

REDEVELOPMENT COMMITTEE

OF THE CITY OF FARMINGTON HILLS MICHIGAN



REPORT TO CITY COUNCIL

August 2006

Jerry Ellis, Chairperson
Steve Brock, City Manager

COMMITTEE MEMBERS

Jerry Ellis, Council Member (Chair)

**Dale Countegan, Director of Planning
and Community Development (Vice Chair)**

Steve Brock, City Manager (Secretary)

John W. Anhut, Economic Development Corporation

Ron Aten, Facilities Architect, Farmington Public Schools

Tom Buck, City of Farmington Council Member

Scott Elliott, Realtor

Shari Garms, Planning Commissioner

Charles Holmes, Economic Development Coordinator

Albert Ludwig, Developer

Mara Topper, Zoning Board of Appeals Member

Ara Topouzian, Chamber of Commerce President

STATEMENT OF AUTHORITY

A community's sustainability is dependent upon its ability to attract and encourage good redevelopment. To that end, the Farmington Hills City Council established by resolution on July 25, 2005 the City's Redevelopment Committee. The committee was formed

for the purpose and with the objective of studying and reporting recommendations to City Council concerning the following:

1. *Redevelopment within the City.*
2. *The concept of establishing a redevelopment plan for the City.*
3. *The concept of establishing a permanent commission on redevelopment.*

As authorized, membership in the Committee represents a diversity of disciplines in the development field. On November 3, 2005 the first meeting of the Redevelopment Committee was held and officers were elected. Subsequent to that meeting the Committee has also sought the expertise of the larger community by welcoming the attendance and participation at Redevelopment Committee meetings of **Dave Schreiber**, Supervisor, Business Development Group, Oakland County Planning and Economic Development Services; **Tom Buck**, Council Member, City of Farmington; and **Ronald Aten**, Facilities Architect, Farmington Public Schools.

PURPOSE

Redevelopment is the name of the game!

The Committee believed its purpose included identifying properties within the city that can be refreshed, renewed, and/or redeveloped, and recommend ways to accomplish this through the planning process and available incentives. The goal of maintaining and where possible increasing Farmington Hills' attractiveness as a place where people want to live, work, and play is the challenge. Currently, the city is at an important juncture – with little open land left for “greenfield development,” redevelopment is truly the name of the game.

Redevelopment goals balance realism, vision.

Redevelopment brings a different set of challenges than new development, and redevelopment goals need to reflect a balance of realism and vision. North Orchard Place is an example of such redevelopment, though projects like this are never easy and frequently require change in expectations. No matter how difficult, a greater good is realized when a community is open to reinvestment and well positioned for redevelopment.

Agile zoning?

Streamlined process?

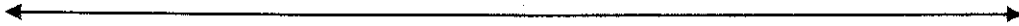
Financial inducements?

The Committee considered the following questions: Is the community's zoning agile enough? Is the approval process streamlined and fair? Are financial inducements possible? Certainly these along with other questions must be asked when having a discussion about redevelopment.

BACKGROUND

Since inception of the Redevelopment Committee monthly meetings have been held. The initial meetings served as fact finding to the issue of redevelopment in Farmington Hills.

The committee took a **bus tour** of the City of potential redevelopment sites, heard from speakers like Vince Pastue of Farmington on the **Main Street Project** and Teri Arbenowske about the **Corridor Improvement Act** and researched **best practices** from other US cities. Also, the committee heard about the City's strong and creative planning tradition and reviewed planning tools like **Special Planning Area (SPA)** designation and **Planned Unit Development (PUD)** process, and the **Master Plan for Future Land Use and Zoning Maps**. The committee was briefed on current development activities, community profile and interest in securing a consultant to determine market potential in Farmington Hills. In addition, each member offered their unique insight which contributed to greater understanding of the redevelopment issue.



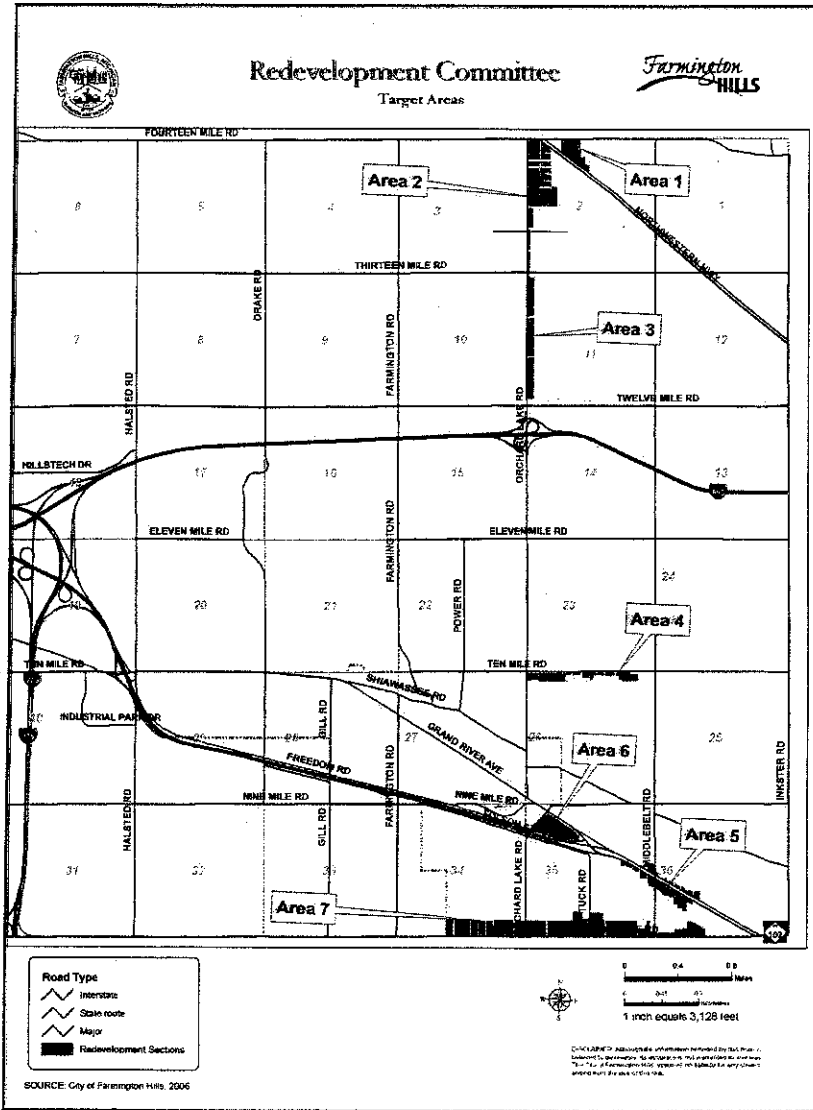
**NO
PARADIGMS**

In an effort to evaluate potential redevelopment sites in Farmington Hills, the Redevelopment Committee working with the Planning Office defined areas, identified issues and constraints, and discussed possible solutions and recommendations. This exercise provided the committee with a realistic view of redevelopment and its practical challenges.

Paradigms were dropped and out-of-box thinking was encouraged and employed.

IDENTIFICATION OF REDEVELOPMENT AREAS

As listed below, the Committee prioritized seven areas that they felt should be targeted for redevelopment. This list is not exclusive; other areas in the City could be added. Nevertheless, these areas represent a beginning in what will surely be an ongoing, long-term effort to attract and retain businesses through redevelopment in Farmington Hills.



1. North side of Northwestern Highway between Fourteen Mile Road and Country Glen Condos.
2. East Side of Orchard Lake Road from the golf course (approximately at the 13.5 Mile Road point) to Fourteen Mile Road.
3. East side of Orchard Lake Road north of Twelve Mile to K-Mart.
4. Ten Mile and Orchard Lake Road area, and south side of Ten toward Middlebelt.
5. Intersection of Middlebelt Road and Grand River Avenue, and Grand River from the end of M-5 to Smith Lumber and beyond. (Greater area includes distance from Eight Mile Road to City of Farmington city limits.)
6. The area bounded by Grand River, Orchard Lake and Freedom Roads
7. Eight Mile Road from just east of Middlebelt Road to the Farmington City boundary.

The issues regarding these seven areas are summarized in the two tables on the following pages.

TABLE OF ISSUES/RECOMMENDATIONS

AREA	ISSUES/CONSTRAINTS	RECOMMENDATIONS/POSSIBLE SOLUTIONS
<p style="text-align: center;">1</p> <p>North side of Northwestern Highway between Fourteen Mile Road and Country Glen Condos</p>	<p>Overdeveloped frontage/ nonconforming buildings</p> <p>Zoning code challenges</p> <p>Multiple zoning districts</p> <p>Single-family borders on north and east need to be buffered</p> <p>Consumers Power energy plant</p> <p>Land speculation</p> <p>Multiple ownerships</p> <p>Vacancies</p> <p>High infrastructure costs</p> <p>Utilities (lack of relocation)</p> <p>Road construction, past and future</p> <p>Awkward exposure and visibility</p> <p>Deteriorating properties</p> <p>Anticipated environmental concerns</p>	<p>Can utility substation (Consumers Power) be relocated?</p> <p>Can Brownfield capture be used here?</p> <p>Can consultant tell us who shops here? What kind of business would be successful?</p> <p>Overlay zoning with area 2?</p> <p>Can city provide infrastructure that makes redevelopment affordable? For instance, roundabouts are being built. This will hurt in short term and these businesses have been hurt already by ongoing construction. Can the city do anything to help during this time?</p> <p>Can the city help with providing visibility for businesses? Visibility is a very big problem.</p> <p>Can access to Fourteen Mile Road be achieved?</p>
<p style="text-align: center;">2</p> <p>East side of Orchard Lake Road from the golf course (approximately at the 13.5 mile point) to Fourteen Mile Road</p>	<p>Traffic</p> <p>Multiple zoning districts</p> <p>Multiple uses</p> <p>Non-conforming uses</p> <p>Visibility</p> <p>Lack of parking</p> <p>Lack of residential investment</p> <p>Land speculation</p> <p>Residential road system doesn't fit area</p> <p>Wetlands/flood plain</p> <p>Lack of continuity for commercial development (i.e., K-Mart)</p> <p>Economic feasibility of redevelopment</p> <p>Giant sequoia tree in West Bloomfield</p>	<p>Linked with Area #1.</p> <p>Needs overlay zoning also, especially to help small businesses for which there are negative incentives to redevelop due to non-conforming situations that would be very expensive to correct. For instance, who would redevelop to a smaller, less profitable building that would meet standards?</p> <p>Can city help with roads, infrastructure, etc., as noted for #1?</p>

Table of Issues and Recommendations, cont.

AREA	ISSUES/CONSTRAINTS	RECOMMENDATIONS/POSSIBLE SOLUTIONS
<p style="text-align: center;">3</p> <p>East side of Orchard Lake Road north of Twelve Mile to K-Mart</p>	<p>Proliferation of "For Lease" signs</p> <p>Overdevelopment of frontage</p> <p>Poor condition of buildings and/ or landscaping</p> <p>Too many signs</p> <p>Traffic congestion</p> <p>Shallow lots</p> <p>Multiple ownerships</p> <p>Lack of identity</p> <p>Way-finding (addresses)</p> <p>Over-saturation of office space, especially Class "B"</p> <p>Lack of landscape or buffer treatments</p> <p>Lack of continuity of marginal access</p>	<p>Help landowners work together regarding parking and access.</p>
<p style="text-align: center;">4</p> <p>Ten Mile and Orchard Lake Road area, and south side of Ten toward Middle-belt</p>	<p>Lack of identity</p> <p>Nonconforming buildings</p> <p>Wide spectrum of uses</p> <p>Lack of investment from some owners</p> <p>Anticipated environmental concerns</p> <p>Economic feasibility of redevelopment</p>	<p>Empty space behind buildings on Ten Mile Road</p> <p>How can City help brand the corner?</p> <p>Directing traffic to businesses, etc?</p>

Table of Issues and Recommendations, cont.

AREA	ISSUES/CONSTRAINTS	RECOMMENDATIONS/POSSIBLE SOLUTIONS
<p>5</p> <p>Intersection of Middlebelt Road and Grand River Avenue, and Grand River from the end of M-5 to Smith Lumber and beyond. (Greater area includes distance from Eight Mile Road to City of Farmington city limits.)</p>	<p>Existing development does not meet zoning & ordinance constraints</p> <p>Shallow lots</p> <p>Visibility</p> <p>Lack of investment by some owners</p> <p>Multiple ownership</p> <p>Traffic concern (high speed merge from expressway)</p> <p>Economic feasibility of redevelopment</p> <p>Traffic safety</p> <p>Off-street parking</p> <p>Marginal market opportunities</p> <p>Lack of residential development</p> <p>Lack of evening/night activity</p> <p>Right-of-way expanse: lack of visibility</p> <p>Lack of identity, consistency</p>	<p>Create pedestrian scale, encourage walking. Slow traffic down. Create theme.</p> <p>Review height limitations? Possible parking deck?</p> <p>Use of PUD vs. overlay zoning – advantage of overlay zoning is that certain differences from standard zoning regulations (height, setbacks, use) are a matter of right. This would encourage developers to purchase multiple properties, something that is necessary to overall development and which is the most difficult to do.</p> <p>Shorten the process but still have protections in place. Example: perhaps in place of 25-foot setback a wall of certain height and material allowed. Could be part of overlay zoning.</p> <p>Need to decide what uses are desired, and then put correct infrastructure in place to attract those uses.</p> <p>Emphasize "gateway to Farmington Hills"</p> <p>Put businesses up to the street to encourage walking. Fire Station excellent example. Grand River Avenue encourages "up to the street" businesses.</p> <p>Six-foot walks don't encourage pedestrians. Need 15-20 foot walks.</p> <p>Need different overlay zoning than north of 696. Different demographics.</p>

Table of Issues and Recommendations, cont.

AREA	ISSUES/CONSTRAINTS	RECOMMENDATIONS/POSSIBLE SOLUTIONS
<p style="text-align: center;">6</p> <p>The area bounded by Grand River, Orchard Lake and Freedom Roads</p>	<p>Access!!!!</p> <p>Visibility</p> <p>Flood Plain</p> <p>Lack of Investment</p> <p>Non-Conforming Development</p> <p>Economic Feasibility of Redevelopment</p> <p>Building Setbacks too Deep</p> <p>Discover Appropriate Use</p>	<p>A possible regional detention basin? This would relieve individual parcels from this responsibility, creating additional value on every other piece of property that would use the basin. It would increase the amount of buildable area on all other parcels and give financial relief to developers.</p>
<p style="text-align: center;">7</p> <p>Eight Mile Road from just east of Middlebelt to the Farmington City Boundary</p>	<p>Light industrial zoning not appropriate for area any longer - detrimental influence on residential properties to north</p> <p>Uses unable to expand</p> <p>Nonconforming uses</p> <p>Nonconforming buildings</p> <p>Anticipated environmental concerns – contamination</p> <p>Ordinance and economic constraints for redevelopment</p> <p>Illegal parking: side streets, front yards</p> <p>Unsightly utilities</p> <p>Lack of evening/night traffic</p>	<p>Difficult area; variances frequently requested.</p> <p>Prime candidate for overlay zoning.</p> <p>Can city provide infrastructure relief? Put things underground?</p> <p>Target uses – what do we want this area to look like 10-20 years from now?</p>

COMMON ISSUES THAT IMPACT REDEVELOPMENT AREAS

Issues Areas	1	2	3	4	5	6	7
Overdeveloped frontage	x		x				
Non-conforming buildings	x	x	x	x	x	x	x
Non-conforming uses							x
Light industrial zoning no longer appropriate							x
Uses unable to expand			x		x		x
Zoning Code challenges	x		x	x	x		x
Multiple-zoning	x	x	x				
Multiple uses		x		x			
Single family borders	x		x		x		x
Land speculation	x	x					
Multiple ownership	x	x	x		x		
Vacancies	x		x				
High infrastructure costs	x	x			x		
Utilities (lack of relocation)	x						x
Road construction (past/future)	x	x					
Awkward exposure/visibility	x	x			x	x	
Right-of-way expanse: lack of visibility					x	x	
Deteriorating properties	x		x		x	x	x
Anticipated environmental concerns	x	x	x	x	x	x	x
Traffic	x	x	x		x	x	
Parking concerns		x			x		x
Lack of business investment by some owners		x	x	x	x	x	x
Lack of residential investment							
Lack of residential development					x		
Residential Road system doesn't fit area							
Wetlands/flood plain		x				x	

Common Issues That Impact Redevelopment Areas, cont.

Issues ↓	Areas → (continued)	1	2	3	4	5	6	7
Lack of continuity for commercial development			x				x	x
Proliferation of "for lease" signs				x				
Poor condition of buildings and landscape		x		x	x	x	x	x
Lack of landscape or buffer treatments				x	x		x	
Too many signs				x				
Shallow lots				x		x		x
Lack of identity				x	x	x		
Way-finding					x			
Over-saturation of office space (esp. Class "B")				x				
Lack of continuity of marginal access system			x	x				
Access			x				x	
Varying building setbacks				x				
Setbacks too deep							x	
Economic feasibility of redevelopment		x	x		x	x	x	x
Marginal market opportunities						x		
Lack of evening/night activity						x		
Discover appropriate use							x	x

OTHER REDEVELOPMENT CONCERNS/ISSUES

A development-friendly, ahead-of-the-curve reputation and culture are critical for Farmington Hills as the City moves into the very competitive 21st Century. In addition to the seven targeted areas listed above, other more general redevelopment concerns/issues include:

- A. **The planning and approval process** in and of itself can be a barrier to redevelopment projects. Zoning ordinances, planning procedures, and permitting processes were put in place when Farmington Hills was a city of green fields. Redevelopment – potentially riskier, more complex, and more expensive than green field development – may need to be handled differently throughout the planning process.
- B. **Small businesses in particular** can find the costs of redevelopment challenging, especially when those costs include expenses not directly related to the specific business operation, such as improvements to substandard and aging infrastructure, and the requirements of modern zoning standards as applied to older sites.
- C. **Redevelopment projects** run the risk of being "hodge-podge" in finished facades and exterior appearances.
- D. **High-tech businesses** are limited in location possibilities unless they are willing to go through Zoning Board of Appeals procedures. Industrial zoning, in particular, is not welcoming to certain high-tech uses that may otherwise seem appropriate for those locations, forcing such projects to go through the variance process.
- E. **Opportunities for consistency and trade market share** are lost when neighboring communities don't work together as redevelopment projects move forward.
- F. **Failure to look beyond our own borders for inspiration** can limit us unnecessarily. A culture of innovation and creativity is fostered when we think "outside the box," seeking inspiration from every available resource, including those outside the city, the area, and the state.

RECOMMENDATIONS

The Redevelopment Committee has attempted to be bold and innovative in their examination of redevelopment. While the Committee in no way intends to suggest that the City is not already proactive in its attempts to address redevelopment issues, it found that the fast-changing marketplace creates situations that may not have been foreseen even a few years ago. Therefore present practice, standards and ordinances have not limited the committee's work. The recommendations range from how we process redevelopment to what incentives are available to attract new investment in Farmington Hills.

The work of the committee has been comprehensive in scope resulting in ten recommendations. Some recommendations will require policy consideration of the City Council for further direction. Others may only involve administrative adjustments. In all, the committee submits the following thoughtful recommendations for consideration.

1. **Overlay Zoning** – In areas where current standards cannot be met, e.g. setbacks, greenbelts, etc., provide in the Zoning Ordinance a designation for *overlay zoning*, a zoning district where certain exceptions are allowed by right. This would lessen the need for ZBA variances and place the review of exceptions to the traditional standards with the Planning Commission. The Planning Commission is expected to consider the overlay zoning approach as part of their update of the Master Plan for Future Land Use, currently underway.
2. **Redevelopment Friendly** – Establish practices that are tailored to the unique challenges of redevelopment. Encourage a business friendly approach to redevelopment e.g. a shortened approval process and Engineering standards based on brownfields, not greenfields. Any change should ensure greater efficiency while still providing community protections. Sell Farmington Hills as a business friendly community through the EDC, Chamber of Commerce and business organizations and associations.
3. **Financial Incentives** – Facilitate financial incentives for redevelopment including SBA loans, TIF from Brownfield Authority and Corridor Improvement Act, EDC bonding, CDBG façade improvement loans and grants, infrastructure bonding. Reexamine the issue of a property acquisition fund.
4. **Promote Innovation in Site Design and Architecture** – Review Zoning Ordinance for adaptability to a *new urbanism* design which includes mixed use development with greater height and density. Promote innovative designs where it makes sense, don't force it. Encourage through incentives green buildings (LEED certified). The Planning Commission is expected to review applicability of innovative design as part of the Master Plan update.

Recommendations, cont.

5. **Update Permitted Uses** – Update permitted uses in the Zoning Ordinance especially for IRO and Industrial districts. Some uses are outdated and don't reflect current businesses and industries advanced by technology. Change would reduce the number of ZBA requests to permit contemporary uses in IRO and Industrial districts.
6. **Update PUD Process** – Analyze process for greater efficiency while providing sufficient public participation. PUD approach with its numerous meetings including four public hearings of the Planning Commission and City Council is difficult for redevelopers when time is money and profit margins are small.
7. **Corridor Improvement Act** – Examine opportunities to utilize Act along Orchard Lake Road, Eight Mile Road and Grand River Avenue for façade, access and any required infrastructure improvements. Coordinate effort along Grand River Ave with the City of Farmington and their Main Street Project to create continuity of streetscape design and theme between both communities.
8. **Redevelopment Planning** – Create redevelopment friendly tools to complement PUDs and SPAs. Establish redevelopment improvement districts/zones where overlay zoning provides greater flexibility of site design and use for mixed use development with greater density and height. Eminent domain is an option for completing vitally important infrastructure. Make sure zoning districts and Master Plan designations foster good redevelopment possibilities (Planning Commission will look at this as part of the Master Plan update). Establish realistic expectations for outcome of redevelopment based on good planning (don't force an identity that is not market supported).
9. **The Challenge of the Diagonals** – Address challenges to access and exposure of redevelopment along “diagonal corridors” like Grand River Avenue and Northwestern Highway. Based on parcel orientation along a diagonal corridor, site design standards should allow greater flexibility in front yard setbacks and sign regulations. Parking and access should be convenient and safe.

10. Look Outside

Be open to new ideas and approaches.

Examine best practices of other communities for ideas.

Consult with experts in the market to match retailers to an area based on “psychographics”- actual spending habits, not just demographics.

Form alliances of support with organizations that also have vested interests in City redevelopment (i.e., City of Farmington, Farmington Public Schools, MEDC, etc.)

Don't be afraid of getting an outsider's perspective on our community.

WHERE DO WE GO FROM HERE?

**Where does the City Council
want us to go from here?**

This is a draft report. We do not consider the suggested recommendations listed above as definitive, and we believe these suggestions will evolve and improve as the redevelopment effort continues. As a Committee we are willing to continue to serve at the Council's discretion.

**What can the City Council
do *now* to facilitate
redevelopment?**

The Committee believes that the most important first step for the City Council to take is to provide a leadership role in building consensus for the changes that successful ongoing redevelopment will require. There are many committed people serving in significant, critical capacities in the city, especially, but not limited to, those who serve on the Planning Commission and the Zoning Board of Appeals, whose work we respect and appreciate and without whom these recommendations cannot go forward.

Build Consensus

Therefore, before any steps are implemented or even considered, we suggest that the Council spend whatever time is necessary to build the consensus that will ultimately drive change in the City's redevelopment effort.

Consistent with the recommendations listed above, specific actions could include:

1. Identify "Redevelopment Areas" for special planning purposes.
2. Employ consultant to review Redevelopment Areas and advise regarding best development alternatives.
3. Implement Corridor Improvement Authority Act in Redevelopment Areas.
4. Include Overlay Zoning District in the Zoning Ordinance.
5. Implement programs to sell Farmington Hills
 - ⇒ Trade Shows
 - ⇒ Detroit Regional Chamber Mackinaw Policy Conference

