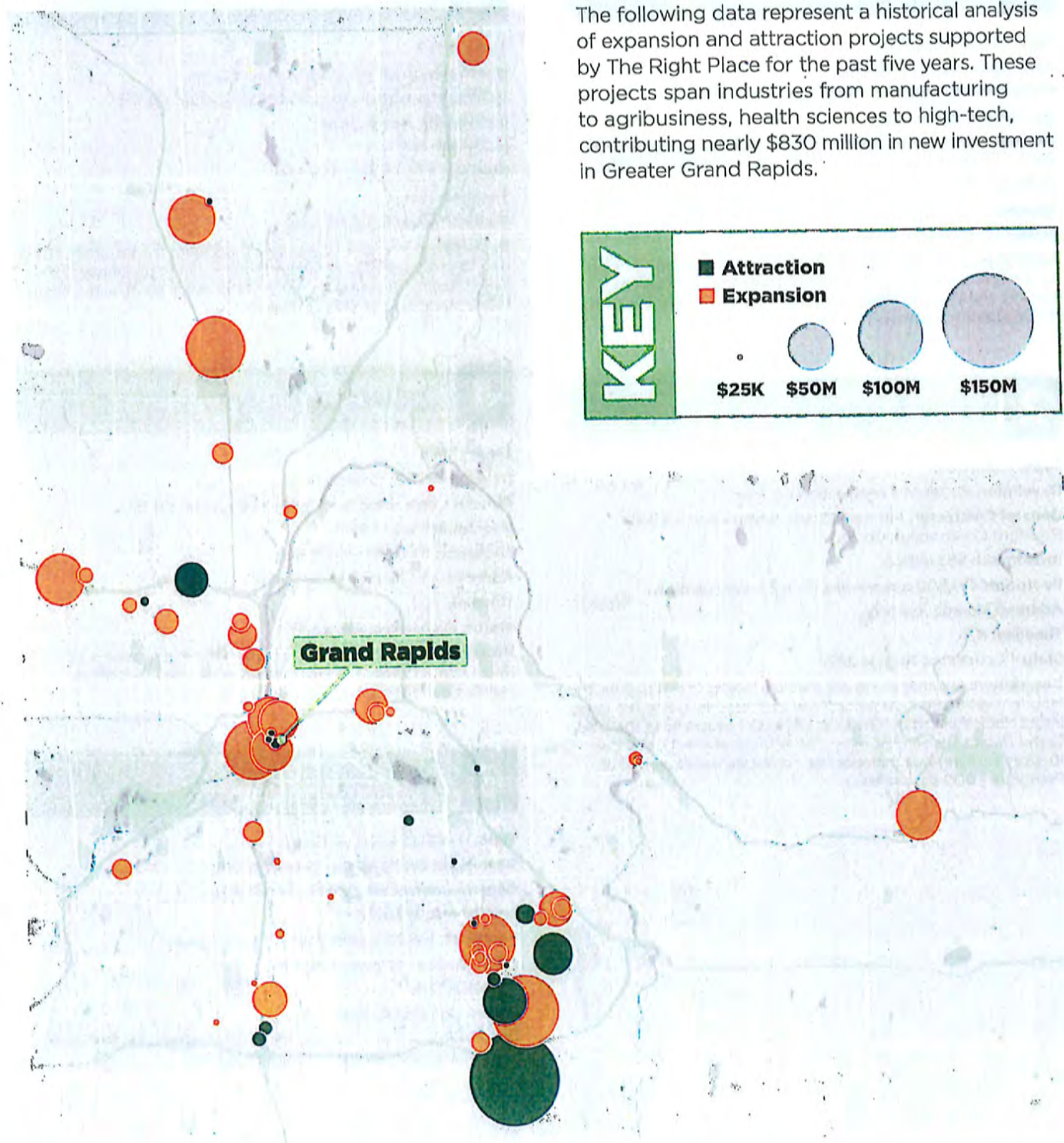
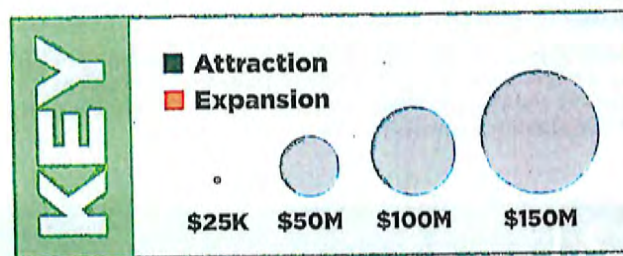
Development activity is evident across Kent County, with dozens of projects planned, under construction, or recently completed. Across the region, developers are investing in projects ranging from industrial to multi-family and more.

Greater Grand Rapids Metro Area



THE RIGHT PLACE COMMERCIAL/INDUSTRIAL PROJECT ANALYSIS

The following data represent a historical analysis of expansion and attraction projects supported by The Right Place for the past five years. These projects span industries from manufacturing to agribusiness, health sciences to high-tech, contributing nearly \$830 million in new investment in Greater Grand Rapids.



— APPENDIX —

Downtown Development Projects – Details

1

Corewell Health Center for Transformation & Innovation

Type: Healthcare/Office

Developer: Corewell Health

General Contractor: Rockford Construction Co. Inc.

Investment: \$100 million

Footprint: 160,000 square foot office complex over a 4.8-acre-site including two parking structures and additional surface lot.

Address: 760 Monroe Ave NW

Timeline: Summer 2023

Status: Under Construction

Description: Corewell Health is building a new headquarters to house approximately 12,000 administration staff, as well as a training and learning center. The new facility will connect with the adjacent Brass Works building.

2

MSU Innovation Park

Type: Healthcare

Developer: Rockford Construction Co. Inc.

General Contractor: MB Real Estate, Walsh Construction, Rockford Construction Co. Inc.

Investment: \$83 million

Footprint: 425,800-square-feet on a 2.5-acre campus

Address: Monroe Ave NW

Timeline: N/A

Status: Completed August 2022

Description: Located along the Medical Mile in Grand Rapids, the MSU Innovation Park contains three buildings including the Doug Meijer Medical Innovation Building (200,000 square feet), the MSU Grand Rapids Research Center (162,800 square feet), and the 10-story building that includes the corporate headquarters of Perrigo (63,000 square feet).

3

Perrigo North American Headquarters

Type: Office

Developer: Rockford Construction Co. Inc.

General Contractor: Rockford Construction Co. Inc.

Investment: \$44.8 million

Footprint: N/A

Address: 430 Monroe Ave NW

Timeline: N/A

Status: Completed June 2021

Description: Perrigo's headquarters occupies the top three floors of a 10-story building adjacent to Michigan State University's Grand Rapids Research Center, and the newly constructed Doug Meijer Medical Innovation Building.

4

RDV Development

Type: Office

Developer: RDV Corporation

General Contractor: Rockford Construction Co. Inc.

Investment: \$73 million

Footprint: 100,000 square feet

Address: 200 Monroe Avenue NW

Timeline: N/A

Status: Completed Spring 2021

Description: The new building houses the headquarters of RDV Corp., Ottawa Avenue Private Capital, and the DeVos Family Foundation.

5

GVSU Daniel and Pamella DeVos Center for Interprofessional Health

Type: Healthcare Higher Education

Developer: Grand Valley State University

General Contractor: Pioneer Construction

Investment: \$70 million

Footprint: 166,00 square feet

Address: 333 Michigan Street NE

Timeline: N/A

Status: Completed 2Q21

Description: A five-story development which houses Grand Valley State University's Kirkhof College of Nursing.

6

Lyon Street Reactivation

Type: Office/Retail**Developer:** CWD Real Estate Investment Inc.**General Contractor:** Triangle Associates Inc.**Investment:** \$61.7 million**Footprint:** 330,000 square feet**Address:** 111 Lyon Street NW**Timeline:** N/A**Status:** Completed Summer 2021**Description:** The project aims to re-activate the stretch of Lyon Street between Monroe and Ottawa avenues by removing a stone wall along Lyon Street. CWD plans to add three to five retail and/or restaurant spaces on the ground floor of the development.

7

Amway Grand Plaza Renovation

Type: Hotel**Developer:** AHC Hospitality**General Contractor:** Rockford Construction Co. Inc.**Investment:** \$40 million**Footprint:** N/A**Address:** 187 Monroe Avenue NW**Timeline:** N/A**Status:** Completed June 2021**Description:** The 29-story, 35-year-old Amway Grand Plaza Hotel was retrofitted with a new glass exterior as part of a \$40 million renovation project.

8

GVSU Corewell Parking Structure

Type: Parking**Developer:** Grand Valley State University**General Contractor:** Pioneer Construction**Investment:** \$39.4 million**Footprint:** 420,000 square feet**Address:** 335 Michigan Street NE**Timeline:** N/A**Status:** Completed May 2021**Description:** Grand Valley State University designed and built the six-level parking ramp to conform to LEED certification standards. The parking structure is operated by the university as a condominium, with Corewell Health and GVSU owning their respective units.

9

Residence Inn

Type: Hotel**Developer:** Hinman Company**General Contractor:** Wolverine Building Group**Investment:** \$36 million**Footprint:** 140,000 square feet**Address:** 40 Louis St NW**Timeline:** N/A**Status:** Completed 2021**Description:** The development includes a 13-story, mixed-use building housing the 147-suite Residence Inn by Marriott.

10

Acrisure Headquarters

Type: Office**Developer:** Olsen Loeks Development LLC**General Contractor:** Rockford Construction Co. Inc.**Investment:** \$33 million**Footprint:** 105,000 square feet**Address:** 122 Qakes St SW**Timeline:** N/A**Status:** Completed 2021**Description:** Acrisure's new \$33 million offices are housed in Studio Park, a mixed-use development at 123 Ionia Ave. SW that contains apartments, retail space, a restaurant, movie theater, hotel, and live music venue. About 700 people are expected to work from the 105,000 sq ft office.

11

Box Board Lofts

Type: Housing**Developer:** 3F Properties (Chicago)**General Contractor:** N/A**Investment:** \$31.3 million**Footprint:** 185,000 square feet**Address:** 470 Market Ave SW**Timeline:** N/A**Status:** Completed July 2022**Description:** This multi-family housing development is housed in a building previously occupied by the American Boxboard Company. The development offers 173 units across three stories and an underground parking garage. The building comprises studio, one-, and two-bedroom units, along with amenities including a community pet wash, bike storage, a fitness center, and others.

12

Bold Advanced Medical Future Health (BAMF) Headquarters**Type:** Healthcare**Developer:** N/A**General Contractor:** N/A**Investment:** \$30 million**Footprint:** 60,000 square feet of the Doug Meljer Medical Innovation Building as part of the MSU Innovation Park**Address:** 400 Monroe Ave NW**Timeline:** N/A**Status:** Completed August 2022

Description: BAMF Health established its Grand Rapids Headquarters in August 2022 after receiving more than \$30 million in investment. The company specializes in advanced imaging technology used to spot and treat cancer. BAMF Health was launched by Anthony Chang, a former Van Andel Institute researcher.

13

Wealthy & Sheldon Lofts**Type:** Housing, Mixed Use**Developer:** Cella Building Company**General Contractor:** Cella Building Company**Investment:** \$17.5 million**Footprint:** 50,000 square feet**Address:** 415 Sheldon Blvd SE**Timeline:** TBD**Status:** In Planning

Description: The developers plan to build two new five-story buildings on a vacant lot on the corner of Sheldon Avenue and Wealthy Street. The project would include 57 new apartments split between the two buildings, including a residential common area and 1,800 square-feet of commercial space.

14

Factory Yards**Type:** Multi-Family, Retail, Commercial Office**Developer:** Factory Yards Development, LLC**General Contractor:****Investment:** \$150 million**Footprint:** 650,000 square feet**Address:** 655 Godfrey Ave**Timeline:** Completion in 2026**Status:** In Planning

Description: Factory Yards is a mixed-use 15+ acre development including 450+ residences, commercial space, unique restaurants, art installations, and community gathering areas.

15

Leonard & Front**Type:** Housing**Developer:** West Leonard Development LLC**General Contractor:** N/A**Investment:** TBD**Footprint:** 181,930 square feet**Address:** 260 Leonard St NW**Timeline:** TBD**Status:** In Planning

Description: The Leonard & Front development project will include a 10-story, mixed use project containing 140 residential units and two commercial suites on the ground floor. The residential space will include 77 studio units, 56 one-bedroom units and seven two-bedroom units. Plans include offering a community fitness center, business center, roof-top terrace, pet washing room, electric vehicle charging station, and other amenities.

16

Rockford Development on Alabama**Type:** Housing**Developer:** Rockford Construction Co.**General Contractor:** Rockford Construction Co.**Investment:** \$25 million - \$30 million**Footprint:** N/A**Address:** 501 and 516 Alabama Ave NW**Timeline:** TBD**Status:** In Planning

Description: This seven-story development would include 245 residential units and a 310-space parking deck in a U-shaped design. The original site held 13 single-family homes built in the early 1900s that became dilapidated and were eventually demolished. The ground floor will hold 29 of the units, a lobby, leasing office, fitness room, and residential lounge.



Greater Grand Rapids Metro Area Projects - Details

17

English Hills

Community: City of Walker

Type: Multi-Family

Developer: Redhawk Multi-Family LLC

General Contractor: TBD

Investment: TBD

Footprint: 142 Acres

Address: 1470 Four Mile Road NW

Timeline: Completion in 2026

Status: In Preconstruction

Description: Developers are planning a 552-unit apartment complex at the English Hills Country Club property in Walker. Half of the apartments are planned as one-bedroom units, 40 percent as two-bedroom units, and 10 percent as three-bedroom units. The apartment buildings will comprise approximately 30 percent of the two properties, which totals 142 acres. Average unit size is 1,000-square-foot and Redhawk expects average rents between \$1,400 to \$1,500 a month.

19

The Pines

Community: City of Wyoming

Type: Multi-Family

Developer: Redhawk Multifamily LLC

General Contractor: TBD

Investment: TBD

Footprint: 116 Acres

Address: 5050 Byron Center Ave SW

Timeline: Completion by 2025

Status: In Preconstruction

Description: The Proposed Mixed-Use PUD is located on the 116 acres of the Pines Golf Course and Driving Range off Byron Center Avenue SW just north of 52nd Street. The plan consists of 7,500 square feet of retail; 22,000 square feet of office; and 604 for-sale and for-rent residential homes. The overall residential density on the 116 acres is 5.25 units per acre. The PUD will have 37% Common Open Space versus 20% Required, and 60% of non-pervious space (Green). Most of the Property's natural features and existing trees are being preserved.

18

Lincoln Country Club (Former Site)

Community: City of Walker

Type: Multi-Family

Developer: Stoneleigh Companies LLC

General Contractor: Not Disclosed

Investment: TBD

Footprint: 105 Acres

Address: 3461 Lake Michigan Drive NW

Timeline: Completion in 2024

Status: Under Construction

Description: Illinois-based Stoneleigh Companies LLC plans to build a 250-unit apartment complex at the former Lincoln Country Club. The 250 apartments would span 39 buildings and feature a mix of 128 one-bedroom units, 100 two-bedroom units, and 22 three-bedroom units. The project also includes a 5,255-square-foot clubhouse, landscaping, walking paths, and gathering spaces in open areas.

20

Gaines Township Industrial

Community: Gaines Township

Type: Industrial

Developer: Robert Grooters Development Co.

General Contractor: Wolverine Building Group

Investment: \$9 million

Footprint: 200,000 sq. ft.

Address: 4675 60th St

Timeline: Completion by 2024

Status: In Preconstruction

Description: Plans for the building include multiple dock and grade-level doors, ceiling-mounted sprinklers that eliminate the need for in-rack sprinkler systems, and energy efficiencies including motion-activated lighting. Robert Grooters Development is talking to a few prospective tenants interested in renting the space, but the project is speculative.



21**Ada Hotel****Community:** Ada Township**Type:** Hotel**Developer:** CDV5 Properties**General Contractor:** First Companies**Investment:** Undisclosed**Footprint:** 37,000 sq. ft.**Address:** 7415 River St**Timeline:** Completion by 2024**Status:** In Preconstruction

Description: A 36-room hotel in downtown Ada Village. The project will offer two onsite restaurants: the Post Tavern, a 110-seat family friendly pub located on the first floor, and The Rix restaurant, a 130-seat restaurant on the third floor with a terrace for outdoor seating.

22**Unismack S.A. (SnackCraft)****Community:** Kentwood**Type:** Industrial Food Processing**Developer:** ThirdCoast Development**General Contractor:** DND**Investment:** \$41.7 million**Footprint:** 122,000 sq. ft.**Address:** 4444 52nd St. SE**Timeline:** October 2022**Status:** In Production

Description: Unismack S.A., will build its first U.S. headquarters, innovation center, and manufacturing facility in Kentwood, MI. The U.S. business will operate under the name SnackCraft. The project involves a \$41.7 million capital investment over the next five years and will bring 185 new jobs to the area.

23**1772 Post****Community:** Plainfield Charter Township**Type:** Multi-Family, Mixed-Use**Developer:** Brandon Visser and Dan Uccello**General Contractor:** TBD**Investment:** DND**Footprint:** Approx. 3 Acres**Address:** 1303 Post Drive**Timeline:** TBD**Status:** Design

Description: Early plans call for a two-story, mixed-use building, and a separate three-story residential building. The mixed-use building would have 3,600 square feet of retail and 3,600 square feet of restaurant space on the ground floor, and six multifamily units on the second floor. The residential building would be situated behind the mixed-use building and contain 12 two-bedroom apartments. The site plan leaves room to develop other amenities through landscaping, such as a dog park or community gardens.

24**Rivertown Commons****Community:** City of Grandville**Type:** Multi-Family, Mixed-Use**Developer:** Trilogy Real Estate Group**General Contractor:** CD Barnes Construction**Investment:** DND**Footprint:** Approx. 30 Acres**Address:** 4612 Ivanrest Ave. SW**Timeline:** Mid-2024**Status:** Under Construction

Description: A 408-unit apartment community is being developed in Grandville. The development will consist of 12 three-story apartment buildings with one-, two- and three-bedroom floorplans featuring modern finishes and smart home technology. The community also will have a centralized clubhouse and various amenities, including a pool, sundeck, pet wash station, fitness center, yoga studio, grilling pavilion, outdoor fire pits, game room and a work-from-home studio.

25**Tecnoform USA****Community:** Cascade Charter Township**Type:** Industrial**Developer:** DND**General Contractor:** DND**Investment:** \$7.3 million**Footprint:** 172,000 sq. ft.**Address:** 4999 36th St. SE**Timeline:** Mid-2023**Status:** Under Construction

Description: An Italian recreational vehicle furnishing manufacturer, Tecnoform USA plans to open its headquarters in Cascade Township. The new headquarters represents a \$7.3 million investment from the Italian company and expects to create up to 130 jobs.

AUTHOR'S PAGE

Authors

Tim Mroz
Senior Vice President,
Community Development

John Wiegand
Business Intelligence
& Research Manager

Eric Heys
Marketing Coordinator

Contributors

Randy Thelen
President & CEO

Brad Comment
Senior Vice President, Strategic Initiatives

Rafael Martinez
Business Intelligence
& Research Manager

Nick Stambaugh
Business Intelligence Analyst

About The Right Place

Serving West Michigan since 1985, The Right Place, Inc. is a regional economic development organization. We work to drive sustainable economic growth and shared prosperity for all in the Greater Grand Rapids Region. Staffed by a skilled team of economic development and business professionals, The Right Place concentrates on three key strategic pillars: People, Place, and Prosperity. This philosophy focuses on people as the drivers of a successful economy, recognizing them to be the differentiating factor from one region from another. The Right Place's ultimate goal is to help the people of the Greater Grand Rapids region reach their full potential within the community by driving business growth and attraction to create more opportunities for all in the region.

For questions on information contained in this report, or if you'd like to discuss your development goals with us, please contact:

Tim Mroz
Senior Vice President,
Community Development
616.881.1038
mrozt@rightplace.org

Travis Alden
Senior Director,
Community Development
231.233.4349
aldent@rightplace.org



125 Ottawa Ave NW, Suite 450 | Grand Rapids, MI 49503 | info@rightplace.org | 616.771.0325

East Beltline Advisory Committee

Meeting Summary

October 19, 2023

Members Present: Peter Kimball, Grand Valley Metro Council (GVMC) Transportation Planner, Jason Cole, Michigan Department of Transportation (MDOT), Kerwin Keen, MDOT, Tim Haagsma, Kent County Road Commission (KCRC), Brian Hilbrands, Cascade Township Planning Director, and Terry Schweitzer, Kentwood Director of Community Development,

Others Present: Denise Kolesar, Advisor to applicant Andrew Anderson and Chris Van Doeselaar, Newco Design Build LLC

The meeting convened at 9:04am

- I. Introductions
Everyone introduced themselves.
- II. Brief background on this committee
Schweitzer and provided recent history and role of East Beltline Advisory Group as a GVMC subcommittee. It provides a forum for land use and transportation officials from the respective communities and road agencies to discuss proposed changes in land use and/or transportation facilities in the M-37 corridor.
- III. Introduction to the proposed project
Schweitzer provided context to the proposed change to the future land use designation on the northeast corner of 52nd Street and Broadmoor from industrial to commercial being submitted by Andrew Anderson, an entrepreneur. He noted that the Kentwood frontage along M-37 (Broadmoor Avenue) was predominately master planned and zoned industrial except for the 6.5-acre area on the northwest corner of 52nd Street and M-37. He briefly reviewed the conceptual site plan for the proposed commercial development as well as an industrial development concept plan put together by a prospective developer back in July. He noted the industrial land use information the city received from Tim Mroz, the Senior Vice President of Community Development with The Right Placed. He also noted that regardless of the outcome of the land use question, the land use designation of the northeast quadrant of 52nd Street and Broadmoor Avenue should be the same, be it the current industrial or the proposed commercial. The main reason for this approach is to integrate traffic access and circulation along the state trunkline and arterial street.
- IV. Additional detail provided by applicant
Andrew Anderson's representative, Denise Kolesar explained that her client wishes to build a pickleball and Wiffleball restaurant on the site, an allowable use under the existing I-1 zoning, however the recreational uses are not allowed. She noted the growing popularity of these recreational sports and described how their concept would also benefit the area by providing a quality restaurant to serve the surrounding industrial

workforce. The proximity of this site to M-6 was a key factor in their site selection process since they anticipate a regional draw for their service offerings. Chris Van Doeselaar noted that they recognized the importance of shared access onto Broadmoor and 52nd Street.

Tim Haagsma noted that the traffic associated with industrial development of the site would generally add traffic volume to the peak hours on Broadmoor and 52nd Street. In contrast, the proposed commercial development would likely add volume during off peak times on the respective roadways. In his roles as a Planning Commissioner and Township Trustee for Gaines Township he noted the 300-350 acres of land area master planned and recently rezoned to industrial in the northeast portion of their community.

Brian Hillbrands indicated that the Cascade Township frontage on Broadmoor included a gas station and two hotels, with a new apartment community just to the east. Otherwise, the southwest portion of their community was master planned and zoned industrial.

Kerwin Keen and Jason Cole noted that they offer no recommendations on the land use decisions made by the local units of government. Their focus is on safe access and traffic circulation of development along the corridor to maintain the capacity and safety of the roadway. They are therefore supportive of one access onto 52nd Street and one onto Broadmoor shared by and between all the properties in the northeast quadrant of the intersection. In particular, the access drive onto Broadmoor should be centered between the two indirect turns north of the 52nd Street and Broadmoor intersection. They also noted that the boulevard design of Broadmoor will be extended south to 76th Street in the next few years within a narrower right-of-way.

Peter Kimball indicated he had reviewed the meeting information with GVMC Director of Transportation Planning Laurel Joseph and they were both supportive of integrating singular access and circulation onto 52nd Street and Broadmoor Avenue for all the properties within the northeast quadrant of this intersection.

Schweitzer expressed appreciation to the meeting attendees for their participation and input. He stated that if the master plan change is ultimately approved, staff would recommend that it include the two properties on the corner with the condition that development proceed as a Commercial Planned Unit Development integrating singular access and circulation onto 52nd Street and Broadmoor Avenue for all the properties.

The meeting adjourned at 9:40am

Schweitzer, Terry

From: Johnson, Andy
Sent: Thursday, October 12, 2023 11:15 AM
To: Schweitzer, Terry; Stagg, Brian
Cc: Golder, Lisa; Pung, Joe
Subject: RE: Industrial versus Commercial Land Value

Terry,

Properties in the State of Michigan are valued for ad valorem tax purposes according to their highest and best use. *Highest and best use* is an appraisal concept that determines what the most productive, legal, feasible and possible use of a property is. This four part test is part of our process when valuing property in Kentwood. If these properties were master planned commercial versus industrial that would change the highest and best use analysis, as the legally permissible uses available to the properties would change to include potential commercial uses. With a master plan allowing for rezoning to a commercial use the value would certainly increase. Generally speaking, we value industrial land at \$75,000 per acre along Broadmoor, while commercial office land is \$3.50 per square foot or about \$152,000 per acre. One important thing to remember is adjustments that must be made based on the parcel. For instance if these parcels are not of a size that is typical for the use, we may adjust those numbers up or down on an individual basis. I hope this helps. I would be happy to discuss this further if needed.

Andy Johnson, MMAO
City Assessor
City of Kentwood

From: Schweitzer, Terry <SchweitzerT@kentwood.us>
Sent: Thursday, October 12, 2023 10:07 AM
To: Johnson, Andy <JohnsonA@kentwood.us>; Stagg, Brian <StaggB@kentwood.us>
Cc: Golder, Lisa <GolderL@kentwood.us>; Pung, Joe <PungJ@kentwood.us>
Subject: Industrial versus Commercial Land Value

Andy and Brian: The Planning Commission held a work session on October 10 regarding the proposed change from industrial to commercial in the future land use designation of the properties addressed 5080, 5090, 5140 Broadmoor Avenue, SE and 4581 52nd Street, SE. During the discussion one of the commissioners questioned the relative value of the properties if they were master planned and zoned industrial versus commercial. Can you provide an answer to this question that can be shared back to the Planning Commission? Thanks, Terry

STAFF REPORT: October 25, 2023

PREPARED FOR: Kentwood Planning Commission

PREPARED BY: Lisa Golder

CASE NO.: 29-23 GRR Ancillary CPUD

GENERAL INFORMATION

APPLICANT:

GRR Ancillary M/U	Rep. by: Jim Morgan RJM Design
Ben Muller Realty Co. Inc.	1971 E. Beltline Ave NE
Madison Equipment, Inc.	Grand Rapids MI 49525
1971 East Beltline NE Suite 240	
Grand Rapids MI 49525	

STATUS OF
APPLICANT:

Owner and Owner's Representative

REQUESTED ACTION: Rezoning and Preliminary PUD Plan for a Commercial Planned Unit Development

EXISTING ZONING OF
SUBJECT PARCEL:

IPUD-1 Industrial and R1-C Single Family Residential

GENERAL LOCATION: NW corner of Patterson and 36th Street SE

PARCEL SIZES: 10.4 Acres

EXISTING LAND USE
ON THE PARCEL:

Existing business and vacant

ADJACENT AREA
LAND USES:

N- Consumers Energy ROW
S- 36th Street ROW
E- Patterson Avenue/Cascade Township
W: Vacant Industrial

ZONING ON ADJOINING
PARCELS:

N- R1-C Single Family Residential
S: I-1 Light Industrial
E: TI (Cascade Township)
W: IPUD Industrial Planned Unit Development

Compatibility with Master Plan:

The Kentwood 2020 Master Plan was amended in 2022 to allow commercial development of the site. The Findings of Fact for this recommendation are attached. There were several conditions to the Master Plan Amendment, as follows:

- 1. Any PUD submitted for the site shall include a traffic analysis that will be reviewed by the City and the Kent County Road Commission.*
- 2. The PUD site plan shall include a driveway connection to the north in order to connect to the traffic signal at 33rd Street/Patterson Avenue.*
- 3. The Patterson Avenue and 36th Street frontages shall each allow only one curb cut serving the development.*

The applicant has submitted a traffic analysis and there is a future driveway connection proposed to the north. However, the site plan also includes two driveways off of Patterson Avenue, inconsistent with the Findings of Fact for the Master Plan amendment.

Zoning and Land Use History:

The site has been zoned IPUD and R1-C since 1979. Dykstra's Auto Repair and the Theological Book Network currently have established operations on the site. The parcel currently zoned R1-C is a 22,500 square foot parcel located at 3531 Patterson Avenue. It is owned by the applicant and is vacant.

Land Division:

The applicant portrays the site as 6 separate lots (Development Agreement lists a 7th lot for detention pond). The applicant shall indicate their intent with regard to how/whether the parcel will be subdivided.

Traffic Analysis:

The proposed development is located at the intersection of 36th Street and Patterson Avenue. Patterson Avenue is a five-lane cross section with two travel lanes in each direction and a center turn lane. The speed limit on Patterson is 55 miles per hour. The road is under the jurisdiction of the Kent County Road Commission (KCRC). Thirty-sixth (36th) Street is an east-west arterial road and is under the jurisdiction of the City of Kentwood west of Patterson Avenue. It has a five-lane cross section with two travel lanes in each direction and a center turn lane. The speed limit of 36th Street is 50 miles per hour in Kentwood and 45 miles per hour east of Patterson Avenue.

The applicant has submitted a traffic analysis for the development. The executive summary is attached. Since Patterson Avenue is under the jurisdiction of the Kent County Road Commission, KCRC has submitted comments regarding the traffic study and the proposed development. While the study methodology was found to be generally acceptable, KCRC has concerns regarding the southernmost driveway on Patterson Avenue. The concern is that the southbound through movement at the 36th/Patterson intersection will back up 505' or more, blocking the southern driveway and creating a safety concern for left turns in and out of the

driveway. KCRC recommends that the driveway be eliminated, and the northern driveway re-analyzed to see how it would function given the additional volume.

Staff Analysis:

In 2022, both the Land Use and Zoning Committee and the Master Plan Committee reviewed a Master Plan amendment for the 10.4 acres of land proposed for rezoning. The applicants discussed the potential rezoning of the property to Commercial. The developers indicated that potential uses of the site could include a 4-story hotel, gas station/convenience store, several restaurants including fast food drive through, and a retail strip center. The applicant also completed a market study for a hotel.

The Committees discussed existing traffic in the area and the capacity of Patterson Avenue/36th Street for commercial uses. The Planning Commission approved the Master Plan amendment in July of 2022.

1. General PUD Standards

Chapter 12 lists the intent and purpose of PUD development, with the following objectives:

1. Encourage use of land in accordance with its character and adaptability through allowance of innovative and creative design solutions not permitted under conventional zoning;
2. Allow design flexibility that benefits the community and the environment and results in a better overall project than would be permitted under conventional zoning;
3. Create a package of amenities not typically achieved with conventional zoning, such as useable open space, preservation of key natural or historic resources, improvements to public roads or facilities, pathways, natural stormwater systems, more extensive landscaping, consistent and coordinated site design details among various projects (lighting, signs, building design, etc.), and high-quality architectural design or materials;
4. Create a complementary mixture of housing types within a project that is consistent with the overall character of the area;
5. Ensure compatibility of design and use between various uses within the PUD and with neighboring properties, and
6. Encourage the use, redevelopment and improvement of existing sites.

From the information submitted by the applicant, it is not clear how the applicant meets the Intent and purpose of the PUD zoning as described above.

2. PUD Qualifying Conditions:

Section 12.02 states the qualifying conditions for PUDs. Section 12.02 F states:

F. The application shall demonstrate the project will result in recognizable and substantial benefits to the residents or occupants of the site, visitors to the site, adjacent properties and the City in contrast

to development permitted under conventional zoning. The applicant must provide compelling evidence that demonstrates these benefits through drawings, reports or other submittals that contrast development under conventional zoning with the design and uses proposed. Such benefits can be provided from amongst the following:

1. Transition areas from adjacent land uses
2. High quality architectural design and materials, with clear guidelines that must be met with future site plan submittals
3. Extensive landscaping and preservation of quality woodlands or trees
4. Assured preservation of unique natural or historic site features, or viewsheds
5. Greenways that link to adjacent greenway corridors
6. Unified access and circulation that reduces the number of driveways
7. Provision of open space and social space
8. Provision of extensive pathway systems through the project
9. Provision of recreational facilities, such as playground equipment and courts
10. Use or enhancement of natural systems for stormwater detention
11. More extensive setbacks or buffering between development and water features
12. Coordinated site design elements such as lighting, signs and greenbelt design
13. Coordinated development of several small parcels
14. Design Improvements (public and/or private) to mitigate traffic impacts, as demonstrated through a traffic impact study
15. Elimination of nonconforming situations
16. Removal or renovation of blighted buildings or remediation of contamination as documented through a Phase I and Phase II Environmental Site Assessment and a Baseline Environmental Assessment.

Information has not been provided on the high-quality architectural design and materials, the extensive landscaping, greenways that link to adjacent greenways, provision of usable open space.

3. PUD Site Design Guidelines

It is not clear how the development meets the standards of Section 12.05 5 Site Design Standards below:

Site Design Guidelines: The following site elements shall be provided:

- a. An extensively landscaped greenbelt, with an average width of 30 feet and minimum of 20 feet shall be provided along all public streets. Plantings within the greenbelt shall exceed the requirements of Section 19.03A. Low, undulating (horizontal and vertical) berms or an architectural feature (decorative stone or brick wall, wrought iron fencing or combination) may be permitted as an alternative to the trees.

The applicant has provided the greenbelt, but the plantings do not meet the requirements of 19.03A.

- b. Site design and landscaping shall diminish the prominence of parking lots as viewed from public streets. Parking lot landscaping shall exceed the amount otherwise required.

It is unclear how the proposed landscaping accomplishes this standard.

- c. A City entranceway landmark or entrance sign may be required near the intersection of two arterial streets or at an entrance point to the city. The type and conceptual design of said landmark shall be determined as part of the Preliminary PUD Plan approval, and the timing of installation described in the PUD Agreement.

Although the development is located at the intersection of two arterial streets, there is no proposed entranceway landmark or sign.

- d. Extensive pedestrian gathering and seating plazas, greenways and tree lined drives shall be within parking lots and throughout the site to provide an inviting pedestrian environment, protection of the pedestrian from vehicular circulation for improved traffic operations and views.

The only shown seating area is near the diesel fueling location. The pedestrian circulation could be improved across the site.

- e. Other site amenities to create a pedestrian scale environment shall be provided such as bike racks, benches, information kiosks, art, planters or streetscape elements to separate mainline buildings from the parking lots.

No information has been provided regarding these elements.

- f. Any detention areas with predominant view from the roadway, parking lot, residential dwellings or primary entrances to buildings shall be designed to have a natural appearance, such as: variable shape; natural arrangement of landscape materials; aerated fountains; use boulder accent walls; or other similar design features.

The proposed detention pond is off site but is in view of the parking lot for the hotel. The design features could be added to the pond.

- g. Sign types and materials shall be consistent with the overall architectural design of the PUD. Signs for uses or buildings located in the PUD shall be subject to the sign limitations allowed for uses or buildings of a similar type built in the respective zoning districts, as determined by the Zoning Administrator.
- h. The site shall have a minimum open space of thirty (30) percent exclusive of areas of deferred parking.

The applicant shall note where the open space is located. No deferred parking is proposed but could be added to the site plan given that there are 50 extra parking spaces for the uses proposed on the site.

- 6. Maintenance and Utilities: For any areas to be held under common ownership, a document ensuring the future maintenance provisions shall be submitted for approval to the Planning Commission. Such provision shall include mandatory membership of all property owners in any

association designed for maintenance of the common area and the City shall have the right to require the recording of such documentation and other provisions deemed appropriate for the project by the Planning Commission.

This is addressed in the proposed Operating and Easement Agreement.

7. Building Height and Architectural Guidelines: Information on architecture and building design (elevations or perspectives, materials and description of design standards) shall be submitted and comply with the following:

- a. Architecture throughout the development shall be compatible based on a design theme established with the Preliminary PUD Plan and described in the PUD Agreement.
- b. Compatibility of site use with nearby residential areas must be evidenced and can be determined in relationship to the following criteria:
 - (1) Uses have no harmful or unpleasant effects (noise, odors, fumes, glare, vibration, smoke, vapors and gases, electrical emissions and industrial wastes.)
 - (2) The PUD site has direct access to a collector or arterial street.
 - (3) Appearance is harmonious with adjacent uses. This feature would include but not be limited to landscaping, enclosure of principal and accessory uses, height control, sign control, low profile buildings and architectural controls.
 - (4) The distances separating all proposed uses and buildings from the surroundings are great enough to in fact constitute a buffer.
 - (5) Loading docks and truck maneuvering areas and terminals should be further removed from residential lot lines than the building.
- c. Buildings shall utilize high quality architecture with variable building lines, peaked roofs or parapet walls, architectural accents, and brick facades.
- d. Building heights will be as required by the Commercial Districts (Chapter 8).
- e. The depth of the front building line shall be varied to break up the building massing.
- f. The predominant material utilized on facades which are visible from a public right-of-way or parking lots shall be brick. Other materials may be used for architectural accents, provided such materials shall have the appearance of wood or cut or cast stone.
- g. A building or buildings shall face (front facade or side elevation with appearance of a front facade) the intersection of existing arterial streets. The building(s) shall have distinct architecture that creates a prominent landmark at the intersection, with no loading or utility areas that face the intersection. There shall be a landscaped plaza in front of the building or between buildings. Parking is encouraged behind buildings.
- h. The type and amount of building materials utilized shall comply with the following table:

Material	Maximum Percent of Wall to be Covered by Certain Building Materials			
	100	75	50	25
Brick	✓			
Glass		✓		
Decorative Masonry		✓		
Stone		✓		
Metal Composite Material Panel		✓		
Metal, Wood and Vinyl Siding			✓	
Finishes*				✓

The applicant has prepared a general statement about building materials, indicating that:

“Architectural features will utilize quality materials with variable building lines, peaked roofs or parapet walls, architectural accents, and masonry facade, complying as much as practical with Ordinance Section 12.05.7.”

This statement does not address Section 12.057 f that requires that the predominant material shall be brick, with the accents of wood or cut/cast stone. In addition, Section 12.05 7g requires that building facades shall face the intersection of existing arterial streets. The section also requires distinct architecture that creates a prominent landmark at the intersection, and a landscaped plaza in front of the building. Parking is required to be behind the building.

The building proposed at the intersection of 36th Street and Patterson Avenue is a gas station, with parking, gas pumps and a diesel gas pump along the arterial street. This is inconsistent with the intent of the regulations.

PUD Agreement

4. In the proposed PUD Statement, the applicant states that deviations to the zoning regulations were unknown but could include building heights, building setbacks, reduced greenbelt, buffer zone widths, reduced parking quantities, signage regulations, and building materials. The applicant leaves the potential for additional “other” deviations as well. Generally, the proposed deviations are stated at the time of the preliminary approval, so that the City Commission can review any proposed deviations at that time. The existence of a statement regarding deviations does not imply approval of any of the deviations. Each deviation would have to be reviewed by both the Planning and City Commissions if the deviations are not requested as part of the preliminary plan. In addition, staff and the Commissions would have to determine whether the new deviations proposed at a future date have an impact on the preliminary approval.

5. Section 2.2 of the proposed PUD Agreement indicates that signage easements are to be noted on the site plan but it is not clear where these easements are intended. The zoning ordinance states that a PUD is subject to the limitations allowed for uses or buildings of a similar type built in the respective zoning districts (although this is part of the Section that can be waived).

PUD Site Plan

6. The PUD site Plan proposes the following uses:

- Hotel with 135 rooms on 3.26 acres
- Child care center on 1.03 acres
- 9,500 square foot retail center on 1.02 acres
- 8,000 square foot retail and 3,000 square foot bank on 2.04 acres

- 4,000 square foot restaurant on 1.03 acres
- 6,000 square foot gas station/convenience store on 2.19 acres

The bank, retail center drive through, restaurant with drive through, hotel, and gas station must receive Special Land Use approval. The hotel would have to receive Special Land Use approval for the height of the hotel, or, alternatively, could address the height as a deviation to the PUD. If the preliminary site plan for the development is approved, each phase of the development would also have to receive final PUD site plan approval.

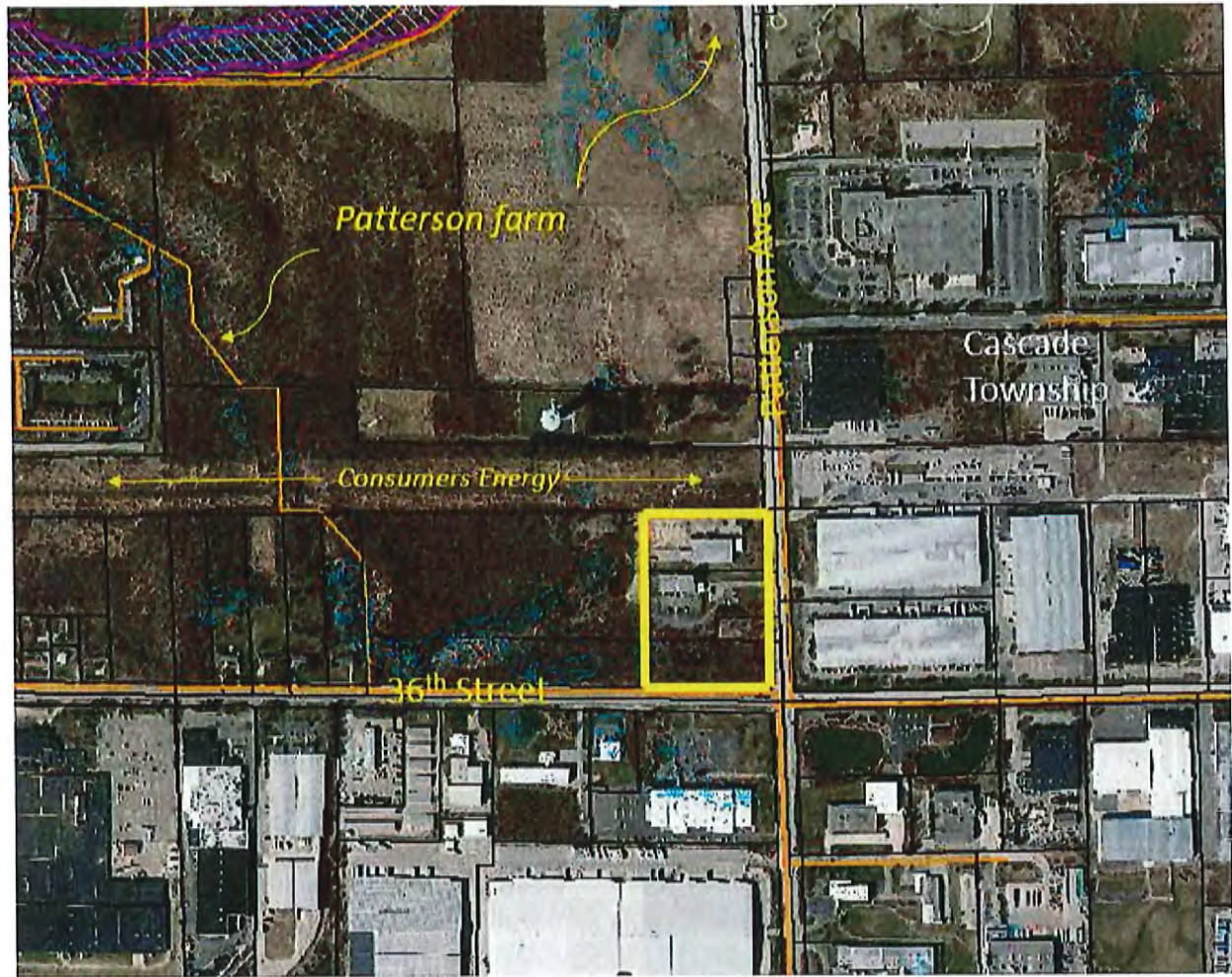
7. The width of the curb cut on 36th Street appears to be too wide to meet city requirements. Kent County Road Commission must make a determination on the width of the driveway on Patterson Avenue.
8. The applicant intends to extend the northernmost driveway to the west. If this occurs, there will be an impact on the open space. Applicant shall indicate whether the 30% open space for the site includes the driveway extension. Applicant shall indicate whether the 30% open space includes the future one-story commercial retail building.
9. The applicant shall indicate whether the traffic analysis takes into account the truck traffic generated by the diesel fuel station.
10. The zoning district to the north of the site is R1-C Residential; site plan states that it is I-1 Industrial.
11. The applicant must provide a lighting plan for final approval.
12. The site exceeds the required parking by 50 spaces.
13. The applicant shall provide a phasing plan.

Attributes:

- Proposed uses permitted (some with SLU) in CPUD
- Appears to meet Open Space criteria

Issues:

- Does not provide basis for how development meets General PUD and PUD Qualifying Conditions
- Does not provide basis for how the development meets the site design guidelines for the CPUD
- KCRC recommends removal of southern driveway on Patterson Avenue
- Site details needed—open space, driveway width justification, lighting, deferred parking, phasing



GRR ANCILLARY C-PUD

STANDARDS FOR APPROVAL OF PRELIMINARY C-PUD SITE PLAN

ORDINANCE SECTION 12.10

Item A. The Planned Unit Development meets the qualification requirements of Ordinance Section 12.10 as follows:

1. The property is under the control of one owner
2. The property is greater than five (5) acres
3. All land is contiguous
4. The property is adequately served by public sanitary sewer and water
5. The C-PUD Project will result in substantial benefits to the occupants, visitors, adjacent properties and the City of Kentwood in contrast to development permitted under conventional zoning based on the following:
 - a. Existing adjacent land uses include:
 - North – Consumers Power Co.
 - West – Ben Muller Realty
 - South – Eaton Aerospace, Kentwood, MI
 - East – USPS, CMS & Comcast, Cascade TownshipSpecific transition areas are not proposed or applicable.
 - b. Architectural features will utilize quality materials with variable building lines, peaked roofs or parapet walls, architectural accents, and masonry facades, complying as much as practical with Ordinance Section 12.05, Building designs will have a compatible design within the C-PUD. Elevations with material descriptions will be provided during Final Site Plan Review as required by Ordinance Section 14.4, item F.
 - c. Extensive landscaping will be provided as required by Chapters 12 and 19 of the Ordinance. Landscaping will include tree-lined drives, buffer plantings, ornamental flowering trees and shrubs and evergreen trees. Preservation of existing woodlands is not applicable.
 - d. Vehicular access drives and on-site circulation is well organized and unified, allowing fewer numbers of driveways than that of conventional zoning. Vehicular circulation is safe, convenient, uncongested, well defined and intuitive.
 - e. Open space and social space occupy more than 30% of the overall area.
 - f. Pedestrian pathways are provided throughout the project providing safe, convenient access between uses with direct linkage to the existing sidewalk system. Landscaped pedestrian gathering and seating areas will be provided.

- g. Uniformed site lighting, signage and landscaping will further provide a consistent, cohesive and recognizable project that conventional zoning would likely not provide.
- h. On and off-site roadway improvements necessary to mitigate traffic impacts are provided as described by the Traffic Impact Study and as required by the KCRC and City of Kentwood.

Item B. A Draft PUD Agreement has been submitted and generally meets the standards herein.

Item C. In contrast to development under conventional zoning, the Planned Unit Development has a significant benefit in terms of health, safety and welfare as described in Item A, 5a-5h.

Item D. The proposed uses will not adversely affect the public utility and circulation system, surrounding properties, or the environment.

Item E. The proposed Planned Unit Development is consistent with the goals, objectives of the City's Master Plan and specifically follows the City's Future Land Use Map.

Item F. The Project will be designed, constructed, and maintained to be harmonious with the existing general vicinity and will improve the essential character of the area.

Item G. The Project will be adequately served by essential public facilities and services, such as streets, public transit, pedestrian ways, police and fire protection, storm water management, refuse disposal, public water service and sanitary sewer as shown on sheets C-103, C-104 and C-105.

Item H. The Project will not create excessive additional requirements at public cost for facilities and services.

Item I. The Project will be developed in accordance with the Objectives of the Planned Unit Development District.

Item J. Judicious effort will be made to preserve the integrity of the land; however, there are no historic features, no significant natural features and no underground water bodies on the property.

Item K. Public water and sewer facilities are available or shall be provided for by the developer as part of the site development.

Item L. Safe, convenient, uncongested, and well-defined vehicular circulation within and to the site is provided. Drives, streets and other elements shall be designed to discourage through traffic, while promoting safe and efficient traffic operations within the site and at its access points.

Item M. A comprehensive pathway system is provided that links all components within the PUD and links the PUD with the existing public sidewalk system. Connection to the city's future pedestrian/bike path located south of the water tower may be possible.

Item N. Common open space is provided as required and is appropriately located to relate to each other, the site and surrounding lands. Open space is connected throughout the development, providing buffer areas between adjacent land uses. More than 25 percent of required open space is exclusive of ponds, storm water detention facilities and wetlands.

Item O. Any approved deviations from the applicable zoning regulations meet the intent of this section.

GRR ANCILLARY PUD STATEMENT

12.09.D C-PUD Requirements

Section 1. Deviations from the City's Regulations are unknown at this time but may include building heights, building setbacks, reduced greenbelt and buffer zone widths, reduced parking quantities, signage regulations, and building materials. We understand that these and other possible deviations from City Regulations will be approved as part of our PUD and will not require Special Use Approval or Approval by the Zoning Board of Appeals.

Section 2. Draft Operating and Easement Agreement attached.

Section 3. Draft Operating and Easement Agreement attached.

Section 4. Does not apply, no Woodlands exist on site.

Section 5. Construction, improvement, and maintenance of all streets and necessary utilities are unknown at this time. This requirement shall be addressed at the time of final PUD approval.

Section 6. Variances from the ZBA cannot be sought for the PUD Plan. Individual landowners shall be eligible to seek variances once the PUD project is complete.

Section 7. Additional stated concerns of the City regarding construction and maintenance including phasing development plans are unknown at this time. If additional concerns from the City shall arise, they will be addressed at the time of final PUD approval.

Section 8. The obligations of the PUD will be transferred to future buyers. Any amendments to the PUD agreement shall first require original Developer's approval prior to application to the City in order to maintain the original intent of the PUD.

Section 9. Architectural features will utilize quality materials with variable building lines, peaked roofs or parapet walls, architectural accents, and masonry facades, complying as much as practical with Ordinance Section 12.05, 7. Building elevations with material description will be provided with our Final Site Plan as required by Ordinance Section 14.4, item F.

Section 10. A walkway circulation system will be provided throughout the PUD connecting building entrances and to the existing public pedestrian system. Walkways will provide a safe and inviting environment for pedestrians.

Section 11. Open space will be provided as required by the Ordinance with tree-lined drives, uniform lighting and adequate signage to create a safe, pedestrian scale environment.

Section 12. The GRR Ancillary C-PUD follows the City of Kentwood's Master Plan as recently amended. We recognize the City's goal for its commercial areas to succeed, their support for new viable commercial developments, their use of available tools to encourage the health and success of commercial development and their efforts to be business-friendly and encourage the expansion of businesses in the area (from Kentwood 2020 Master Plan, Page 51, Planning Principle 6: Commercial Development).



**CITY OF KENTWOOD
PLANNING COMMISSION
PROPOSED
FINDINGS OF FACT
JULY 12, 2022**

Golder 6/22/22

PROJECT: GRR Ancillary M/U

APPLICATION: 7-22

REQUEST: Change of Master Plan designation from Industrial to Commercial

LOCATION: Northwest corner of Patterson Avenue and 36th Street SE

HEARING DATE: June 28, 2022

MOTION: **Motion by Holtrop, supported by Benoit, to grant conditional approval of the request to amend the Master Plan designation for ten acres of land located at the northwest corner of Patterson Avenue and 36th Street from Industrial to Commercial, as described in Case No. 7-22. Approval is conditioned on conditions 1-2 and basis points 1-7 as amended and described in Golder's memo dated June 22, 2022.**

- Motion Carried (7-0) –
- Rogers absent -

CONDITION:

1. Any PUD Plan submitted for the site shall include a traffic analysis that will be reviewed by the City and the Kent County Road Commission.
2. The PUD site plan shall include a driveway connection to the north, in order to connect to the traffic signal at 33rd Street/Patterson Avenue.
3. The Patterson Avenue and 36th Street frontages shall each allow only one curb cut serving the development.

BASIS:

1. The proposed uses are compatible with the surrounding uses.

The city understands the need to preserve industrial land within the city. However, a limited amount of commercial use can provide services for the employees of the industrial sector.

The current zoning already allows for certain services such as vehicle fuel stations, day care centers and restaurants.

2. The proposed use is generally consistent with the Guiding Principles identified in the Master Plan for Section 13.

The Master Plan currently recommends Guiding Development that include:

- a. **Development of Section 13 as a PUD.**
- b. **Internal roads and trails within the development to provide connectivity through the site and to adjacent properties.**
- c. **Limited driveways on Patterson Avenue.**
- d. **Design guidelines required for a unified and cohesive development.**
- e. **Restrictions on uses adjacent to residences.**

The proposed development meets most of these principles; or will be able to meet the principles within a future PUD development.

3. The proposed master plan change has received support from area property owners.

The Gerald R. Ford International Airport has indicated its support for the master plan amendment. Adjacent residents have also indicated their support during the public comment period for the Master Plan amendment.

4. The current zoning allows several of the uses that the applicant intends to include in a proposed CPUD development plan.

Vehicle fuel stations, restaurants, day care, and personal service establishments are allowed in the current IPUD zoning district. Other uses that have been proposed, such as a hotel, are subject to CPUD approval and Special Land Use criteria.

5. Although the Master Plan is recommended to be amended to allow for commercial use, the Plan also clearly requires the rezoning to a Commercial Planned Unit Development. The CPUD zoning, if approved, will allow the city to address access and use issues that are of concern for the development.

6. The driveway connection to 33rd Street will allow the eventual connection to a signalized intersection for the development. The allowance for one driveway each to access Patterson Avenue and 36th Street is consistent with the qualifying conditions for PUD districts outlined in Chapter 12 of the Zoning Ordinance. Interior driveways providing connection between uses is a standard outlined in Section 12.05 4 of the Zoning Ordinance. The PUD rezoning and site plan review for this site will include an analysis of the types of uses proposed to ensure that they support the area's industrial base. In addition, the traffic analysis and site review will ensure the development will not have a negative impact on adjacent roadways and that the internal circulation between uses is achieved.
7. Discussion during work session and public hearing.

DECLARATION OF OPERATING AND EASEMENT AGREEMENT

THIS DECLARATION OF OPERATING AND EASEMENT AGREEMENT (this "OEA") is made as of the ____ day of _____, _____, by GRR ANCILLARY MU, LLC, a Michigan limited liability company ("Declarant").

Background

WHEREAS, Declarant is the owner of that certain parcel of land located in the City of Grand Rapids, Kent County, Michigan, legally described on Exhibit A (the "Property") and depicted on the Site Plan attached hereto and made a part hereof as Exhibit B (the "Site Plan"), and plans to construct on portions thereof one or more buildings to be used for commercial and/or retail purposes and related uses;

WHEREAS, The Property consists of seven parcels designated on the Site Plan as "Parcel 1" ("Parcel 1"), "Parcel 2" ("Parcel 2"), "Parcel 3" ("Parcel 3"), "Parcel 4" ("Parcel 4"), "Parcel 5" ("Parcel 5"), "Parcel 6" ("Parcel 6") and "Parcel 7" ("Parcel 7") and more particularly described on Exhibit C attached and made a part hereof; and

WHEREAS, Declarant hereby desires to subject the Property to certain reciprocal rights, easements, covenants and agreements hereinafter set forth in order to effectuate the common use and operation thereof.

NOW, THEREFORE, in consideration of the premises, the mutual promises and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, it is agreed as follows:

ARTICLE I

DEFINITIONS

1.1 Access Drives. "Access Drives" shall mean the areas so named and depicted on the Site Plan and located on a Parcel.

1.2 Building. "Building" shall mean any enclosed structure placed, constructed or located on a Parcel, which for the purpose of this OEA shall include any appurtenant canopies, supports, loading docks, truck ramps, trash enclosures, drive-thru lanes and areas, drive-thru improvements, and other outward extensions.

1.3 City. "**City**" shall mean the City of Grand Rapids, Michigan.

1.4 Common Area. "**Common Area**" shall mean any and all areas within the Property exclusive of a Building on any Parcel, which areas are intended for the use, convenience and benefit of the Owners, the Parcels, their Occupants and Permittees, including, but not limited to, the Storm Water Facilities (defined below).

1.5 Common Area Expenses. "**Common Area Expenses**" shall mean all reasonable costs and expenses of (a) maintaining, repairing, restoring and replacing the Common Area and the improvements thereon except as otherwise provided in this OEA, (b) insuring the Manager and insuring the Common Area as provided in this OEA, (c) paying real estate taxes, if any, on the Common Area, including protesting and challenging such taxes and assessed valuations, and (d) performing and enforcing the rights and obligations of the Declarant as set forth in this OEA. Common Area Expenses shall exclude the initial cost of construction of the Common Area improvements, except as specifically provided for herein.

1.6 Grantor. "**Grantor**" shall mean an Owner granting an easement, it being intended that the grant shall thereby bind and include not only such Owner but also its successors and assigns.

1.7 Grantee. "**Grantee**" shall mean an Owner to whom an easement is granted, it being intended that the grant shall benefit and include not only such Owner but its successors and assigns.

1.8 Manager Fee. "**Manager Fee**" means the fee for the Management Services paid to the Manager prescribed in Article III below.

1.9 Occupant. "**Occupant**" shall mean any Person from time to time entitled to the use and occupancy of any portion of a Building or Parcel under an ownership right or any lease or sublease, or under any license, concession or similar agreement.

1.10 Owner. "**Owner**" shall mean, initially, Declarant and its respective successors and assigns who become an owner or lessee of any Parcel. Each Owner shall be liable for the performance of all covenants, obligations and undertakings herein set forth with respect to the Parcel owned by it which accrue during the period of such ownership.

1.11 Parcel. "**Parcel**" shall mean any of Parcel 1, Parcel 2, Parcel 3, Parcel 4, Parcel 5, Parcel 6 and Parcel 7 (together, the "**Parcels**").

1.12 Permittee. "**Permittee**" shall mean all Occupants and the officers, directors, employees, agents, contractors, customers, vendors, suppliers, visitors, invitees, licensees, subtenants, and concessionaires of Occupants insofar as their activities relate to the intended development, use and occupancy of any Parcel.

1.13 Person. "**Person**" shall mean any individual, partnership, firm, association, corporation, trust, or any other form of business or government entity.

1.14 Project. "**Project**" shall mean the Property and any easements or rights appurtenant to the Property.

1.15 PUD. "PUD" shall mean Ordinance of the City of Grand Rapids No. _____.

1.16 Utility Lines. "Utility Lines" shall mean those facilities and systems for the transmission of utility services, including drainage and storage of surface water. "Common Utility Lines" shall mean those Utility Lines that are main or primary and provide the applicable service to more than one Parcel and into which Separate Utility Lines (as defined herein) are connected. "Separate Utility Lines" shall mean those Utility Lines that provide the applicable service to only one Parcel. For purposes of this OEA, the portion of a Utility Line extending between a Common Utility Line and a Building shall be considered a Separate Utility Line.

ARTICLE II

EASEMENTS

2.1 Ingress and Egress. Declarant hereby establishes, for the Benefit of each Owner, for their respective use and for the use of their respective Occupants and Permittees, in common with others entitled to use the same, a perpetual, non-exclusive easement for the passage of vehicular and pedestrian traffic over and across the Access Drives and all drive aisles from time to time existing on the Property as the same may from time to time be constructed and maintained, which easement is solely for the purpose of ingress and egress.

2.2 Signage Easements. Declarant hereby reserves to itself, its successors and assigns, a perpetual easement over the portions of the Parcels designated on the Site Plan for the purpose of erecting thereon one or more multi-party signs, and Declarant reserves to itself, its successors and assigns, and grants to the Owners, for their respective use and for the use of their respective Occupants a perpetual easement over, in and on such multi-party signage, and/or any replacement thereof, for the purpose of installing, maintaining, repairing and replacing therein a sign panel, the cost of which shall be borne entirely by the Grantee, and a non-exclusive easement over the portion of the Parcels reasonably required for construction, maintenance, repair and replacement of such sign and said sign panels and access thereto. All construction, maintenance, repair and replacement of said sign and sign panels performed or to be performed shall be completed timely and to good order and repair, to standards of quality commonly applicable to other first class retail developments of comparable size in the Grand Rapids Metropolitan Area. Each Grantee shall be responsible for its proportionate costs of construction, maintenance, repair and replacement of the multi-party signage (other than sign panels) according to its relative sign panel size and shall be responsible for the construction, maintenance, repair and replacement of its sign panel.

2.3 Utilities.

(a) Grant of Utility Easements. Declarant hereby establishes, for the benefit of each Owner, for their respective use and for the use of their respective Occupants and Permittees, in common with others entitled to use the same, a perpetual, non-exclusive easement in, to, over, under, along and across those portions of the Project as described in the Utility Plan, attached hereto and made a part hereof as **Exhibit D** ("Utility Plan") necessary for the installation, operation, flow, passage, use, maintenance, connection, repair, relocation and removal of Utility Lines serving the Parcels, including but not limited to, sanitary sewers, storm drains, water (fire and domestic), gas, electrical, telephone and communication lines. The utility easement areas

shall not materially adversely affect the use of the Parcels by its respective Owners or their respective Occupants and Permittees.

(b) Location of Utility Lines. Except as expressly set forth herein, each Owner is obligated to complete construction of the facilities shown on the Utility Plan located on its respective Parcel in accordance with the Utility Plan. After initial construction of any utility facility, and except as depicted as a connection as shown on the Utility Plan, connection into a Utility Line by an Owner shall require the prior written consent of the Owner of the Parcel on which the Utility Line is located, which consent shall not be unreasonably withheld, conditioned or delayed. Upon such connection by another Owner with such Utility Line, the Utility Line shall become a Common Utility Line. The Owner so connecting to such Utility Line shall be liable for all costs of such connection and for any separate hookup fees charged by the utility provider to such Owner and shall thereafter pay all costs associated with the repair, replacement and maintenance of such hookup and such Utility Line on such Owner's Parcel and shall indemnify or reimburse the other Owners for any damage to such other Owner's Parcel caused by any such hookup or failure to repair or maintain as provided above. In addition, in the event the Grantor of a Common Utility Line is not serviced by such Common Utility Line, the Grantees of the Common Utility Line agree to defend, protect, indemnify and hold harmless the Grantor from and against all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and cost of suit, arising out of or resulting from the exercise of the right to install, maintain and operate the Common Utility Line.

(c) Initial Costs of Construction and Costs of Future Construction. Any Owner installing Separate Utility Lines shall pay all costs associated with the construction thereof and shall cause all work in connection therewith (including general clean-up and proper surface and/or subsurface restoration) to be completed as quickly as possible and in a manner so as to minimize interference with the use of the Common Area. In addition, the Grantee of any Separate Utility Line agrees to defend, protect, indemnify and hold harmless the Grantor from and against all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and cost of suit, arising out of or resulting from the negligence or willful and wanton conduct of Grantee, its employees or agents in the exercise of the right to install, maintain, repair, replace and operate the Separate Utility Line.

(d) Relocation of Existing Utility Lines. The Grantor of any easement granted pursuant to the provisions of this Section 2.3 shall have the right to relocate a Utility Line upon thirty (30) days prior written notice to the Grantee and shall be subject to the prior written approval of the Owner whose Parcel is to be burdened thereby, which approval may be withheld upon such burdened Owner's commercially reasonable discretion. The Owner requesting an easement for such Utility Line shall provide the following items along with its request: (i) identification of the proposed relocation on a site plan; (ii) a written description of the scope of work and schedule; and (iii) a certificate of insurance as required by Section 6.1(a)(i) and shall further provide the Grantee with an "as-built" survey of the relocated easement area as soon as possible following completion of such relocation. Any such relocation:

- (i) shall not be commenced during the months of November, December or January (unless relocation of a Utility Line is required by the City or as a result of an emergency);
- (ii) shall not interfere with or diminish the utility service to the Grantee during the Grantee's business hours; and if an electrical line/communication line is being relocated, then the Grantor and Grantee shall coordinate such interruption to eliminate any detrimental effects;
- (iii) shall not reduce or unreasonably impair the usefulness or function of such Utility Line;
- (iv) shall be performed without cost or expense to the Grantee;
- (v) shall require the return of any disturbed land/property to its prior condition;
- (vi) shall be completed using materials and design standards that equal or exceed those originally used; and
- (vii) shall have been approved by the provider of such service and the appropriate governmental or quasi-governmental agencies having jurisdiction thereover.

2.4 Storm Water Management. Declarant hereby establishes, for the benefit of each Owner, for their respective use and for the use of their respective Occupants and Permittees, in common with others entitled to use the same, a perpetual, non-exclusive easement in, to, over, under, along and across those portions of the Project designated or to be developed as a storm water detention pond, drainage system and/or drainage area ("**Storm Water Facilities**"), including, but not limited to, the areas within Parcel 7. **No development other than Storm Water Facilities shall occur on Parcel 7.**

2.5 Maintenance Easement. Whenever in this OEA, an Owner (the "**Maintaining Owner**") is given the duty or the right to perform maintenance of any improvement on the Parcel of another Owner, such other Owner hereby grants an easement to the Maintaining Owner for such limited purpose over the portion of the Parcel to be maintained.

2.6 General. Such easement rights created in this Article II shall be subject to the following reservations as well as other provisions contained in this OEA:

- (i) The words "in" and "over" with respect to an easement granted "in" or "over" a particular Parcel means, as the context may require, "in", "to", "on", "over", "through", "upon", "across", and "under", or any one or more of the foregoing.
- (ii) All easements granted herein are non-exclusive and irrevocable, unless otherwise specifically provided.

- (iii) All easements granted herein shall be easements appurtenant and not easements in gross.
- (iv) No Grantee shall permit any claim, lien or encumbrance to attach against Grantor's Parcel or any interest therein.

ARTICLE III

Management

3.1 Management. The Declarant shall have the rights and duties set forth in this OEA. Declarant shall serve as manager ("Manager") under this OEA and, exercise the rights and obligations of the Manager set forth herein (the "Management Services"). Manager shall not be obligated to undertake any Management Services for which another Owner has not provided sufficient funds.

3.2 Compensation. The Manager shall be paid by the Owners for the Management Services an amount equal to ten percent (10%) of the Common Area Expenses. The Owners shall, in addition, reimburse Manager for any out-of-pocket costs in conducting the Management Services.

3.3 Billings. The Manager shall from time to time bill the Owners for their Percentage Share of Common Area Expenses. The Manager may bill the Owners for Common Area Expenses based on anticipated expenditures so that at all times the funds required for the Management Services are sufficient to pay its obligations as they come due.

ARTICLE IV

MAINTENANCE AND REPAIR

4.1 Maintenance.

(a) Common Area Maintenance Obligations. The Manager shall maintain the surface, structural, engineering and operational components and the aesthetic and cosmetic appearance (i.e., landscaping, mowing and clean-up of appearance) of the Access Drives, multi-party signage (but not the sign panels therein), and all Common Areas on the Property. The Common Area Expenses shall be shared among the Owners, allocated among their respective Parcels on the basis of their relative percentages set forth on Exhibit E attached hereto and made a part hereof (such percentages being referred to as each Parcel's "Percentage Share"); provided, however, that in the event any such repairs are necessitated by the negligent or intentional acts of an Owner or any of its Occupants or their respective Permittees, such party shall be responsible to reimburse the party who paid for such repair. The minimum standard of maintenance for each Parcel and its improvements and the costs associated therewith shall be comparable to the standard of maintenance followed in other first class retail developments of comparable size in the Grand Rapids Metropolitan Area. The words "maintain" and "maintenance" and grammatical variants thereof as used in this OEA shall be deemed to include repair, restoration, cleaning and replacement. Notwithstanding the foregoing, however, each Parcel and its improvements shall be operated and maintained in compliance with all applicable governmental laws, rules,

regulations, orders and ordinances, and the provisions of this OEA. All Access Drive improvements shall be repaired or replaced with materials at least equal to the quality of the materials being repaired or replaced. The Manager's maintenance and repair obligations of the Common Area shall include but not be limited to the following:

- (i) Access Drives. Maintaining all paved surfaces and curbs of the Access Drives in a smooth and evenly covered condition, including, without limitation, replacement of base, crack filling and resurfacing.
- (ii) Debris and Refuse. Periodic removal of all papers, debris, filth and refuse, to the extent necessary to keep the Access Drives in a clean and orderly condition.
- (iii) Lighting. Maintaining, cleaning and replacing Access Drive lighting facilities, including light standards, wires, conduits, lamps, ballasts and lenses, time clocks and circuit breakers.
- (iv) Signs. Maintaining, and repairing, in a clean, slightly and safe condition, any and all signs pertaining to the Access Drives and pavement striping and marking.
- (v) Landscaping. Maintaining and replacing all landscape plantings, trees and shrubs on the Common Area in a living and thriving condition, trimmed and weed free; and modifying irrigation systems to satisfy governmental water allocation or emergency requirements.
- (vi) Plowing and removal of snow and ice from the Project other than sidewalks and other areas adjacent to a Building.

(b) Each Owner of a Parcel shall maintain at its own expense its Parcel and the improvements and landscaping thereon in accordance with applicable law in good order, condition, and appearance to a standard not less than that of other first class retail shopping centers generally in the Grand Rapids Metropolitan Area. With limiting the foregoing, each such Owner shall:

- (i) Regularly maintain and mow any undeveloped areas of their Parcel. Once an Owner's construction has commenced on its Parcel, then prior to completing construction the Owner of such Parcel shall spread topsoil, grass seed and hay (or straw) on any exposed areas of such Parcel pursuant to City standards. After completing the construction of the improvements on their Parcel, the Parties shall operate and maintain the improvements on their Parcel in good order, condition and repair in keeping with the standards of a first-class retail shopping center in the Grand Rapids Metropolitan Area.
- (ii) Maintain the surface of the sidewalks and other paved areas of their Parcel, so that the areas continue to remain level, smooth and evenly covered. The

Parties shall use the type of surfacing material that was originally installed, or a substitute that is equal in quality, appearance and durability.

- (iii) Remove all papers, debris, filth and refuse from their Parcel.
- (iv) Maintain all structures in accordance with the prevailing practices of the operation of similar first-class retail centers in the Grand Rapids Metropolitan Area.
- (v) Repaint striping, markers and signs on their Parcel as necessary to maintain them in first-class condition.
- (vi) Maintain landscaping on their Parcel as necessary to keep it in a first-class condition.
- (vii) Except for Manager's obligations pursuant to 4.1(b) above, provide snow and ice removal and sweeping as needed on all sidewalks and other paved areas located on their Parcel.
- (viii) Maintain and repair any directional signage pertaining to one Parcel but located on the Common Area.
- (ix) If a Building on a Parcel is damaged, the Owner thereof shall promptly secure the Building, and either commence prompt repair and restoration or demolish the Building to grade level, install suitable topsoil, seed and maintain a grass surface all in accordance with first class shopping center standards in the Grand Rapids Metropolitan Area.

4.2 Garbage. The Owners of the Parcels, on behalf of themselves and their Occupants, agree to store all trash, garbage, refuse and recyclable materials in adequate containers and to locate such containers in enclosed or fenced structures so they are concealed and such containers are not readily visible and to arrange for regular removal of such trash, garbage, refuse and recyclable materials.

ARTICLE V

CONSTRUCTION

5.1 General Construction Requirements.

(a) Compliance with Laws. Each Owner agrees that all construction and maintenance activities performed by it within the Project shall be performed in compliance with the PUD and all other applicable laws, rules, regulations, orders, and ordinances of the City, county, state and federal government, or any department or agency thereof. All construction and maintenance shall be performed in a good, safe and workmanlike manner. Each Owner further agrees that its construction and maintenance activities shall not: (i) cause any unreasonable increase in the cost of constructing improvements upon another Owner's Parcel; (ii) unreasonably interfere with construction work being performed on any other part of the Project; (iii) unreasonably interfere

with the use, occupancy or enjoyment of any part of the remainder of the Project by any other Owner or its Permittees; or (iv) cause any Building located on another Parcel to be in violation of any law, rule, regulation, order or ordinance authorized by any city, county, state or federal government, or any department or agency thereof.

(b) Construction Liens. In the event any mechanic's lien, contractor's lien or other lien is filed against the Parcel of one Owner as a result of services performed or materials furnished for the use of another Owner, the Owner permitting or causing such lien to be so filed agrees to promptly cause such lien to be released and discharged of record, either by paying the indebtedness that gave rise to such lien or by posting a bond or other security as shall be required by law to obtain such release and discharge. Nothing herein shall prevent the Owner permitting or causing such lien from contesting the validity thereof in any manner such Owner chooses so long as such contest is pursued with reasonable diligence and so long as such lien shall not cause a default under any instrument to which the Owner owning the Parcel is a party, unless such instrument shall allow the posting of security for such lien as a cure and the Owner permitting such lien posts such security; provided, however, the Owner permitting or causing such lien shall satisfy such lien prior to any foreclosure or threat of loss of title resulting therefrom. The Owner permitting or causing the lien agrees to defend, protect, indemnify and hold harmless the other Owner and its Parcel from and against all claims and demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and cost of suit, arising out of or resulting from such lien.

5.2 Parking Standards. The Parking Area shall contain sufficient parking spaces in order to comply with the applicable minimum parking requirements of the City and the PUD, as well as all other applicable governmental laws, rules, regulations, and ordinances.

5.3 Construction Insurance. Each constructing Owner shall obtain or require its contractor to obtain and thereafter maintain so long as such construction activity is occurring, at least the minimum insurance coverage set forth below:

- (i) Employer's Liability Insurance.
- (ii) Worker's compensation insurance as required by any applicable law or regulation. The worker's compensation policy must include Coverage B-Employer's liability limits of: Bodily Injury by Accident - \$1,000,000 for each accident; and Bodily Injury by Disease - \$1,000,000 for each employee.
- (iii) Commercial General Liability insurance with the following minimum limits of liability and coverages:
 - (a) Premises and Operations;
 - (b) Products and Completed Operations;

- (c) Contractual Liability (insuring the indemnity obligations assumed by any contractor working on an Owner's Parcel under contract documents);
- (d) Broad Form Property Damage, including Explosion, Collapse and Underground Hazards, for the full replacement cost of Buildings and improvements on an Owner's Parcel (including Completed Operations);
 - 1. \$2,000,000 for Bodily Injury and Property Damage each occurrence;
 - 2. \$3,000,000 for Personal and Advertising Injury Liability;
 - 3. \$5,000,000 aggregate for Products and Completed Operations;
 - 4. \$5,000,000 general aggregate.
- (iv) Automobile Liability Insurance. Automobile liability insurance (bodily injury and property damage liability) written on an occurrence basis in an amount not less than \$2,000,000 per occurrence and \$5,000,000 annual aggregate, including coverage for owned, hired, and non-owned automobiles, with limits of liability of not less than \$1,000,000 combined single limit.
- (v) Umbrella/Excess Liability Insurance. Each Owner shall also carry umbrella/excess liability insurance in the amount of \$5,000,000.

The limits of insurance set forth in this OEA shall be increased every five (5) years (from the date of this OEA) by an amount equal to seven and a half percent (7.5%) of the then current insurance limits. If a particular insurance coverage set forth in this OEA is not generally available, the nearest substitute therefor shall be provided.

If the construction activity involves the use of another Parcel, then the Owner and mortgagee of such Parcel shall each be additional insured(s) and such insurance shall provide that the insurance shall not be canceled or reduced in an amount or coverage below the requirements of this OEA, without at least thirty (30) days prior written notice to the additional insureds. If such insurance is canceled or expires, then the constructing Owner shall immediately stop all work on or use of the other Owner's Parcel until either the required insurance is reinstated or replacement insurance obtained. Each Owner or Occupant, as the case may be, shall supply or cause its general contractor to supply each Owner with certificates with respect to all insurance required by this Section.

ARTICLE VI

OPERATION OF THE PROJECT

6.1 Insurance.

(a) Insurance Coverages. The Manager, as a Common Area Expense, and each other Owner (as to its Parcel only) at such Owner's sole cost and expense, shall maintain or cause to be maintained in full force and effect:

- (i) commercial general liability insurance (including blanket contractual liability) written on an occurrence basis in an amount not less than \$2,000,000 per occurrence and \$5,000,000 annual aggregate covering bodily injury, personal injury resulting therefrom, and property damage, which policy shall name each Owner hereto as an "additional insured"; and
- (ii) property insurance on a special form causes of loss or equivalent insurance policy insuring all Buildings located on an Owner's Parcel in the amount of the full replacement cost thereof (with a deductible not to exceed \$100,000, which not to exceed figure shall be increased by 7.5% every five (5) years).

(b) Insurance Requirements. All insurance required by this Section 6.1 shall: (i) be procured from nationally, reputable insurance companies authorized to do business in the State of Michigan; and (ii) provide that the policy shall not be canceled or allowed to expire, and the coverage amounts shall not be reduced below the requirements of this OEA, without at least thirty (30) days prior written notice by the insurer to each insured and to each additional insured. The insurance coverages required hereunder may be procured by an Occupant, or under a blanket policy or policies of an Owner or Occupant. Each Owner agrees to furnish to any Owner requesting the same, a certificate(s) of insurance evidencing the insurance required to be carried by such Person hereunder.

6.2 Real Estate Taxes. The Manager shall timely pay as a Common Area Expense any real estate taxes imposed on the Common Area or the improvements thereon, and may engage professional services to review and contest any real estate taxes or assessed valuations. Each other Owner shall timely pay or cause to be paid all real estate taxes and other assessments and impositions that are owed to any governmental authority having jurisdiction over the Owner's Parcel or the Owner.

6.3 Indemnity. Each Owner, agrees to defend, protect, indemnify and hold harmless each other Owner and the Manager from and against all claims or demands, including any action or proceedings brought thereon, and all costs, losses, expenses and liability of any kind relating thereto, including reasonable attorney's fees and cost of suit, arising out of or resulting from injury to or death of any Person, or damage to the property of any Person located on the Parcel owned by each indemnifying Owner; provided however, the foregoing obligation shall not apply to claims caused by the negligence or willful act or omission of such other Owner, its Occupants or Permittees, or anyone claiming by, through, or under any of them.

ARTICLE VII

USES

7.1 Prohibited Uses.

- (a) The following uses shall be prohibited on all the Parcels:
 - (i) Any use that emits an obnoxious odor, noise or sound that can be heard or smelled outside of any building in the Project, but this provision shall not prohibit cooking odors, noise or sounds that are associated with a food operation;
 - (ii) Any operation primarily used as a storage warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural or mining operation;
 - (iii) Any "second hand" store or "surplus" store, thrift shop or other business principally engaged in the sale of used merchandise, except for national or regional chain stores such as but not limited to Goodwill, Play it Again Sports, Plato's Closet, Once Upon a Child, Variety Wholesales, Belk, Shoppers World and Savers;
 - (iv) Any mobile home park, trailer court, labor camp, junkyard or stockyard, but this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction, maintenance or repair;
 - (v) Any dumping, disposing, incineration or reduction of garbage, exclusive of garbage compactors located in the designated areas;
 - (vi) Any auction house operation, any fire sale, going out of business sale or bankruptcy sale, unless pursuant to a court order;
 - (vii) Any living quarters, sleeping apartments or lodging rooms, but any motel, or hotel or suites facility is permitted;
 - (viii) Any animal breeding facility, but the foregoing restriction shall not prohibit pet shops or pet supply stores from operating such a facility that is incidental thereto;
 - (ix) Any mortuary, funeral home or crematory;
 - (x) Any adult book store, adult video store, adult movie theater or other establishment selling, renting or exhibiting pornographic materials or drug-related paraphernalia, but the foregoing restriction shall not prohibit the operation of a bookstore or video store that carries a broad inventory of books or videos and other materials directed towards the interest of the general public;

- (xi) Any flea market or dance hall;
- (xii) Any training or educational facility, including, but not limited to, beauty school, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers, but the foregoing provision shall not prohibit on-site employee training by an occupant incidental to the conduct of its business at the Project;
- (xiii) Any church, school, or related religious or educational facility or religious reading room, but not including a day care center;
- (xiv) Any casino or other gambling facility or operation, including but not limited to, off track or sports betting parlors, table games such as black jack or poker, slot machines, video gambling machines and similar gambling devices and bingo halls; the foregoing provision shall not prohibit government sponsored gambling activities or charitable gambling activities or if such activities are incidental to the business operation being conducted by the Occupant or if conducted in a business occupying less than 7,500 square feet of floor area; and
- (xv) Any bank, savings bank, savings and loan association or similar deposit holding financial institution, except that Declarant may unilaterally waive and release this this restriction as to any Parcel.

7.2 Exclusives. [Reserved.]

ARTICLE VIII

OWNER COVENANTS

8.1 Construction Covenant. [Reserved.]

8.2 Opening Covenant. [Reserved.]

ARTICLE IX

DEFAULT

9.1 Events of Default. The occurrence of any one or more of the following events shall constitute a material default and breach of this OEA by the non-performing Owner (the "**Defaulting Owner**"):

- (i) The failure to make any payment required hereunder within ten (10) days after the due date, or

- (ii) The failure to observe or perform any of the covenants, conditions or obligations of this OEA, other than as described in (i) above, immediately in the event of an emergency or, if not an emergency, within thirty (30) days after the issuance of a notice by the Manager or another Owner (the "**Non-Defaulting Owner**") specifying the nature of the default claimed.

9.2 Cure Rights of Non-Defaulting Parties. Any Non-Defaulting Owner shall have the right, but not the obligation, to cure a default by the payment of money or the performance of some other action for the account of and at the expense of the Defaulting Owner if such default is not cured within ten (10) days following written notice from the Non-Defaulting Owner; provided, however, that in the event the default shall constitute an emergency condition, the Non-Defaulting Owner, acting in good faith, shall have the right to cure such emergency condition upon such advance notice as is reasonably possible under the circumstances or, if necessary, without advance notice, so long as telephonic notice has been given and written notice is given as soon as possible thereafter. To effectuate any such cure, the Non-Defaulting Owner shall have the right to enter upon the Parcel of the Defaulting Owner (but not into any Building), to perform any necessary work or furnish any necessary materials or services to cure the default of the Defaulting Owner. Each Owner shall be responsible for the default of its Occupants and their respective Permittees. In the event any Non-Defaulting Owner shall cure a default, the Defaulting Owner shall reimburse the Non-Defaulting Owner for all reasonable costs and expenses incurred in connection with such curative action, plus interest as provided herein, within five (5) days after receipt of demand therefore, together with reasonable documentation supporting the expenditures made. Costs and expenses accruing and/or assessed pursuant to this Section 9.2 shall constitute a lien against the Defaulting Owner's Parcel. The lien shall attach and take effect only upon recordation of a claim of lien in the Office of the Recorder of Kent County, Michigan, by the Owner making the claim.

9.3 Other Remedies. Each Non-Defaulting Owner shall have the right to prosecute any proceedings at law or in equity against any Defaulting Owner hereto, or any other Person, violating or attempting to violate or defaulting upon any of the provisions contained in this OEA, and to recover damages for any such violation or default or obtain an injunction; provided, however, in no event shall any Owner be liable for consequential or punitive damages. The prevailing party in any such proceeding shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees, court costs and other litigation expenses. All of the remedies permitted or available to an Owner under this OEA or at law or in equity shall be cumulative and not alternative, and the invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

9.4 Exculpation. Notwithstanding anything contained herein to the contrary, none of the Persons comprising an Owner (whether partners, members, managers, shareholders, officers, directors, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any such judgment obtained against an Owner.

ARTICLE X

MISCELLANEOUS

10.1 Estoppel Certificate. Each Owner agrees that within not more than fifteen (15) days and upon written request of any other Owner, it will issue to such Person, or its prospective mortgagee or successor, an estoppel certificate stating to the best of the issuer's knowledge as of such date: (i) whether it knows of any default under this OEA by the requesting Person, and if there are known defaults, specifying the nature thereof; (ii) whether this OEA has been assigned, modified or amended in any way by it and if so, then stating the nature thereof; (iii) whether there are any monies due from any Owner arising from this OEA and, if so, the amount; and (iv) whether this OEA is in full force and effect.

10.2 Notices. All notices, demands and requests (collectively the "**notice**") required or permitted to be given under this OEA shall be in writing and shall be deemed to have been given as of the date such notice is: (i) personally delivered to the Owner intended; (ii) delivered to the then designated address of the Owner intended; (iii) confirmed as transmitted by electronic mail, provided that any notices confirmed as delivered after 5:00 PM local time at the place of receipt shall be deemed received as of the next business day; or (iv) rejected at the then designated address of the Owner intended, provided such notice was, in the case of (ii) sent prepaid, certified U.S. mail or via nationally recognized overnight carrier.

The initial address of Declarant shall be:

Declarant: GRR Ancillary MU, LLC

Attention: _____

E-mail: _____

Upon at least ten (10) days prior written notice, each Person shall have the right to change its address to any other address within the United States of America.

10.3 Interest. Any time an Owner shall not pay any sum payable hereunder to another within thirty (30) days after written notice of such default such delinquent Owner shall pay interest on such amount from the due date to and including the date such payment is received by the Person entitled thereto, at the lesser of: (i) 6% per annum (600 basis points) in excess of the prime rate from time to time published in the Wall Street Journal, or if publication thereof shall cease, in a similar national reputable business publication, or (ii) the highest lawful rate permissible under Illinois law from time to time.

10.4 Negation of Partnership. None of the terms or provisions of this OEA shall be deemed to create a partnership between or among the Owners in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. Each Owner shall be considered a separate owner, and no Owner shall have the right

to act as an agent for another Owner, unless expressly authorized to do so herein or by separate written instrument signed by the Owner to be charged.

10.5 Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any Parcel or portion thereof to the general public, or for any public use or purpose whatsoever. Except as herein specifically provided, no right, privileges or immunities of any Owner hereto shall inure to the benefit of any third-party Person, nor shall any third-party Person be deemed to be a beneficiary of any of the provisions contained herein.

10.6 Excusable Delays. Whenever performance is required of any Person hereunder, such Person shall use all commercially reasonable diligence to perform and take all necessary measures in good faith to perform; provided, however, that if completion of performance shall be delayed at any time by reason of acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, unavailability of labor or materials, damage to work in progress by reason of fire or other casualty, or any cause beyond the reasonable control of such Person, then the time for performance as herein specified shall be appropriately extended by the amount of the delay actually so caused. The provisions of this Section shall not operate to excuse any Person from the prompt payment of any monies required by this OEA.

10.7 OEA Shall Continue Notwithstanding Breach. It is expressly agreed that no breach of this OEA shall (i) entitle any Owner to cancel, rescind, or otherwise terminate this OEA, or (ii) defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value as to any part of the Project. However, such limitation shall not affect in any manner any other rights or remedies which an Owner may have hereunder by reason of any such breach.

10.8 Binding Effect. The terms of this OEA and all easements granted hereunder shall constitute "covenants running with the land" and shall inure to the benefit of and be binding upon the signatories hereto and their respective successors and assigns who become Owners hereunder into perpetuity.

10.9 Entire Agreement; Interpretation. This OEA and the exhibits hereto constitute the entire understanding and agreement of the Parties with respect to the subject matter hereof, and, except as expressly otherwise provided for herein, any and all prior agreements, understandings, and representations are hereby terminated and canceled to the extent in conflict with the terms hereof in their entirety and of no further force or effect. The provisions of this OEA have been fully negotiated at arm's length between the signatories hereto and shall be construed as a whole according to their common meaning and not strictly for or against any Owner.

10.10 Number; Gender; Captions. Whenever required by the context of this OEA, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and neuter genders, and vice versa. The captions preceding the text of each article and section are included only for convenience of reference and shall be disregarded in the construction and interpretation of this OEA.

10.11 Severability. Invalidation of any of the provisions contained in this OEA, or of the application thereof to any person by judgment or court order shall in no way affect any of the other

provisions hereof or the application thereof to any other person and the same shall remain in full force and effect.

10.12 No Waiver. The failure of any Owner to insist upon strict performance of any of the terms, covenants or conditions hereof shall not be deemed a waiver of any rights or remedies which that Owner may have hereunder, at law or in equity and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.

10.13 Amendment. This OEA may be amended by, and only by, a written agreement signed by all of the then current Owners, and no other party's, person's or mortgagee's consent, approval or signature shall be required for such waiver, modification or release to be effective. No consent to the amendment of this OEA shall ever be required of any Occupant or Person other than the Parties, nor shall any Occupant or Person other than the Parties have any right to enforce any of the provisions hereof, except as expressly set forth herein.

10.14 Counterparts. This OEA may be executed in several counterparts, each of which shall be deemed an original. The signatures of this OEA may be executed and notarized on separate pages, and when attached to this OEA shall constitute one complete document.

10.15 Time. Time is of the essence of this OEA and each and every term, provision, covenant and condition hereof.

10.16 Covenants Run with the Land. Each restriction on a Parcel shall be a burden on that Parcel, shall be appurtenant to and for the benefit of the other Parcels and each part thereof and shall run with the land in accordance with applicable laws.

10.17 Subordination. Each Owner shall obtain and record an agreement from any present mortgagee, trustee under any deed of trust, or other party with an interest in such Owner's Parcel, setting forth that the rights of such mortgagee, trustee or other party are subordinate and subject to this OEA contemporaneously herewith. Any mortgage, deed of trust or other instrument which shall be executed after the date hereof affecting any portion of any Parcel shall, at all times be subject and subordinate to the terms of this OEA, unless otherwise provided herein, and the Parties shall, upon request of any Owner, obtain a written confirmation of such subordination, in recordable form, from any such mortgagee, trustee or other party obtaining an interest in any portion of any Parcel, and any party foreclosing any mortgage or deed of trust affecting a portion of any Parcel or acquiring title thereto by deed in lieu of foreclosure or trustee's deed shall acquire title to such premises subject to the terms of this OEA.

10.18 Assignment. No Owner or party hereto may assign its rights or interest in this OEA, except to any successor fee Owner or ground lessee of any one (1) or more of the Parcel(s) or part thereof, or permit the assignment or other transfer of this OEA or any of Owner's rights hereunder by operation of law except to any successor fee Owner of any one (1) or more of the Parcel(s) or part thereof. Any attempted or purported transfer or assignment of this OEA or any of Owner's rights or interest hereunder in violation of the foregoing sentence shall be null and void and shall not confer any rights upon any purported transferee or assignee, but any such assignment conforming with the terms hereof shall not be effective against any other Owner until a copy of said assignment is delivered to all Owners. The foregoing shall not prohibit the assignment or

delegation of enforcement and performance rights and obligations by an Owner or ground lessee to a tenant, which assignment or delegation shall be permitted, but shall not relieve such Owner of its ultimate responsibility.

10.19 Release. If any Owner shall sell, transfer or assign its Parcel or its interest therein, it shall, except as expressly provided in this OEA, be released from its future obligations hereunder. It shall be a condition precedent to the release and discharge of any grantor or assignor Owner that such grantor or assignor shall give notice to the other parties to this Agreement of any such sale, transfer, conveyance or assignment concurrently with, or immediately following, the filing for record of the instrument effecting the same. The granting or assigning party shall remain responsible for any amounts owing or any other obligation that shall have accrued prior to such sale, transfer, conveyance or assignment.

10.20 No Merger. The rights and obligations of each Owner hereunder shall continue undisturbed and the doctrine of merger shall not apply whether or not any Person shall become an Owner of more than one Parcel or of the entire Project.

IN WITNESS WHEREOF, the Parties have caused this OEA to be executed effective as of the day and year first above written.

[The remainder of this page is intentionally blank. Signatures appear on following pages.]

Signature Page for Operating and Easement Agreement

GRR ANCILLARY MU, LLC, a Michigan
limited liability company

By: _____
Name: _____
Title: _____

STATE OF MICHIGAN)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this ____ day of _____,
_____, by _____, the _____ of **GRR ANCILLARY MU, LLC**, a
Michigan limited liability company, on behalf of the company.

Notary Public, Kent County, Michigan
My commission expires: _____
Acting in Kent County, Michigan

Drafted By and When Recorded Return To:

21814346

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Table of Contents

EXECUTIVE SUMMARY 1

INTRODUCTION..... 5

EXISTING CONDITIONS..... 7

 Key Study Area Roadways 7

 Existing Intersections 7

 Data Collection 8

 Existing Conditions Capacity Analysis 8

BACKGROUND (2028) CONDITIONS..... 10

 Background Traffic Volumes 10

 Background (2028) Capacity Analysis 10

FUTURE (2028) CONDITIONS 13

 Proposed Development & Site Access 13

 Trip Generation 13

 Future (2028) Capacity Analysis 15

 Queuing Analysis 16

 Turn Lane Warrant Analysis..... 18

CONCLUSIONS AND RECOMMENDATIONS 21

 Conclusions..... 21

 Recommendations 22

Appendix

List of Figures and Tables

Figures

Figure 1. Location Map and Study Area 5

Figure 2. Existing Peak-Hour Volumes and Levels-of-Service 9

Figure 3. Background (2028) Peak-Hour Volumes and Levels-of-Service 12

Figure 4. Future (2028) Trip Distribution and Traffic Assignment 19

Figure 5. Future (2028) Peak-Hour Volumes and Levels-of-Service 20

Tables

Table 1. Existing Intersections 7

Table 2. Existing Levels-of-Service and Delay 8

Table 3. Background (2028) Levels-of-Service and Delay 11

Table 4. Weekday Morning and Afternoon Peak-Hour Trip Generation Summary 14

Table 5. Future (2028) Levels-of-Service and Delay 16

Table 6. Existing, Background (2028) & Future (2028) 95th Percentile Queues 17

EXECUTIVE SUMMARY

Introduction

Ben Muller Reality is proposing a commercial development on a roughly 10-acre parcel situated on the northwest corner of the Patterson Avenue and 36th Street intersection. The proposed project includes the construction of seven commercial buildings, including a hotel, bank, day care center, fast-food restaurant, convenience store/gas station, and general retail space. Construction of the project is anticipated to be completed within five years.

Access to the site will be via three site access driveways: two existing full access driveways to Patterson Avenue, and one proposed full access driveway to 36th Street opposing the existing Eaton Corporation Driveway. The driveways to Patterson Avenue oppose the existing driveways of Comcast and the United States Postal Service.

As part of the project approval process, the Kent County Road Commission (KCRC) and the City of Kentwood have requested a traffic impact study be prepared to quantify the impacts the project may have on the surrounding roadway network.

The purpose of this traffic impact study is to analyze the potential impacts of the planned development and to identify what physical and/or operational roadway system improvements may be necessary to mitigate existing or anticipated background issues, and/or impacts created by this development's traffic.

Pre-study coordination was completed with the City of Kentwood and KCRC to help identify the required study area, study parameters, and any specific areas of concern.

Study Area

The study area includes one existing signalized intersection and three existing stop-controlled intersections as listed below.

- Patterson Avenue at 36th Street
- Patterson Avenue at Comcast Driveway (proposed north driveway)
- Patterson Avenue at USPS Driveway (proposed south driveway)
- 36th Street at Eaton Driveway (proposed driveway)

Data Collection

Morning (7:00 – 9:00 a.m.) and afternoon (4:00 – 6:00 p.m.) peak hour turning-movement counts at the study area intersections were collected in August 2023 on a typical weekday.

Analysis

Three analysis scenarios were completed for the weekday morning and afternoon peak hours as part of the study as follows:

- Existing Conditions
- Background (2028) Conditions
- Future (2028) Conditions

An annual background traffic growth rate of 2.50 percent was applied to the existing volumes to help reflect anticipated non-development traffic increases by the 2028 horizon year. This background growth rate is higher than typical and was utilized based on information provided by the Kent County Road Commission.

Trip generation for the site was calculated for the typical weekday morning and afternoon peak hours based on the methods of the ITE Trip Generation Manual, 11th Edition, published by the Institute of Transportation Engineers (ITE). After reductions for pass-by and internal trips, the site is expected to generate approximately 300 new weekday morning peak hour vehicle trips (161 inbound, 139 outbound),

and approximately 344 new weekday afternoon peak hour trips (172 inbound, 172 outbound) onto the street system.

For the existing, background (2028), and future (2028) conditions, a capacity and queuing analyses were performed to determine the impacts the site would have on the roadways and intersections within the study area.

Conclusions

Based on the analyses performed as part of this study, the proposed development will have minor impacts on the surrounding roadway network. The findings of this study are as follows:

Existing Conditions

The existing conditions analyses show the Patterson Avenue/36th Street intersection is currently operating at an overall level of service (LoS) "C" during the morning peak hour, and LoS "D" during the afternoon peak hour. All individual movements at the intersection are currently operating at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- The westbound left-turn movement is currently operating at LoS "E" during the morning peak hour.
- The northbound right-turn movement is currently operating at LoS "E" during the afternoon peak hour.

The controlled movements at the unsignalized study area intersections are currently operating at LoS "C" or better during the morning and afternoon peak hours.

Background (2028) Conditions

The background (2028) conditions show the Patterson Avenue/36th Street intersection is anticipated to operate at an overall LoS "D" during the morning peak hour and deteriorate to an overall LoS "E" during the afternoon peak hour. Optimizing the signal timings at the intersection resulted in marginal improvement; however, the intersection is anticipated to continue operating at an overall LoS "E" during the afternoon peak hour. Additional capacity improvements such as dual northbound right-turns lanes may be necessary in the future based on the anticipated background traffic growth.

All individual movements at the Patterson Avenue/36th Street intersection are anticipated to operate at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- The westbound left-turn movement is anticipated to operate at LoS "F" during the morning peak hour and LoS "E" during the afternoon peak hour.
- The delay for the northbound right-turn movement is anticipated to increase significantly due to background traffic growth. This movement is anticipated to operate at LoS "F" with long queues during the afternoon peak hour. A detailed queuing analysis is provided in the next chapter.

The controlled movements at the unsignalized study area intersections are anticipated to continue operating at LoS "C" or better during the morning and afternoon peak hours.

Future (2028) Conditions

Compared to background (2028) conditions, the Patterson Avenue/36th Street intersection is anticipated to continue operating at an overall LoS "D" during the morning peak hour and an overall LoS "E" during the afternoon peak hour. As with background (2028) conditions, optimizing the signal timings at the intersection resulted in marginal improvement; however, the intersection is anticipated to continue operating at an overall LoS "E" during the afternoon peak hour.

All individual movements at the Patterson Avenue/36th Street intersection are anticipated to operate at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- As with background (2028) conditions, the westbound left-turn movement is anticipated to operate at LoS "F" during the morning peak hour and LoS "E" during the afternoon peak hour. Traffic generated by the proposed development has little to no impact on this movement.

- As with background (2028) conditions, the northbound right-turn movement is anticipated to operate at LoS "F" with long queues during the afternoon peak hour. Traffic generated by the proposed development has little to no impact on this movement.
- Compared to background (2028) conditions, the southbound left-turn movement is anticipated to deteriorate from LoS "D" to LoS "E" during the afternoon peak hour. This would likely be considered acceptable, as the 95th percentile queue for this movement is anticipated to be contained within the existing southbound left-turn lane.

The controlled movements at the proposed site driveways are anticipated to operate at LoS "C" or better during the morning and afternoon peak hours.

The results of the queuing analysis show all queues for the controlled movements at the proposed site driveways are anticipated to be one vehicle or less during the morning and afternoon peak hours. The longest queue is anticipated to be for the eastbound left-turn movement at approximately one vehicle. Vehicles turning left into the site from the two-way left-turn lanes along Patterson Avenue and 36th Street are not anticipated to conflict with left-turn vehicle queues from adjacent intersections.

The most significant impacts related to vehicular queuing within the study area occur at the signalized Patterson Avenue/36th Street intersection as follows:

- The queue within the dual westbound left-turn lanes is anticipated to slightly surpass the available storage within the dual left-turn lanes due to the increase in background traffic volumes; however, additional storage capacity is available within the existing two-way left-turn lane.
- The northbound right-turn movement queue is anticipated to significantly increase due to the increase in background traffic volumes.
- The southbound left-turn movement queue is anticipated to increase to approximately 170 feet under future (2028) conditions; however, the available storage within the left-turn lane is not exceeded. As the proposed south driveway is located approximately 400 feet north of the Patterson Avenue/36th Street intersection, this queue is not anticipated to conflict with northbound vehicles turning left into the site.

The right-turn lane warrant analyses indicated right-turn lanes and/or tapers would be warranted at the proposed site driveways as follows:

- A southbound right-turn lane would be warranted at the proposed north driveway to Patterson Avenue during the morning peak hour while a right-turn taper would be warranted during the afternoon peak hour.
- A southbound right-turn lane would be warranted at the proposed south driveway to Patterson Avenue during the morning and afternoon peak hours.
- A westbound right-turn taper would be warranted at the proposed driveway to 36th Street during the morning and afternoon peak hours.

Recommendations

The following is a list of recommendations to mitigate the impact of the proposed development and improve operations within the study area:

- The proposed site driveways should operate as full access driveways to the proposed development. Restricting movements at the driveways would funnel more traffic to other driveways, potentially creating longer delays and queuing on those approaches.
- As shown on the proposed site plan, all exiting approaches at the site driveways should include a separate left-turn lane and right-turn lane.
- A southbound right-turn lane should be constructed at both the proposed north and south site driveways to Patterson Avenue. The right-turn lane should be designed and constructed to current Kent County Road Commission standards.

- A westbound right-turn taper should be constructed at the proposed site driveway to 36th Street. The right-turn taper should be designed and constructed to current Kent County Road Commission standards.
- Signal timings at the Patterson Avenue/36th Street intersections should be monitored and optimized as construction of the proposed development is completed.
- The Kent County Road Commission and/or the City of Kentwood should monitor the Patterson Avenue/36th Street intersection for potential capacity improvements, such as dual northbound right-turn lanes, should background traffic volumes increase as anticipated within this report.

CHAPTER 1

INTRODUCTION

Ben Muller Reality is proposing a commercial development on a roughly 10-acre parcel situated on the northwest corner of the Patterson Avenue and 36th Street intersection. The proposed project includes the construction of seven commercial buildings, including a hotel, bank, day care center, fast-food restaurant, convenience store/gas station, and general retail space. Construction of the project is anticipated to be completed within five years.

Access to the site will be via three site access driveways: two existing full access driveways to Patterson Avenue, and one proposed full access driveway to 36th Street opposing the existing Eaton Corporation Driveway. The driveways to Patterson Avenue oppose the existing driveways of Comcast and the United States Postal Service. Figure 1 shows the location of the site and access driveways.

As part of the project approval process, the Kent County Road Commission and the City of Kentwood have requested a traffic impact study be prepared to quantify the impacts the project may have on the surrounding roadway network.

The purpose of this traffic impact study was to analyze the potential impacts of the planned development and to identify what physical and/or operational roadway system improvements may be necessary to mitigate existing or anticipated background issues, and/or impacts created by this development's traffic. Tasks undertaken to complete the analyses include:

1. **Data Collection.** Morning and afternoon peak hour turning-movement counts were completed at the study area intersections in August 2023. Information regarding lane configurations, speed limits, traffic controls and other related data for the study area roadways was also collected.



Figure 1. Location Map and Study Area

2. **Background Growth.** An annual background traffic growth rate of 2.50 percent was applied to the existing volumes to help reflect anticipated non-development traffic increases by the 2028 horizon year. This background growth rate is higher than typical and was utilized based on information provided by the Kent County Road Commission.
3. **Trip Generation/Distribution.** The number of trips the proposed development is expected to generate during peak hours was identified. These trips were then assigned to the adjacent street system based upon the patterns followed by existing traffic and engineering judgment.
4. **Levels of Service.** Capacity calculations were completed at the study area intersections and the proposed site driveways to identify existing and anticipated future peak hour operational characteristics.
5. **Mitigation.** Roadway/intersection improvements were identified, when applicable, that will enable the adjacent roadways and study area intersections to maintain equal and/or acceptable levels of operation under future conditions upon the addition of background traffic growth and/or due to development traffic.

Pre-study coordination was completed with the Kent County Road Commission and the City of Kentwood to help identify the required study area, study parameters, and any specific areas of concern. The following chapters outline the results of analyses completed during the study process.

CHAPTER 2

EXISTING CONDITIONS

The first step in the identification of potential traffic impacts is to determine how well the adjacent streets are operating under current conditions. This chapter summarizes the data collection and existing operating conditions analysis procedures.

Key Study Area Roadways

36th Street

36th Street is a primary east-west arterial roadway within the study area under Kent County Road Commission jurisdiction. Within the study area, it generally has a five-lane cross-section with two travel lanes in each direction and a two-way left-turn lane. The existing speed limit is 50 miles per hour west of Patterson Avenue and 45 miles per hour east of Patterson Avenue. Weekday 24-hour traffic volumes along 36th Street average approximately 7,000 vehicles per day west of Patterson Avenue increasing to 15,500 vehicles per day east of Patterson Avenue.



Eastbound 36th Street at Eaton Driveway

Patterson Avenue

Patterson Avenue is a primary north-south arterial roadway within the study area under Kent County Road Commission jurisdiction. Within the study area, it generally has a five-lane cross-section with two travel lanes in each direction and a two-way left-turn lane. The existing speed limit is 55 miles per hour within the study area. Weekday 24-hour traffic volumes along Patterson Avenue average approximately 14,000 vehicles per day north of 36th Street increasing to 32,000 vehicles per day south of 36th Street.



Southbound Patterson Avenue at USPS Driveway

Existing Intersections

The study area includes one existing signalized intersection and three existing stop-controlled intersections as listed in Table 1.

Table 1. Existing Intersections

Intersection	Traffic Control	Cycle Length	
		AM	PM
36th Street / Patterson Avenue	Signal	100	120
Patterson Avenue / Comcast Driveway	Two-Way Stop	-	-
Patterson Avenue / USPS Driveway	Two-Way Stop	-	-
36th Street / Eaton Driveway	Two-Way Stop	-	-

Source: Progressive AE, October 2023

Data Collection

Morning (7:00 – 9:00 a.m.) and afternoon (4:00 – 6:00 p.m.) peak hour turning-movement counts at the study area intersections were collected in August 2022 on a typical weekday. Figure 2 shows the existing morning and afternoon peak hour volumes at the study area intersections. Detailed printouts of the count reports are included in the appendix.

These counts indicated that the typical weekday morning peak hour generally occurs between 7:15 to 8:15 a.m. and the typical afternoon peak hour occurs between 4:15 to 5:15 p.m.

Existing Conditions Capacity Analysis

Intersection "level-of-service" (LoS) calculations were completed to evaluate the current operational efficiency of the study area intersections. These calculations were completed using techniques outlined in the Highway Capacity Manual, published by the Transportation Research Board. Per MDOT requirements, *Synchro*® traffic analysis software, version 11, based on the Highway Capacity Manual methodologies, was used in the analysis.

Levels-of-service at signalized and unsignalized intersections relates to the delay, traffic volumes, and intersection geometry. Levels of service are expressed in a range from "A" to "F", with "A" denoting the highest, or best, operating conditions. Generally, a LoS "D" rating is considered the minimum acceptable service level for signalized and unsignalized intersections in most areas, although a LoS "E" or LoS "F" can be deemed as acceptable during the peak hours. The criteria for determining the LoS at signalized and unsignalized intersections are outlined in the appendix of this report.

The existing morning and afternoon peak hours were analyzed at the study area intersections. Table 2 and Figure 2 show the levels-of-service at the study area intersections. Copies of the *Synchro*® analyses are included in the appendix.

As shown in Table 2, the Patterson Avenue/36th Street intersection is currently operating at an overall LoS "C" during the morning peak hour and LoS "D" during the afternoon peak hour. All individual movements at the intersection are currently operating at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

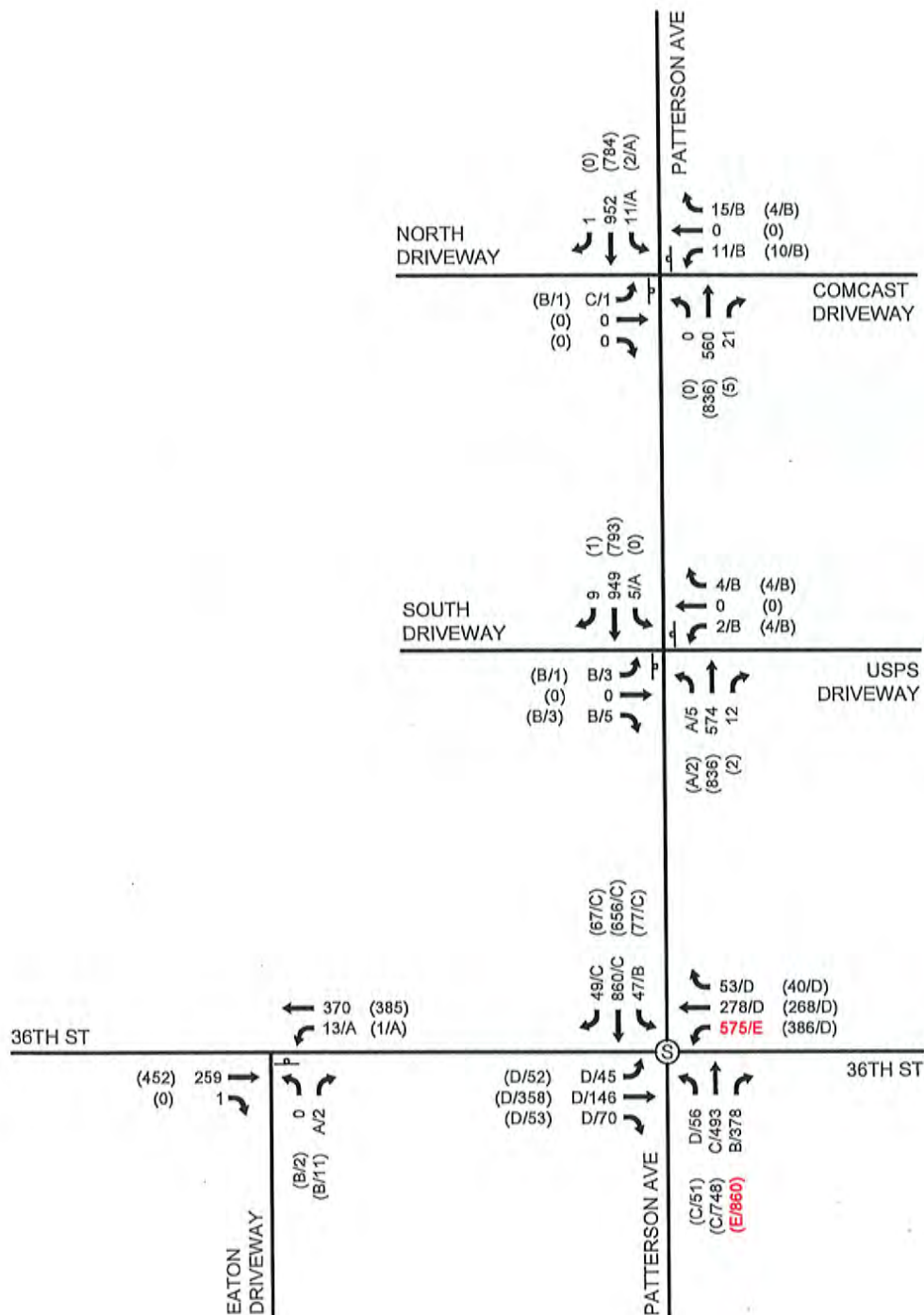
- The westbound left-turn movement is currently operating at LoS "E" during the morning peak hour.
- The northbound right-turn movement is currently operating at LoS "E" during the afternoon peak hour.

The controlled movements at the unsignalized study area intersections are currently operating at LoS "C" or better during the morning and afternoon peak hours.

Table 2. Existing Levels-of-Service and Delay

Intersection/ Movement	Existing Conditions			
	AM		PM	
	LoS	Delay (s)	LoS	Delay (s)
36th Street / Patterson Avenue				
Overall	C	33.8	D	43.8
EBL	D	39.7	D	40.9
EBT/R	D	45.8	D	50.8
WBL	E	58.9	D	53.0
WBT/R	D	36.3	D	45.0
NBL	D	38.4	C	33.3
NBT	C	23.9	C	31.9
NBR	B	10.9	E	64.4
SBL	B	18.0	C	29.0
SBT/R	C	30.4	C	24.7
Patterson Avenue / Comcast Driveway¹				
EB	C	15.8	B	12.0
WB	B	11.3	B	12.8
NB	A	0	A	0
SBL	A	8.1	A	8.5
Patterson Avenue / USPS Driveway¹				
EB	B	12.5	B	10.1
WB	B	11.2	B	11.1
NBL	A	9.2	A	8.1
SBL	A	8.0	A	0
36th Street / Eaton Driveway¹				
WBL	A	8.0	A	8.5
NB	A	9.2	B	10.4

¹Unsignalized intersection, controlled movement(s) shown.
Source: Progressive AE, October 2023



CHAPTER 3

BACKGROUND (2028) CONDITIONS

The purpose of this chapter is to summarize the anticipated background (2028) traffic conditions within the study area with background traffic growth in place. These analyses provide a basis for comparing anticipated future conditions without the proposed development in place.

Background Traffic Volumes

An annual traffic growth rate was used to estimate growth on study area roadways. An annual growth rate of 2.50 percent was applied to the existing peak hour volumes to help determine background (2028) peak hour volumes. This background growth rate is higher than typical and was utilized based on information provided by the Kent County Road Commission.

Figure 3 shows the anticipated background (2028) traffic volumes for the weekday morning and afternoon peak hours with the addition of background growth.

Background (2028) Capacity Analysis

A capacity analysis was completed to evaluate the background (2028) morning and afternoon peak hours at the study area intersections with background traffic in place. Table 3 and Figure 3 show the levels-of-service at the study area intersections. Copies of the *Synchro*® analyses are included in the appendix.

As shown in Table 3, the Patterson Avenue/36th Street intersection is anticipated to operate at an overall LoS "D" during the morning peak hour and deteriorate to an overall LoS "E" during the afternoon peak hour. Optimizing the signal timings at the intersection resulted in marginal improvement; however, the intersection is anticipated to continue operating at an overall LoS "E" during the afternoon peak hour. Additional capacity improvements such as dual northbound right-turns lanes may be necessary in the future based on the anticipated background traffic growth. For the purposes of this study, no capacity improvements or modifications to the existing signal timing were considered to have been implemented.

All individual movements at the Patterson Avenue/36th Street intersection are anticipated to operate at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- The westbound left-turn movement is anticipated to operate at LoS "F" during the morning peak hour and LoS "E" during the afternoon peak hour.
- The delay for the northbound right-turn movement is anticipated to increase significantly due to background traffic growth. This movement is anticipated to operate at LoS "F" with long queues during the afternoon peak hour. A detailed queuing analysis is provided in the next chapter.

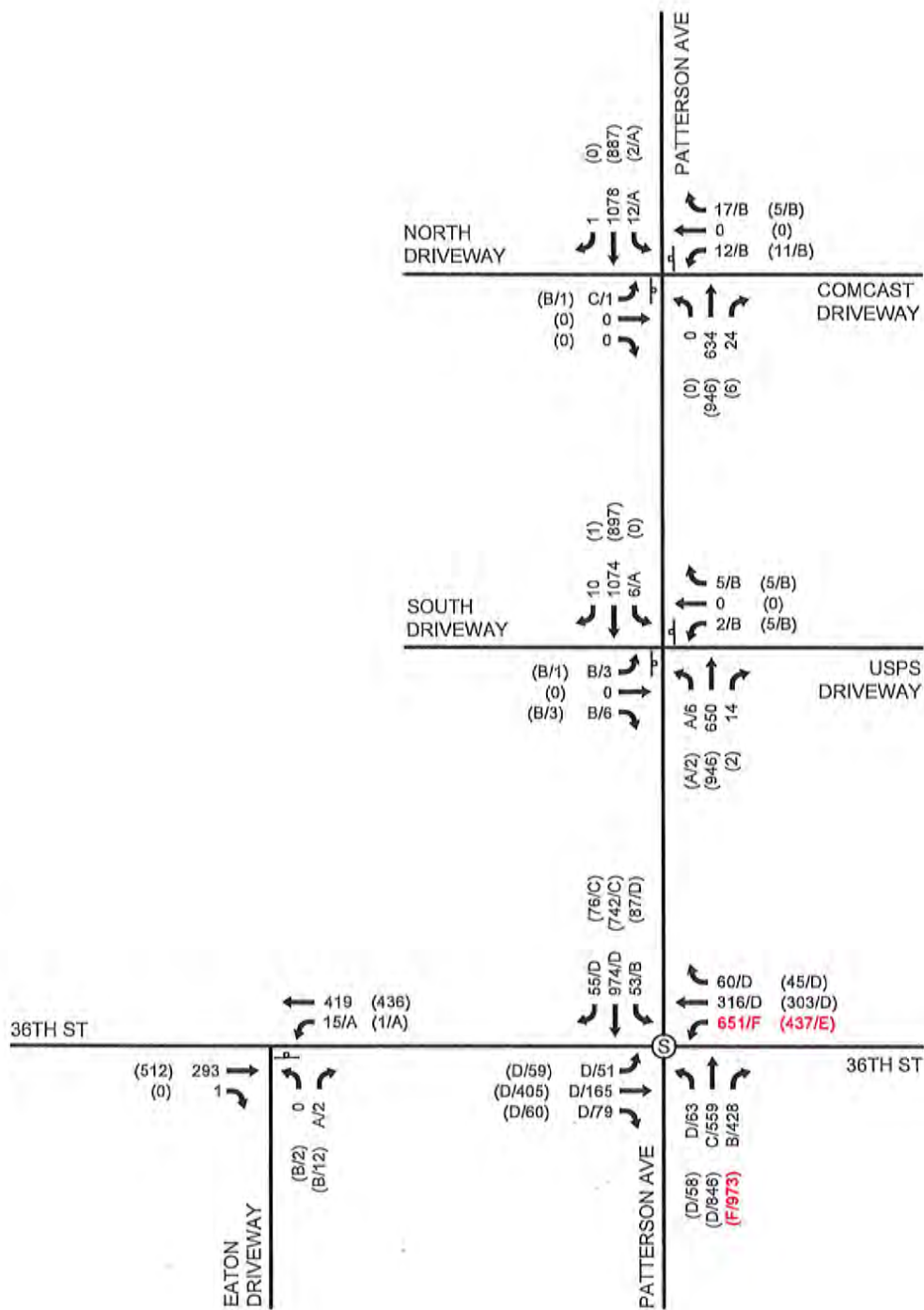
The controlled movements at the unsignalized study area intersections are anticipated to continue operating at LoS "C" or better during the morning and afternoon peak hours.

Table 3. Background (2028) Levels-of-Service and Delay

Intersection/ Movement	Existing Conditions				Background (2028) Conditions			
	AM		PM		AM		PM	
	LoS	Delay (s)	LoS	Delay (s)	LoS	Delay (s)	LoS	Delay (s)
36th Street / Patterson Avenue								
Overall	C	33.8	D	43.8	D	42.9	E	65.0
EBL	D	39.7	D	40.9	D	40.0	D	40.7
EBT/R	D	45.8	D	50.8	D	48.9	D	52.7
WBL	E	58.9	D	53.0	F	89.2	E	55.5
WBT/R	D	36.3	D	45.0	D	35.7	D	43.9
NBL	D	38.4	C	33.3	D	42.7	D	40.8
NBT	C	23.9	C	31.9	C	25.2	D	37.5
NBR	B	10.9	E	64.4	B	12.0	F	139.6
SBL	B	18.0	C	29.0	B	19.3	D	38.6
SBT/R	C	30.4	C	24.7	D	40.7	C	30.6
Patterson Avenue / Comcast Driveway¹								
EB	C	15.8	B	12.0	C	17.6	B	12.9
WB	B	11.3	B	12.8	B	12.0	B	13.7
NBL	A	0	A	0	A	0	A	0
SBL	A	8.1	A	8.5	A	8.2	A	8.7
Patterson Avenue / USPS Driveway¹								
EB	B	12.5	B	10.1	B	13.1	B	10.5
WB	B	11.2	B	11.1	B	11.4	B	11.6
NBL	A	9.2	A	8.1	A	9.6	A	8.3
SBL	A	8.0	A	0	A	8.2	A	0
36th Street / Eaton Driveway¹								
WBL	A	8.0	A	8.5	A	8.1	A	8.7
NB	A	9.2	B	10.4	A	9.4	B	10.7

¹Unsignalized intersection, controlled movements shown.

Source: Progressive AE, October 2023



CHAPTER 4

FUTURE (2028) CONDITIONS

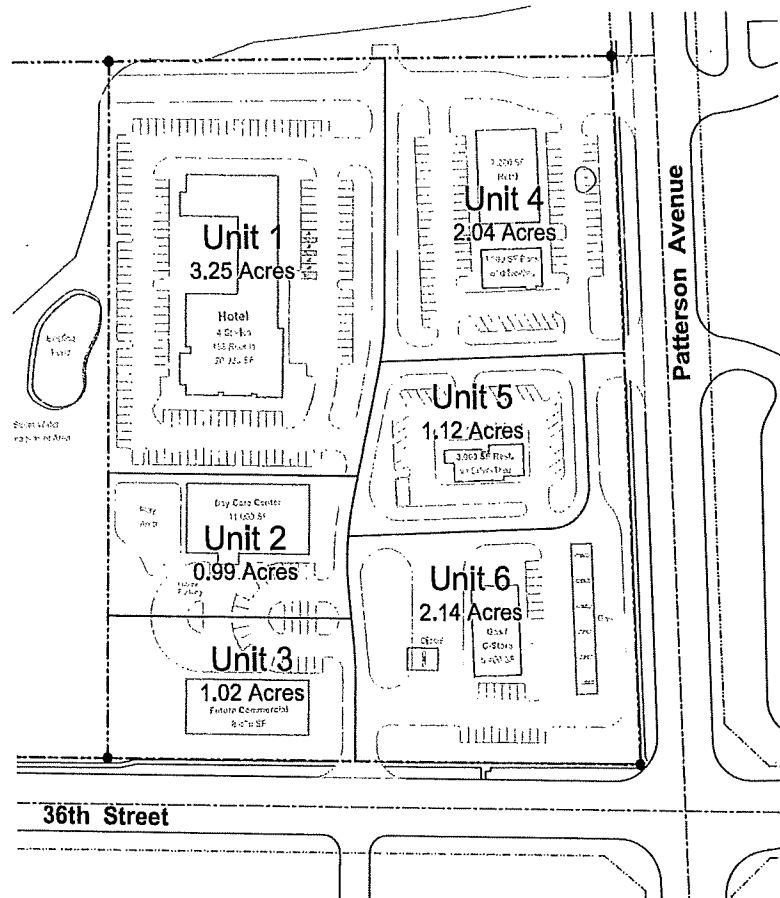
The purpose of this chapter is to summarize the anticipated future (2028) traffic conditions within the study area with background traffic growth and the proposed development traffic in place. These analyses provide the before/after comparison of future conditions and help define the timing and applicability of any potential roadway improvements necessary to mitigate the impact of the proposed development.

Proposed Development & Site Access

Ben Muller Reality is proposing a commercial development on an approximate 10-acre site located on the northwest corner of the Patterson Avenue & 36th Street intersection. The proposed project includes the construction of seven commercial buildings, including a hotel, bank, day care center, fast-food restaurant, convenience store/gas station, and general retail space. A copy of the preliminary site plan is included in the appendix.

Access to the site will be via three site access driveways: two existing full access driveways to Patterson Avenue and one proposed full access driveway to 36th Street opposing the existing Eaton Corporation Driveway. The driveways to Patterson Avenue oppose the existing Comcast Driveway and USPS driveway.

Construction of the project is anticipated to be completed within the next five years.



Trip Generation

The Trip Generation Manual, Eleventh Edition, by the Institute of Transportation Engineers (ITE) was used to calculate the anticipated traffic that may be generated by the proposed site. Trips are measured individually for inbound and outbound movements; therefore, a visit to the site by an employee or visitor, for instance, generates two trips—one inbound and one outbound. Based on the land use descriptions provided within the ITE Trip Generation Manual, the most applicable land uses for the proposed site are shown in Table 4.

The proposed site will capitalize on the high traffic volumes along Patterson Avenue and 36th Street by “capturing” customers passing by the location to/from work or other destinations. These trips are classified as “pass-by” trips since they are already on the roadway network and enter the site as they drive past. While pass-by trips do not add new trips to the roadway network, they add turning movements at the site driveways.

In addition to pass-by traffic reductions for the applicable land uses, the trip generation projections take into consideration internally captured, or "shared", trips that are common to this type of development. A shared trip is one that visits more than one use on the site (e.g., a hotel guest that dines at the on-site restaurant and/or visits the convenience store). This lessens the overall impact of a multiple-use site on the adjacent street system. The National Cooperative Highway Research Program (NCHRP) has published Report 684 – Enhancing Internal Trip Capture Estimation for Mixed-Use Developments. The current edition of the ITE Trip Generation handbook includes six types of applicable uses for trip sharing: office, retail, residential, restaurant, cinema, and hotel. The methodology has been incorporated into a spreadsheet model which estimates the morning and afternoon internal peak hour trips by arrival and departure. The internal capture estimation tool worksheets are included in the appendix. Based on the results of this analysis, it is anticipated approximately 12% of the morning peak hour trips and 13% of the afternoon peak hour trips would be considered internal trips.

Trips were calculated for the typical weekday morning and afternoon peak hours. Table 4 shows the peak hour trips anticipated to be generated by the proposed development after full completion of the site. The site is expected to generate approximately 300 new weekday morning peak hour vehicle trips (161 inbound, 139 outbound), and approximately 344 new weekday afternoon peak hour trips (172 inbound, 172 outbound) onto the street system.

Table 4. Weekday Morning and Afternoon Peak-Hour Trip Generation Summary

Land Use	ITE Code	Size	AM			PM		
			Total	Enter	Exit	Total	Enter	Exit
Hotel	310	136 Rooms	61	34	27	73	37	36
Day Care Center	565	11,000 SF	121	64	57	122	57	65
Strip Retail Plaza (<40K)	822	8,400 SF	20	12	8	69	34	35
		7,200 SF	17	10	7	62	31	31
Drive-in Bank	912	3,000 SF	30	17	13	63	32	31
Fast-Food Restaurant with Drive-through	934	3,000 SF	134	68	66	99	52	47
Convenience Store/Gas Station	945	12 Fueling Positions	324	162	162	273	137	136
Subtotal:			707	367	340	761	380	381
Less internal capture ¹ :			81	40	41	99	49	50
Subtotal (trips at site driveways):			626	327	299	662	331	331
Less pass-by trips ² :			326	166	160	318	159	159
Total new trips:			300	161	139	344	172	172

¹Per ITE and NCHRP capture form, overall capture rates are 12% during the AM peak-hour and 13% during the PM peak-hour.

²ITE pass-by reduction percentages applied to commercial uses:

Daycare: 40% AM and PM peak hour

Strip Retail: 25% PM peak hour

Bank: 29% AM peak hour, 35% PM peak hour

Fast Food Restaurant: 50% AM peak hour, 55% PM peak hour

Convenience Store/Gas Station: 75% AM peak hour, 76% PM peak hour

Source: ITE Trip Generation Manual, 11th Edition

Trip Distribution

The directional distribution of the site generated new trips was based upon existing travel patterns and engineering judgment. Based on these assumptions, the directional distribution to/from the proposed development for site generated new trips is expected to be approximately as follows:

To/from Patterson Avenue north	30%	To/from 36 th Street east	25%
To/from Patterson Avenue south	30%	To/from 36 th Street west	15%

In addition to the overall distribution shown above, site trips were distributed to the three site driveways based on the location and trip generation characteristics of each individual land use. This was accomplished by dividing the overall site into zones and assigning generated trips for each zone separately. For example, trips to/from the convenience store/gas station were primarily assigned to the proposed south driveway along Patterson Avenue and the proposed driveway along 36th Street.

Based upon the above distribution patterns for new trips, existing directional patterns along Patterson Avenue and 36th Street for pass-by trips, and the existing access driveway locations, the anticipated peak hour site-generated traffic was assigned to the study area intersections. Figure 4 shows the total anticipated morning and afternoon peak hour trips for site generated traffic upon full completion and occupancy of the proposed site.

The anticipated site trips were added to the background (2028) peak hour volumes to depict the estimated total future (2028) volumes during the morning and afternoon peak hours. Figure 5 shows the total anticipated future (2028) volumes.

Future (2028) Capacity Analysis

Intersection level-of-service calculations were completed to evaluate the future (2028) morning and afternoon peak hour conditions at the site access driveways and study area intersections assuming the completion of the proposed development. Table 5 and Figure 5 show the levels-of-service at the study area intersections. Copies of the *Synchro*® analyses are included in the appendix.

Compared to background (2028) conditions, the Patterson Avenue/36th Street intersection is anticipated to continue operating at an overall LoS "D" during the morning peak hour and an overall LoS "E" during the afternoon peak hour. As with background (2028) conditions, optimizing the signal timings at the intersection resulted in marginal improvement; however, the intersection is anticipated to continue operating at an overall LoS "E" during the afternoon peak hour. For the purposes of this study, no capacity improvements or modifications to the existing signal timing were considered to have been implemented.

All individual movements at the Patterson Avenue/36th Street intersection are anticipated to operate at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- As with background (2028) conditions, the westbound left-turn movement is anticipated to operate at LoS "F" during the morning peak hour and LoS "E" during the afternoon peak hour. Traffic generated by the proposed development has little to no impact on this movement.
- As with background (2028) conditions, the northbound right-turn movement is anticipated to operate at LoS "F" with long queues during the afternoon peak hour. Traffic generated by the proposed development has little to no impact on this movement.
- Compared to background (2028) conditions, the southbound left-turn movement is anticipated to deteriorate from LoS "D" to LoS "E" during the afternoon peak hour. This would likely be considered acceptable as the 95th percentile queue for this movement is anticipated to be contained within the existing southbound left-turn lane.

The controlled movements at the proposed site driveways are anticipated to operate at LoS "C" or better during the morning and afternoon peak hours.

Table 5. Future (2028) Levels-of-Service and Delay

Intersection/ Movement	Existing (2023)				Background (2028)				Future (2028)			
	AM		PM		AM		PM		AM		PM	
	LoS	Delay	LoS	Delay	LoS	Delay	LoS	Delay	LoS	Delay	LoS	Delay
36th Street / Patterson Avenue												
Overall	C	33.8	D	43.8	D	42.9	E	65.0	D	46.3	E	67.9
EBL	D	39.7	D	40.9	D	40.0	D	40.7	D	40.4	D	41.3
EBT/R	D	45.8	D	50.8	D	48.9	D	52.7	D	50.0	D	53.2
WBL	E	58.9	D	53.0	F	89.2	E	55.5	F	89.2	E	55.5
WBT/R	D	36.3	D	45.0	D	35.7	D	43.9	D	35.7	D	43.6
NBL	D	38.4	C	33.3	D	42.7	D	40.8	D	46.1	D	46.5
NBT	C	23.9	C	31.9	C	25.2	D	37.5	C	26.1	D	39.9
NBR	B	10.9	E	64.4	B	12.0	F	139.6	B	12.7	F	147.5
SBL	B	18.0	C	29.0	B	19.3	D	38.6	C	21.1	E	67.5
SBT/R	C	30.4	C	24.7	D	40.7	C	30.6	D	51.7	C	34.2
Patterson Avenue / Comcast Driveway (Proposed North Driveway)¹												
EBL	C	15.8	B	12.0	C	17.6	B	12.9	C	22.3	C	15.9
EBT/R									B	11.0	B	10.4
WB	B	11.3	B	12.8	B	12.0	B	13.7	B	13.5	C	16.2
NBL	A	0	A	0	A	0	A	0	B	10.3	A	8.5
SBL	A	8.1	A	8.5	A	8.2	A	8.7	A	8.2	A	8.7
Patterson Avenue / USPS Driveway (Proposed South Driveway)¹												
EBL	B	12.5	B	10.1	B	13.1	B	10.5	C	22.8	B	14.1
EBT/R									B	11.4	B	10.7
WB	B	11.2	B	11.1	B	11.4	B	11.6	B	12.7	B	13.8
NBL	A	9.2	A	8.1	A	9.6	A	8.3	B	10.4	A	8.6
SBL	A	8.0	A	0	A	8.2	A	0	A	8.2	A	0
36th Street / Eaton Driveway (Proposed Driveway)¹												
EBL	-	-	-	-	-	-	-	-	A	8.0	A	8.1
WBL	A	8.0	A	8.5	A	8.1	A	8.7	A	8.1	A	8.6
NB	A	9.2	B	10.4	A	9.4	B	10.7	A	9.3	B	11.0
SBL									B	14.5	C	17.7
SBT/R	-	-	-	-	-	-	-	-	A	9.1	A	9.1

¹Unsignalized intersection, controlled movements shown.
Source: Progressive AE, October 2023

Queuing Analysis

A queuing analysis was performed at the study area intersections to compare the existing, background (2028) and future (2028) vehicular queues at the study area intersections. Table 6 shows the anticipated 95th percentile queues at the study area intersections for all three scenarios. Copies of the *Synchro*® analyses are included in the appendix.

The results of the queuing analysis show all queues for the controlled movements at the proposed site driveways are anticipated to be one vehicle or less during the morning and afternoon peak hours. The longest queue is anticipated to be for the eastbound left-turn movement at approximately one vehicle. Vehicles turning left into the site from the two-way left-turn lanes along Patterson Avenue and 36th Street are not anticipated to conflict with left-turn vehicle queues from adjacent intersections.

The most significant impacts related to vehicular queuing within the study area occur at the signalized Patterson Avenue/36th Street intersection as follows:

- The queue within the dual westbound left-turn lanes is anticipated to slightly surpass the available storage within the dual left-turn lanes due to the increase in background traffic volumes; however, additional storage capacity is available within the existing two-way left-turn lane.
- The northbound right-turn movement queue is anticipated to significantly increase due to the increase in background traffic volumes.
- The southbound left-turn movement queue is anticipated to increase to approximately 170 feet under future (2028) conditions; however, the available storage within the left-turn lane is not exceeded. As the proposed south driveway is located approximately 400 feet north of the Patterson Avenue/36th Street intersection, this queue is not anticipated to conflict with northbound vehicles turning left into the site.

Table 6. Existing, Background (2028) & Future (2028) 95th Percentile Queues

Intersection/ Movement	Storage Length (ft)	Existing Conditions		Background (2028) Conditions		Future (2028) Conditions	
		AM Queue (ft)	PM Queue (ft)	AM Queue (ft)	PM Queue (ft)	AM Queue (ft)	PM Queue (ft)
36th Street / Patterson Avenue							
EBL	250 ¹	62	76	69	85	69	85
EBT/R	-	92	230	106	262	108	268
WBL	300 ²	305	216	365	245	365	245
WBT/R	-	148	172	166	190	178	206
NBL	500 ¹	41	48	44	53	57	71
NBT	-	184	356	212	415	221	432
NBR	200	16	707	32	1230	46	1230
SBL	300 ¹	26	50	29	58	42	170
SBT/R	-	338	274	476	344	505	368
Patterson Avenue / Proposed North Driveway & Comcast Driveway							
EBL	-	0	0	0	0	15	13
EBT/R	-					8	8
WB	-	5	3	8	5	8	5
NBL	100 ¹	0	0	0	0	5	5
SBL	100 ¹	0	0	0	0	0	0
Patterson Avenue / Proposed South Driveway & USPS Driveway							
EBL	-	3	0	3	0	18	10
EBT/R	-					13	13
WB	-	3	3	3	3	3	3
NBL	100 ¹	0	0	0	0	8	5
SBL	100 ¹	0	0	0	0	0	0
36th Street / Proposed Driveway & Eaton Driveway							
EBL	250 ¹	-	-	-	-	3	5
WBL	50 ¹	0	0	0	0	0	0
NB	-	0	3	0	3	0	3
SBL	-	-	-	-	-	8	13
SBT/R	-					3	5

¹Additional storage within existing two-way left-turn lane

²Storage length for dual left-turn lanes, additional storage available within existing two-way left-turn lane.

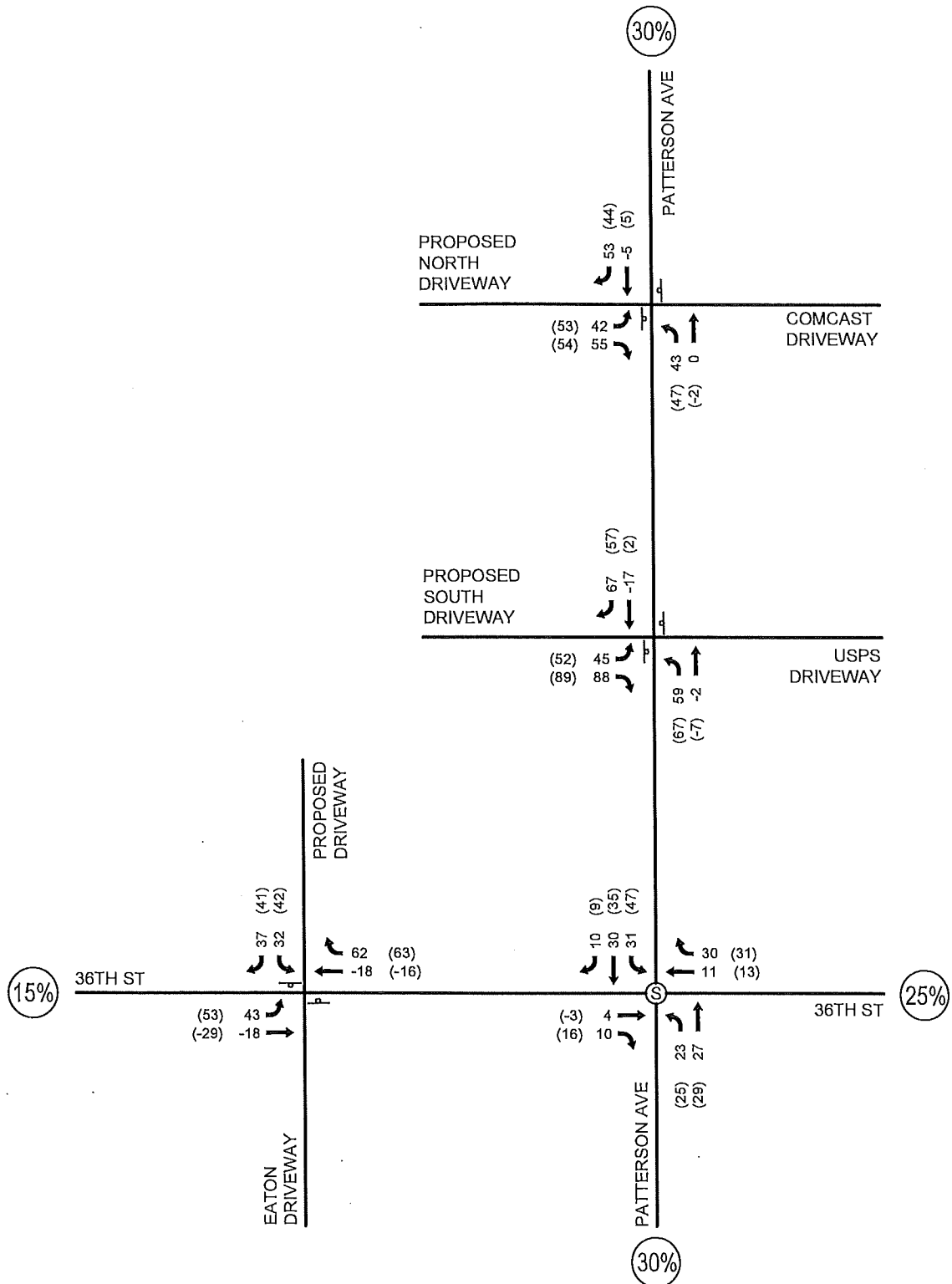
Source: Progressive AE, October 2023

Turn Lane Warrant Analysis

Based on the volume of traffic anticipated to be generated by the proposed development and the volume of traffic along Patterson Avenue and 36th Street, right-turn lane warrants were applied at the proposed site driveways. Left-turn lane warrants were not performed as the existing two-way left-turn lane will serve as a left-turn lane into the site. Turn lane warrant graphs for the site driveways are included in the Appendix.

Future turning movement volumes at the proposed site driveways to Paterson Avenue and 36th Street were utilized to apply Michigan Department of Transportation (MDOT) guidelines for right-turn lanes and tapers contained within the "*Geometric Design Guidance*" manual. These guidelines were utilized as the Kent County Road Commission uses them as a guideline for establishing the need for turning lanes on county roadways. The warrant analyses indicated right-turn lanes and/or tapers would be warranted at the proposed site driveways as follows:

- A southbound right-turn lane would be warranted at the proposed north driveway to Patterson Avenue during the morning peak hour while a right-turn taper would be warranted during the afternoon peak hour.
- A southbound right-turn lane would be warranted at the proposed south driveway to Patterson Avenue during the morning and afternoon peak hours.
- A westbound right-turn taper would be warranted at the proposed driveway to 36th Street during the morning and afternoon peak hours.



36TH STREET AT PATTERSON AVENUE COMMERCIAL DEVELOPMENT TRAFFIC IMPACT STUDY

LEGEND

XX (XX) = AM (PM) GENERATED TRIPS

(X%) = DISTRIBUTION FOR NEW TRIPS

FUTURE (2028) TRIP DISTRIBUTION
+ TRAFFIC ASSIGNMENT

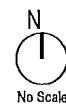
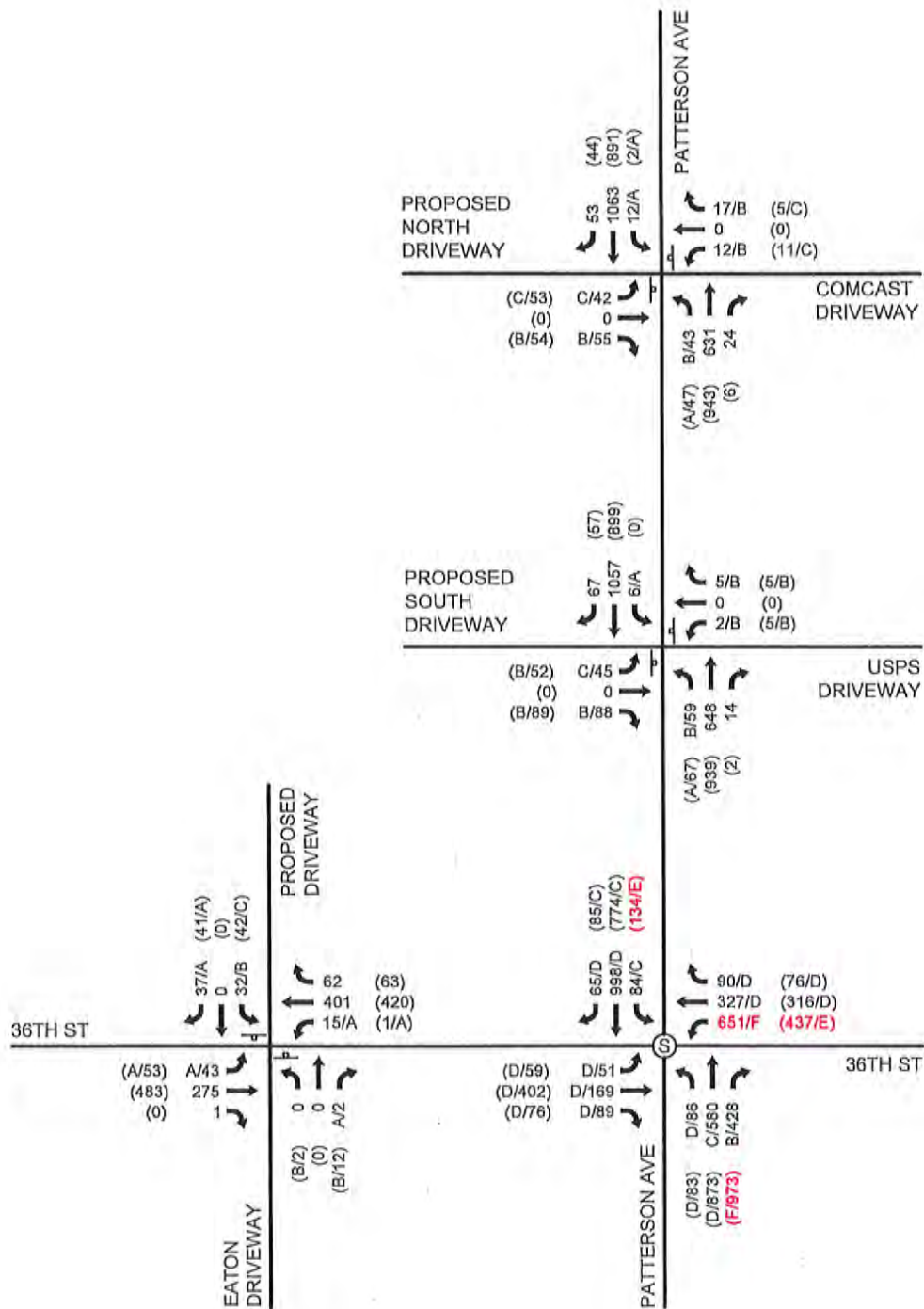


FIGURE
4



CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes the results of the analyses performed as part of the study. Recommendations to improve the surrounding roadway network are also presented.

Conclusions

Based on the analyses performed as part of this study, the proposed development will have minor impacts on the surrounding roadway network. The findings of this study are as follows:

Existing Conditions

The existing conditions analyses show the Patterson Avenue/36th Street intersection is currently operating at an overall LoS "C" during the morning peak hour and LoS "D" during the afternoon peak hour. All individual movements at the intersection are currently operating at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- The westbound left-turn movement is currently operating at LoS "E" during the morning peak hour.
- The northbound right-turn movement is currently operating at LoS "E" during the afternoon peak hour.

The controlled movements at the unsignalized study area intersections are currently operating at LoS "C" or better during the morning and afternoon peak hours.

Background (2028) Conditions

The background (2028) conditions show the Patterson Avenue/36th Street intersection is anticipated to operate at an overall LoS "D" during the morning peak hour and deteriorate to an overall LoS "E" during the afternoon peak hour. Optimizing the signal timings at the intersection resulted in marginal improvement; however, the intersection is anticipated to continue operating at an overall LoS "E" during the afternoon peak hour. Additional capacity improvements, such as dual northbound right-turns lanes, may be necessary in the future based on the anticipated background traffic growth.

All individual movements at the Patterson Avenue/36th Street intersection are anticipated to operate at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- The westbound left-turn movement is anticipated to operate at LoS "F" during the morning peak hour and LoS "E" during the afternoon peak hour.
- The delay for the northbound right-turn movement is anticipated to increase significantly due to background traffic growth. This movement is anticipated to operate at LoS "F" with long queues during the afternoon peak hour. A detailed queuing analysis is provided in the next chapter.

The controlled movements at the unsignalized study area intersections are anticipated to continue operating at LoS "C" or better during the morning and afternoon peak hours.

Future (2028) Conditions

Compared to background (2028) conditions, the Patterson Avenue/36th Street intersection is anticipated to continue operating at an overall LoS "D" during the morning peak hour and an overall LoS "E" during the afternoon peak hour. As with background (2028) conditions, optimizing the signal timings at the intersection resulted in marginal improvement; however, the intersection is anticipated to continue operating at an overall LoS "E" during the afternoon peak hour.

All individual movements at the Patterson Avenue/36th Street intersection are anticipated to operate at LoS "D" or better during the morning and afternoon peak hours, except for the movements listed below.

- As with background (2028) conditions, the westbound left-turn movement is anticipated to operate at LoS "F" during the morning peak hour and LoS "E" during the afternoon peak hour. Traffic generated by the proposed development has little to no impact on this movement.

- As with background (2028) conditions, the northbound right-turn movement is anticipated to operate at LoS "F" with long queues during the afternoon peak hour. Traffic generated by the proposed development has little to no impact on this movement.
- Compared to background (2028) conditions, the southbound left-turn movement is anticipated to deteriorate from LoS "D" to LoS "E" during the afternoon peak hour. This would likely be considered acceptable as the 95th percentile queue for this movement is anticipated to be contained within the existing southbound left-turn lane.

The controlled movements at the proposed site driveways are anticipated to operate at LoS "C" or better during the morning and afternoon peak hours.

The results of the queuing analysis show all queues for the controlled movements at the proposed site driveways are anticipated to be one vehicle or less during the morning and afternoon peak hours. The longest queue is anticipated to be for the eastbound left-turn movement at approximately one vehicle. Vehicles turning left into the site from the two-way left-turn lanes along Patterson Avenue and 36th Street are not anticipated to conflict with left-turn vehicle queues from adjacent intersections.

The most significant impacts related to vehicular queuing within the study area occur at the signalized Patterson Avenue/36th Street intersection as follows:

- The queue within the dual westbound left-turn lanes is anticipated to slightly surpass the available storage within the dual left-turn lanes due to the increase in background traffic volumes; however, additional storage capacity is available within the existing two-way left-turn lane.
- The northbound right-turn movement queue is anticipated to significantly increase due to the increase in background traffic volumes.
- The southbound left-turn movement queue is anticipated to increase to approximately 170 feet under future (2028) conditions; however, the available storage within the left-turn lane is not exceeded. As the proposed south driveway is located approximately 400 feet north of the Patterson Avenue/36th Street intersection, this queue is not anticipated to conflict with northbound vehicles turning left into the site.

The right-turn lane warrant analyses indicated right-turn lanes and/or tapers would be warranted at the proposed site driveways as follows:

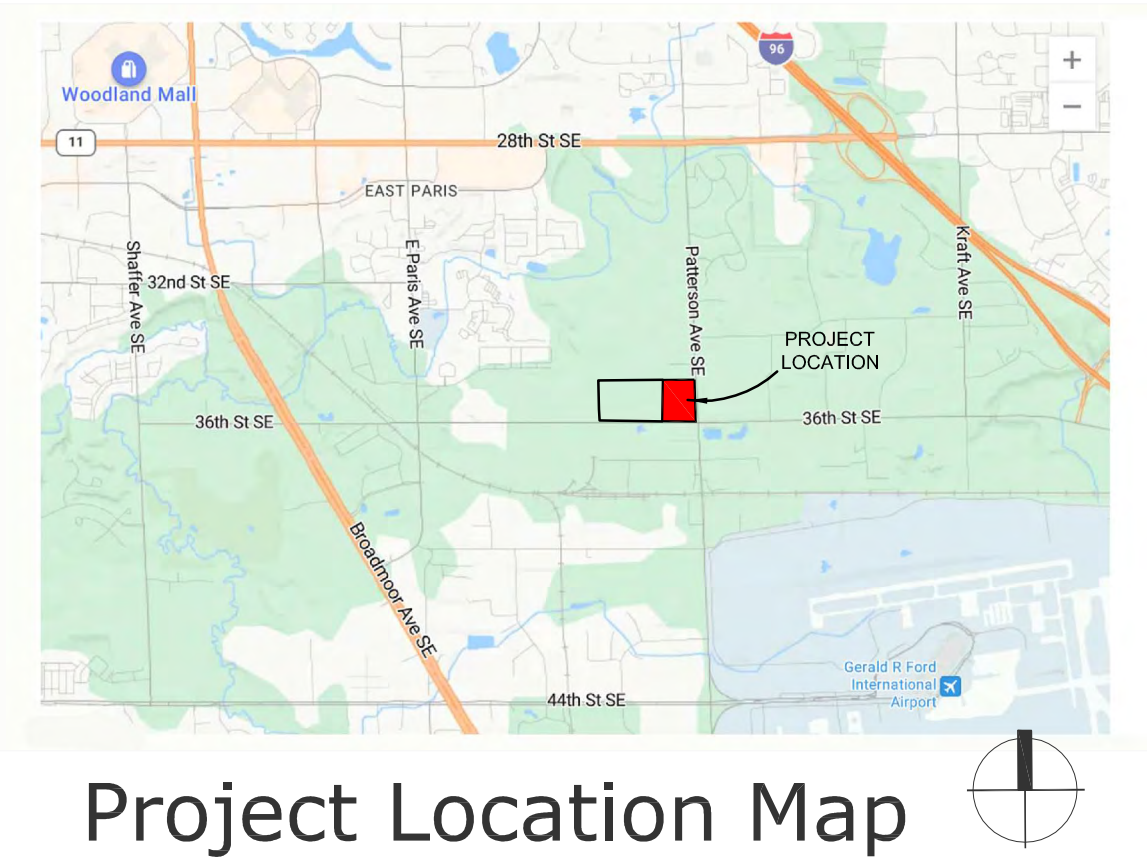
- A southbound right-turn lane would be warranted at the proposed north driveway to Patterson Avenue during the morning peak hour while a right-turn taper would be warranted during the afternoon peak hour.
- A southbound right-turn lane would be warranted at the proposed south driveway to Patterson Avenue during the morning and afternoon peak hours.
- A westbound right-turn taper would be warranted at the proposed driveway to 36th Street during the morning and afternoon peak hours.

Recommendations

The following is a list of recommendations to mitigate the impact of the proposed development and improve operations within the study area:

- The proposed site driveways should operate as full access driveways to the proposed development. Restricting movements at the driveways would funnel more traffic to other driveways, potentially creating longer delays and queuing on those approaches.
- As shown on the proposed site plan, all exiting approaches at the site driveways should include a separate left-turn lane and right-turn lane.
- A southbound right-turn lane should be constructed at both the proposed north and south site driveways to Patterson Avenue. The right-turn lane should be designed and constructed to current Kent County Road Commission standards.

- A westbound right-turn taper should be constructed at the proposed site driveway to 36th Street. The right-turn taper should be designed and constructed to current Kent County Road Commission standards.
- Signal timings at the Patterson Avenue/36th Street intersections should be monitored and optimized as construction of the proposed development is completed.
- The Kent County Road Commission and/or the City of Kentwood should monitor the Patterson Avenue/36th Street intersection for potential capacity improvements, such as dual northbound right-turn lanes, should background traffic volumes increase as anticipated within this report.



Sheet Index

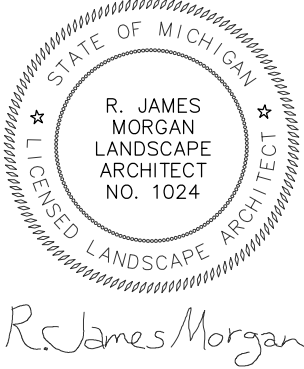
- C-100 Cover Sheet
- C-101 Existing Site Conditions
- C-102 Alternate Site Plan
- C-103 Preliminary PUD Site Plan
- C-104 Preliminary Storm Water Plan
- C-105 Preliminary Utility Plan

Civil Engineer & Surveyor
Exxel Engineering, Inc.

Environmental Consultant
Barr Engineering Co.

Transportation Engineer
TBD

Landscape Architect
RJM Design Inc.
1971 E. Beltline Ave NE, Suite 217
Grand Rapids, MI 49525
Phone: (616) 336-6071
www.rjm-design.com



RJM DESIGN
Land Planning • Landscape Architecture
1971 E. Beltline Avenue, Suite 217
Grand Rapids, MI 49525
Phone: (616) 336-6071
www.rjm-design.com

exxel engineering inc.
1525 OLIVE PARK, S.W. • GRAND RAPIDS, MI 49509
PHONE: (616) 531-3860

**GRR Ancillary C-PUD
Preliminary Site Plan**
Kentwood, Michigan

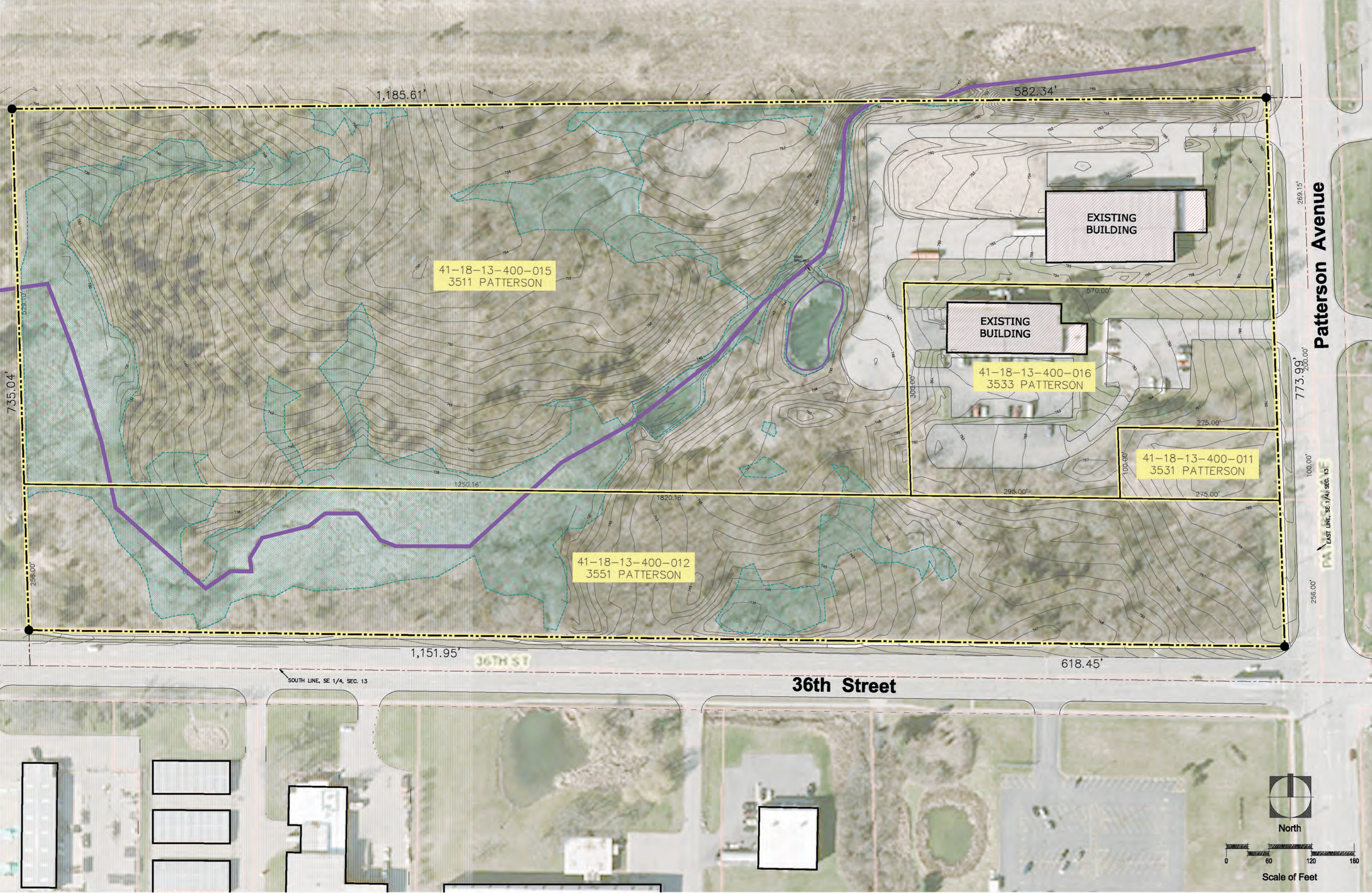
DATE:	ISSUED FOR:
09/12/2023	OWNER REVIEW
10/02/2023	PLANNING COMM. REVIEW
P.I.C.	R. JAMES MORGAN
P.M.	
DESIGN	

RJM PROJECT NUMBER
23004
SHEET NAME
COVER SHEET
SHEET NUMBER
C-100

**GRR Ancillary C-PUD
Preliminary Site Plan**
Kentwood, Michigan

DATE:	ISSUED FOR:
09/12/2023	OWNER REVIEW
10/02/2023	PLANNING COMM. REVIEW
P.I.C.	R. JAMES MORGAN
P.M.	
DESIGN	

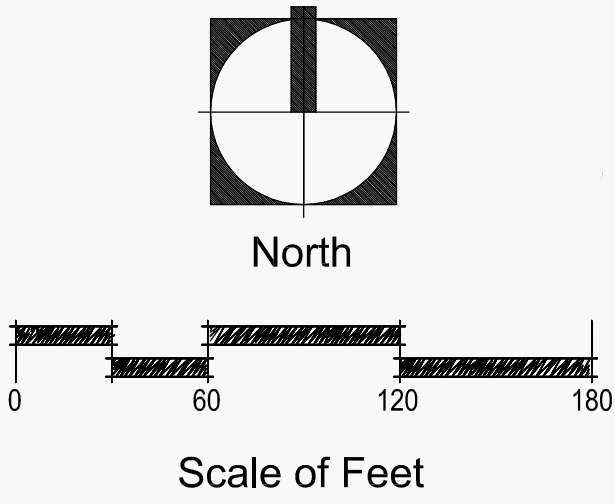
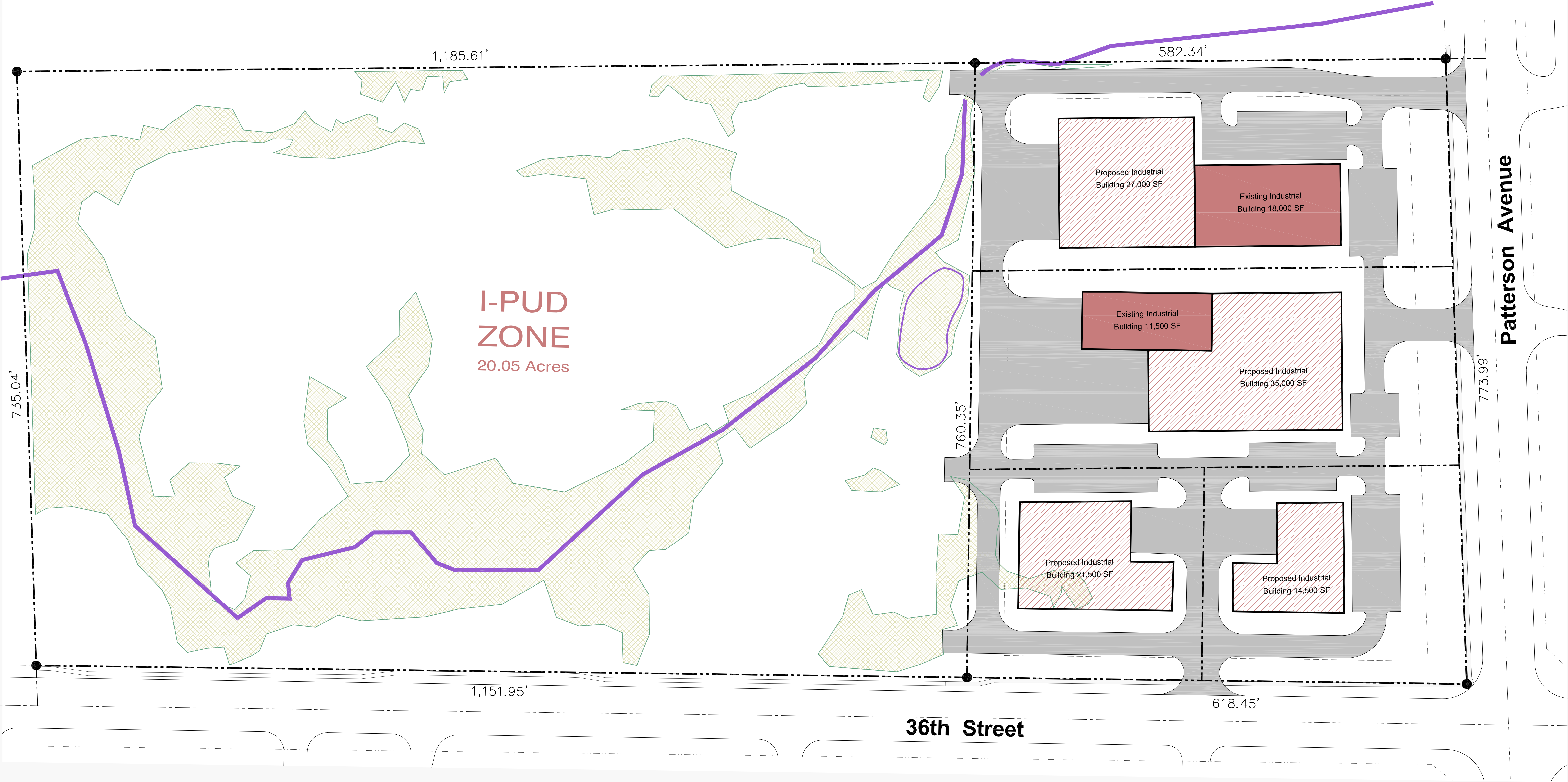
RJM PROJECT NUMBER
23004
SHEET NAME
EXISTING SITE CONDITIONS
SHEET NUMBER
C-101



**GRR Ancillary C-PUD
Preliminary Site Plan**
Kentwood, Michigan

DATE:	ISSUED FOR:
09/12/2023	OWNER REVIEW
10/02/2023	PLANNING COMM. REVIEW
P.I.C.	R. JAMES MORGAN
P.M.	
DESIGN	

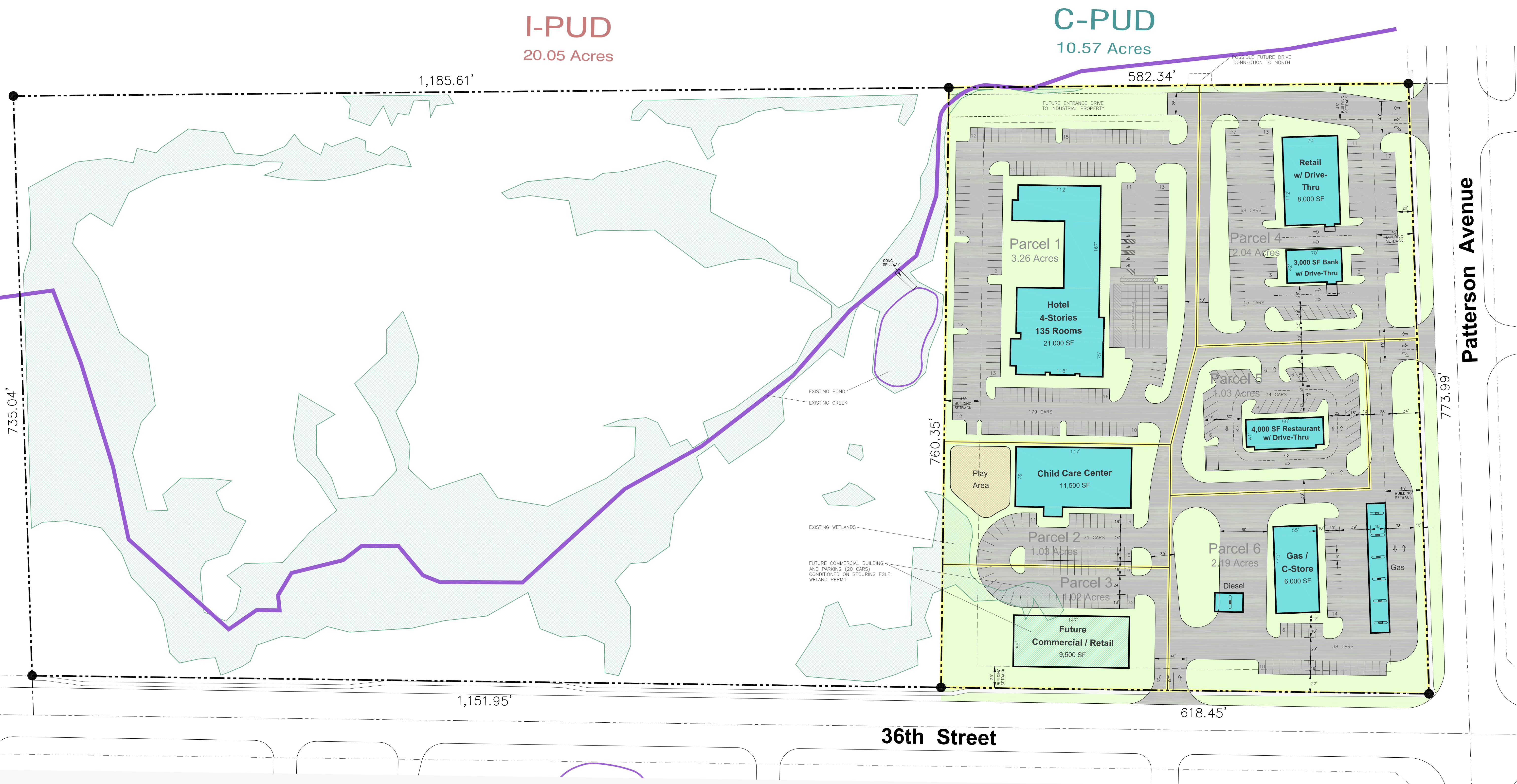
RJM PROJECT NUMBER
23004
SHEET NAME
ALTERNATE SITE PLAN
SHEET NUMBER
C-102



GRR Ancillary C-PUD
Preliminary Site Plan
Kentwood, Michigan

DATE:	ISSUED FOR:
09/12/2023	OWNER REVIEW
10/02/2023	PLANNING COMM. REVIEW
P.I.C.	R. JAMES MORGAN
P.M.	
DESIGN	

RJM PROJECT NUMBER
23004
SHEET NAME
PRELIMINARY PUD SITE PLAN
SHEET NUMBER
C-103



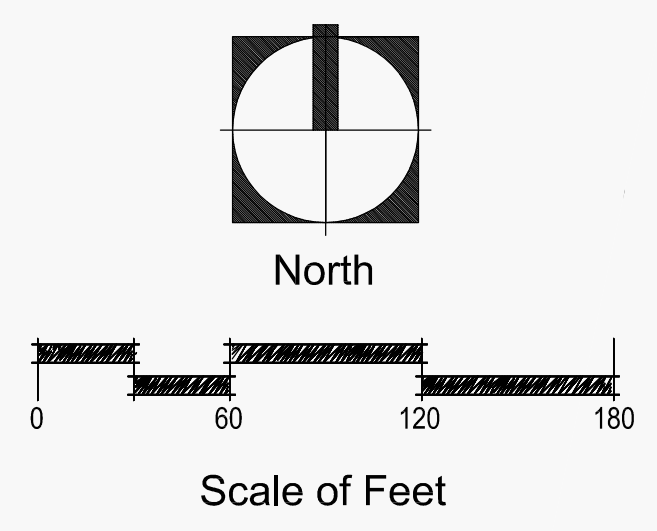
SITE DEVELOPMENT DATA:

Existing Zoning:	I - PUD
Existing Master Plan:	C-PUD
Proposed Zoning:	C-PUD
Total Area:	460,413 SF 10.57 Acres
Paved Areas:	239,057 SF 5.49 Acres
Building Areas:	62,773 SF 1.44 Acres
Open Space	158,583 SF 3.64 Acres (34%)
Req'd Open Space	138,124 SF 3.17 Acres (30%)

Parking Requirements / Calculations:

Parcel No.	Parcel Area	*Proposed Use	Required Spaces	Proposed Spaces
1.	3.26 Acres	Hotel w/ 135 Rooms & 15 Employees	150 Spaces	179 Spaces
2.	1.03 Acres	Child Care Center w/ 165 Kids & 12 Employees	35 Spaces	35 Spaces
3.	1.02 Acres	9,500 SF Retail	38 Spaces	36 Spaces
4.	2.04 Acres	8,000 SF Retail	31 Spaces	68 Spaces
4.		3,000 SF Bank	15 Spaces	15 Spaces
5.	1.03 Acres	4,000 SF Restaurant (2,500 USF)	50 Spaces	34 Spaces
6.	2.19 Acres	6,000 SF Gas Station & Convenience Store	30 Spaces	38 Spaces
Totals	10.57 Acres		352 Spaces	405 Spaces

* Proposed uses are Preliminary and may be replaced with other C-PUD permitted uses during Site Plan Review



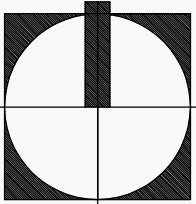
GRR Ancillary C-PUD
Preliminary Site Plan
Kentwood, Michigan

DATE:	ISSUED FOR:
09/12/2023	OWNER REVIEW
10/02/2023	PLANNING COMM. REVIEW
P.I.C.	R. JAMES MORGAN
P.M.	
DESIGN	

RJM PROJECT NUMBER
23004
SHEET NAME
PRELIMINARY STORM WATER PLAN
SHEET NUMBER
C-104



Existing Storm Sewer
Proposed Storm Sewer



North

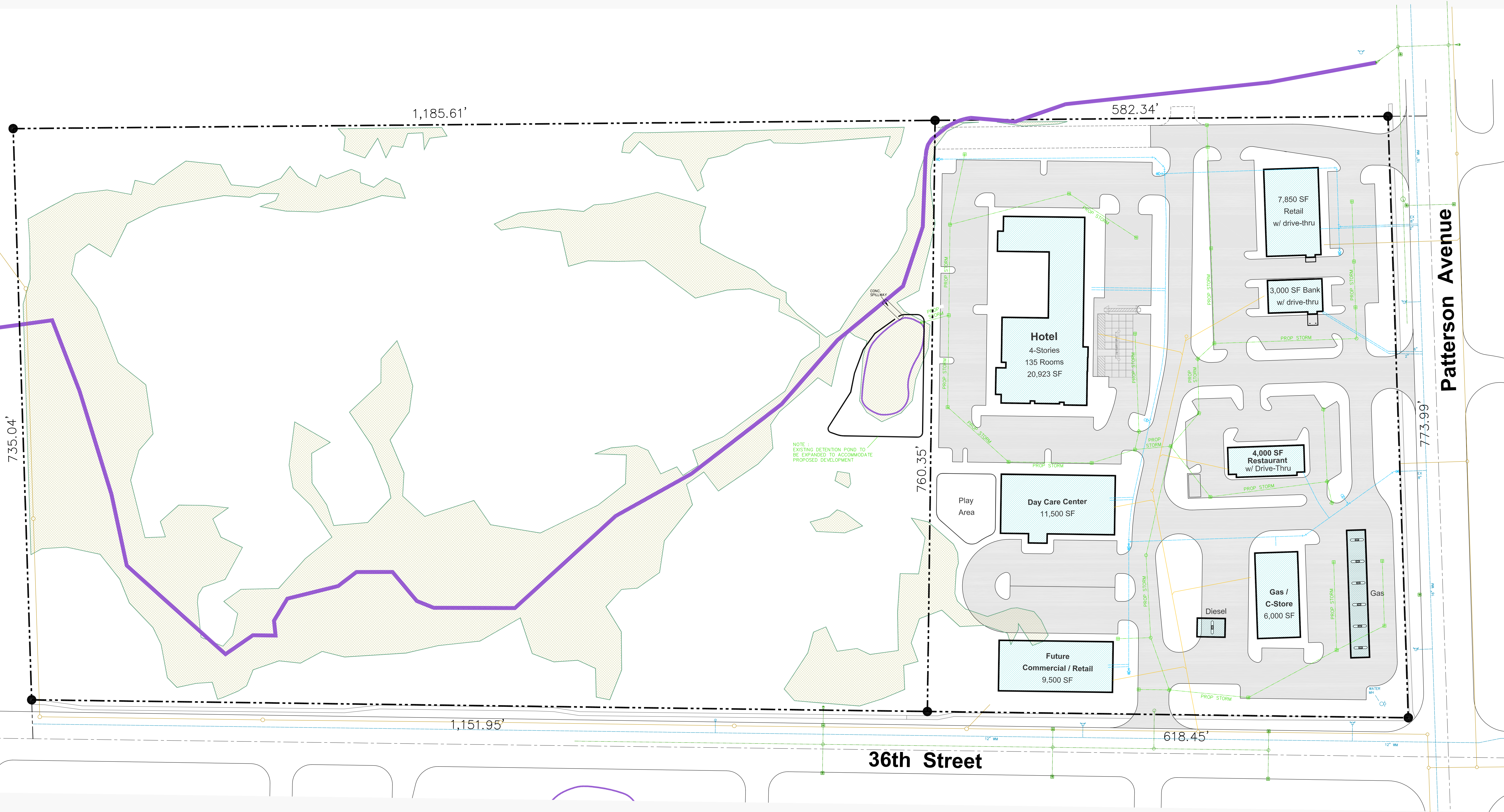


Scale of Feet

GRR Ancillary C-PUD
Preliminary Site Plan
Kentwood, Michigan

DATE:	ISSUED FOR:
08/23/2023	OWNER REVIEW
09/15/2023	PLANNING COMM. REVIEW
P.I.C.	R. JAMES MORGAN
P.M.	
DESIGN	

RJM PROJECT NUMBER
23004
SHEET NAME
PRELIMINARY UTILITY PLAN
SHEET NUMBER
C-105



- UTILITY KEY:
- Existing Storm Sewer
 - Proposed Storm Sewer
 - Existing Sanitary Sewer
 - Proposed Sanitary Sewer
 - Existing Water Main
 - Proposed Water Main

