

AGENDA
PLANNING COMMISSION SPECIAL MEETING
CITY OF FARMINGTON HILLS
FEBRUARY 19, 2026 @ 6:00 P.M.
FARMINGTON HILLS CITY HALL – COMMUNITY ROOM
31555 W. ELEVEN MILE ROAD, FARMINGTON HILLS, MICHIGAN 48336
www.fhgov.com
(248) 871-2540

1. Call Meeting to Order
2. Roll Call
3. Approval of Agenda
4. Special Meeting

A. [Presentation on Grand River Avenue Corridor Growth Strategy & Plan Prepared by Gibbs Planning Group](#)

5. Public Comment
6. Commissioner Comments
7. Adjournment

Respectfully Submitted,

Kristen Aspinall, Planning Commission Secretary

Diane Mulville-Friel
City Planner
Planning and Community Development Department
(248) 871-2540
dmulville-friel@fhgov.com

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City Clerk's Office at (248) 871-2410 at least two (2) business days prior to the meeting, wherein arrangements/accommodations will be made. Thank you.

Grand River Avenue Corridor
Market Research & Growth Strategy
Farmington Hills, Michigan



Prepared For
City of Farmington Hills

Prepared By
Gibbs Planning Group



January 5, 2026

Grand River Corridor Growth Planning Study

Gibbs Planning Group 1/26

Summary

This study is intended to enhance the Grand River area's neighborhoods, to beautify the Grand River corridor, and to stimulate additional small-scale community, employment, retail and residential development.

The proposed landuse and building standards are also designed to acknowledge Grand River's regional highway scale. This study finds that the corridor is not suitable as a traditional main street, or town center as outlined in the GR-1 Overlay. Instead, it is recommended for the Grand River corridor to be built with greater open space, smaller buildings, local serving businesses and expanded housing choices.

Background

The Farmington Hills Grand River corridor has an existing pent-up market demand for new office, residential and retail development. Overall, the corridor can support 90,000 sf of new retail, 75,000 sf office and 400 new residential dwellings by 2030. These real estate sectors are apparently not being built for several non-market factors. Unpredictable PUD approval processes and overly restrictive site design requirements are cited as the primary concerns by area real estate investors. The PUD process is perceived as 'all take and no give' by the private sector.

Recommended City Initiatives and Policies

- Retaining the existing Grand River corridor zoning districts and standards: B-2, B-3, LI-1, OS-1, RA-3, RC-2, RC-3
- Maintaining the existing GR-1 Grand River Overlay 1 District Code and geographic area
- Conducting community planning engagement workshops with area businesses, residents, stakeholders, local, county and state regulating organizations
- Establishing a new by-right Grand River – 2 Overlay District that includes the overall Grand River corridor area and the: B-2, B-3, LI-1, OS-1, RA-3, RC-2, RC-3 zoning districts
- Creating a 5-year through 2031 sunset timeframe for the new GR-2 Overlay District
- Implementing predictable design, engineering standards, reviews and approval timeframes
- Organizing blue-ribbon panels of experts to review existing architectural engineering, planning, site development, zoning, and other related development policies
- Continuing landscape and placemaking improvements for Grand River Avenue
- Exploring Transferring Development Rights land use zoning policies
- Offering conceptual architectural and site design consulting services for small properties

Recommended City Initiatives and Policies

- Conducting yearly focused corridor design charrettes – workshops for selected redevelopment areas
- Examining developing city, county, state parking, storm water retention, wetland banks and other required site improvement infrastructure improvement elements for shared use by small properties
- Other best practices initiatives and policies as applicable

GR-2 Overlay District Recommended Site Standards

- Reducing and standardizing permitted building heights
- Expanding building and landscape design options
- Adjusting and standardizing on-site site parking requirements
- Decreasing non-residential permitted land uses
- Increasing building setbacks requirements

Recommended Permitted GR-2 Principal Uses

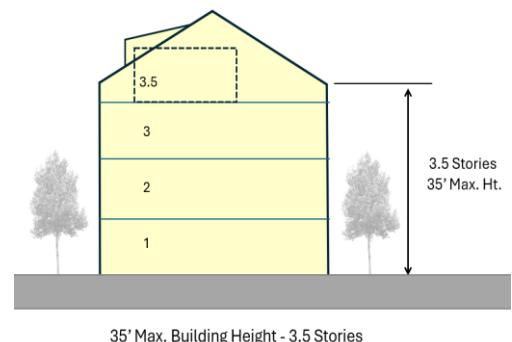
Child & elderly care, government, hotels, medical, office, places of worship, residential, retail, restaurants, services, schools, universities and other related land uses

Recommended GR-2 Prohibited Principal Uses

Adult entertainment, industrial, mortuaries, self-storage, trucking, logistics-distribution, vehicle fueling, repairs, sales, washing, storage and other related land uses

Recommended Building Design Standards

- 25,000 sf Maximum individual retail store size
- 35' Maximum height measured to the building eaves
- 3.5 Maximum building floor stories
- Minimizing required architectural design standards



Parking Minimums & Locations (1)

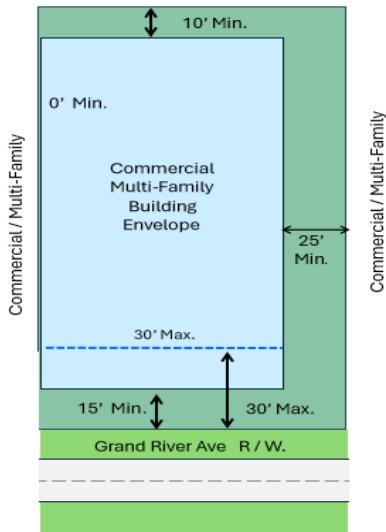
- Limited Parking Permitted in Retail Front Yard Setbacks
- 1 Space for each residential dwelling unit
- 3 Spaces per 1,000 sf office, retail, and other related commercial uses
- 4 Spaces per 1,000 sf Restaurants and other related commercial uses
- TBD: Child & elderly care, government, hotels, medical, places of worship, schools

(1) Site Standards For Properties Fronting Grand River Avenue; Not to Apply to planned mixed-use developments off Grand River Avenue.

Existing GR-1 Overlay Setback Standards

Building Setbacks – Large Sites 150' + Deep (1)

- 60' Front Yard Along Grand River Avenue
- 40' Rear/Side Yard Adjacent to Residential
- 25' Rear/Side Yard Adjacent to Non-Residential
- 40' Minimum Between Residential & Commercial Buildings



Building Setbacks Small Site 150' or Less Deep (1)

- 20' Front Yard Along Grand River Avenue
- 30' Rear/Side Yard Adjacent to Residential
- 25' Side Yard Adjacent to Residential
- 20" Minimum Between Residential & Commercial Buildings

Building Setbacks for Planned Mixed-Use Developments Off-Grand River Avenue

Single -Family

- 10' Front yard – Rear Alley Sites
- 10' Side Yards (Total between Buildings)
- 25' Backyards both alley and non-alley lots
- 40' Between Building Backyards - Alleys

Multi-Family

- 10' Front Yards
- 10' Rear Yards
- 20' Between Buildings
- 50' Between Buildings in Alleys

Town Homes

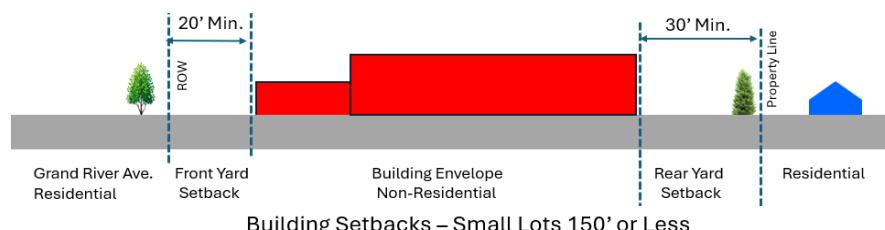
- 10' Front Yards – Rear Parking
- 25' Front Yards – Front Parking
- 15' Between Buildings
- 25' Back Yards – No Alley
- 10' Back Yards – Alley
- 40' Between Buildings in Alleys

Retail – Office – Community

- 5' Front Yards
- 10' Rear Yards
- 10' Between Buildings

Underlining City Chapter 34 Zoning Ordinance

The GR-2 Overlay shall also meet all applicable zoning codes and standards including Definitions, Zoning Districts, Use Standards, Site Standards, Development Procedures, Administration, Appeals, Enforcement, Schedule of Amendments, Development Standards, and Enforcement. Specifically, except as outlined, the GR-2 Overlay shall comply with the following standards: Accessory Buildings, Engineering, Environmental, Landscaping, Lighting, Off-Parking Dimensions, Pedestrian Access, Signage, Walls & Berms, and Other Applicable Standards.



Building Setbacks – Small Lots 150' or Less

Proposed Principle Uses & Building Heights GR-2 Overlay

Permitted Principal Uses

Child & Elderly Care, Government, Hotels, Medical, Office, Places of Worship, Residential, Retail, Restaurants, Services, Schools and Universities

Building Design

25,000 sf Maximum Retail Store Footprint
35' Max. Height Measured to Building Eaves
3.5 Stories Maximum Stories
50% Clear Glass on Ground Floor Street Frontage

Building Setbacks – Large Sites 150' + Deep (1)

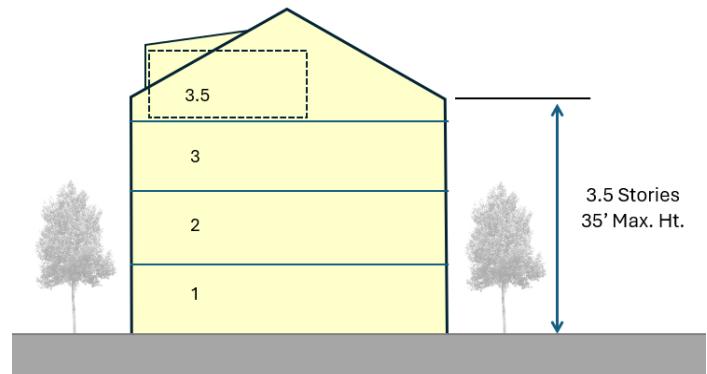
60' Front Yard Along Grand River Avenue
40' Rear/Side Yard Adj. Residential
25' Rear/Side Yard Adj. Non-Residential
10' Between Residential & Commercial Buildings

Building Setbacks – Small Sites Under 150' Deep (1)

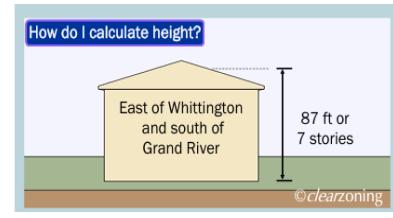
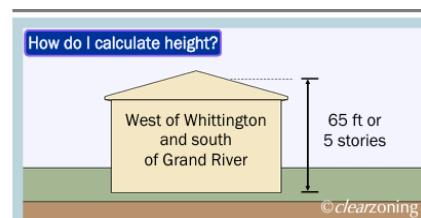
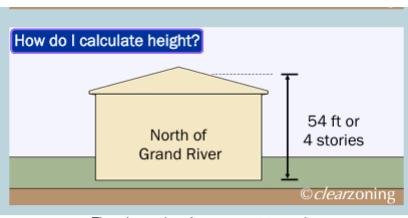
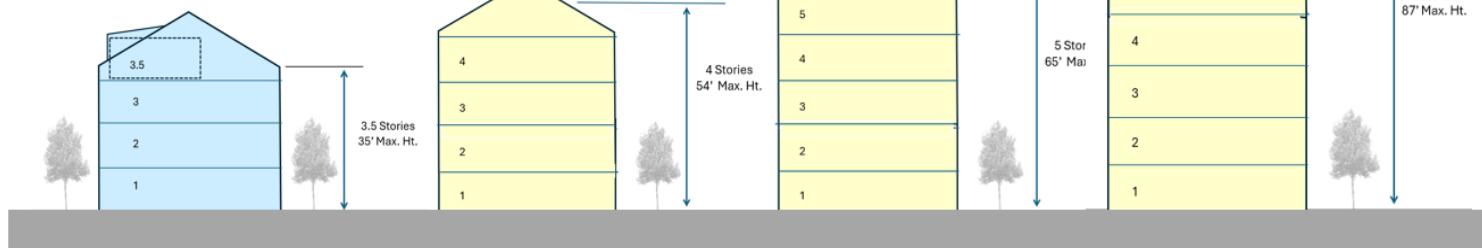
20' Front Yard Along Grand River Avenue
30' Rear/Side Yard Adj. Residential
20' Side Yard Adj. Residential
20' Side Yard Adj. Non-Residential

Parking Spaces – Minimums

1 Space Each Residential Unit
3 Spaces per 1000 sf Office, Retail & Restaurants
(1) Properties Fronting Grand River Avenue

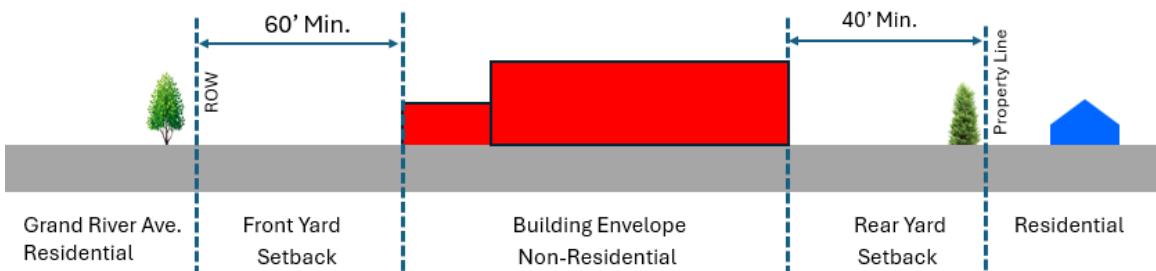


35' Max. Building Height - 3.5 Stories

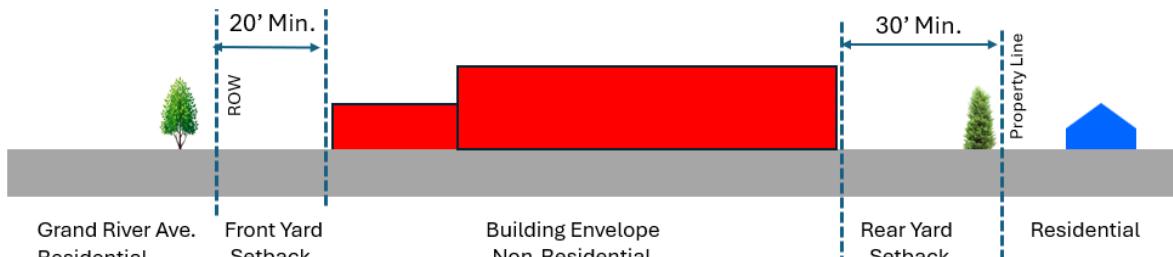


The above drawings are not to scale.

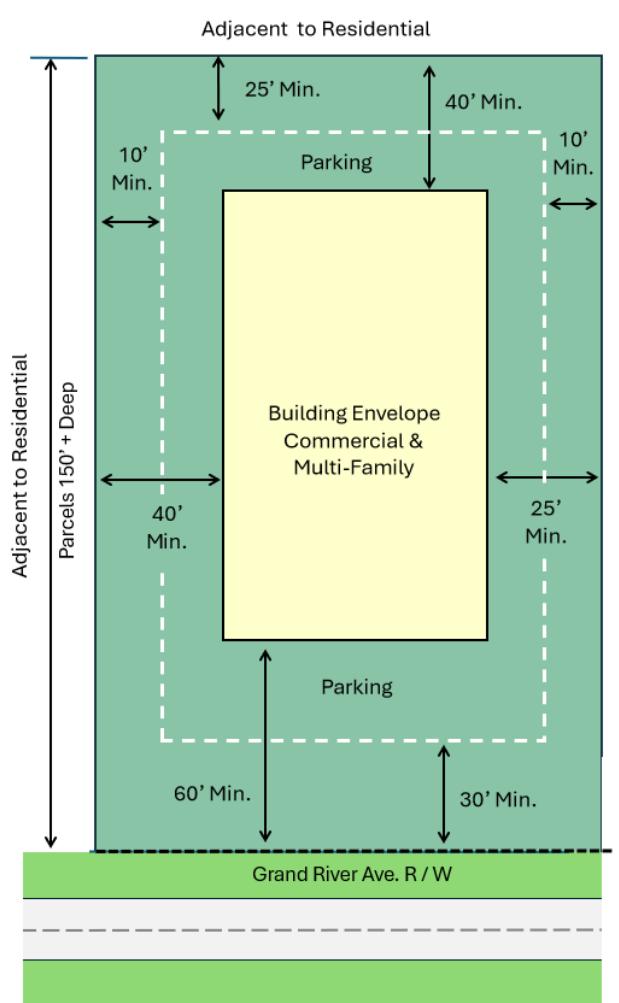
Building Setbacks



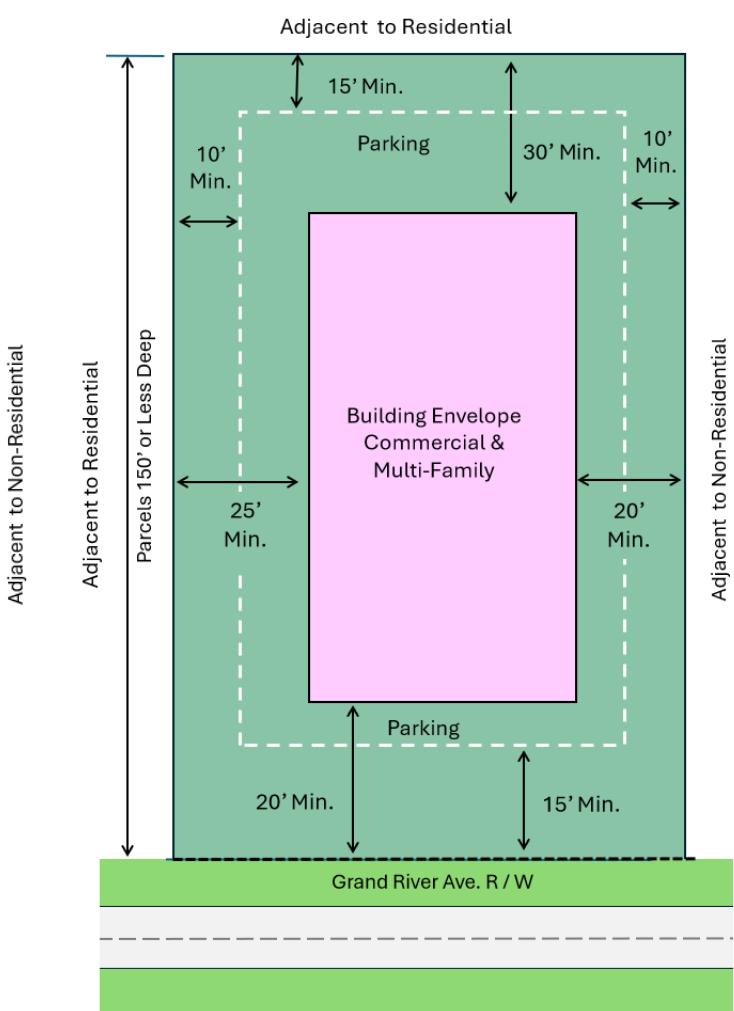
Building Setbacks – Large Lots 150' + Deep



Building Setbacks – Small Lots 150' or Less Deep

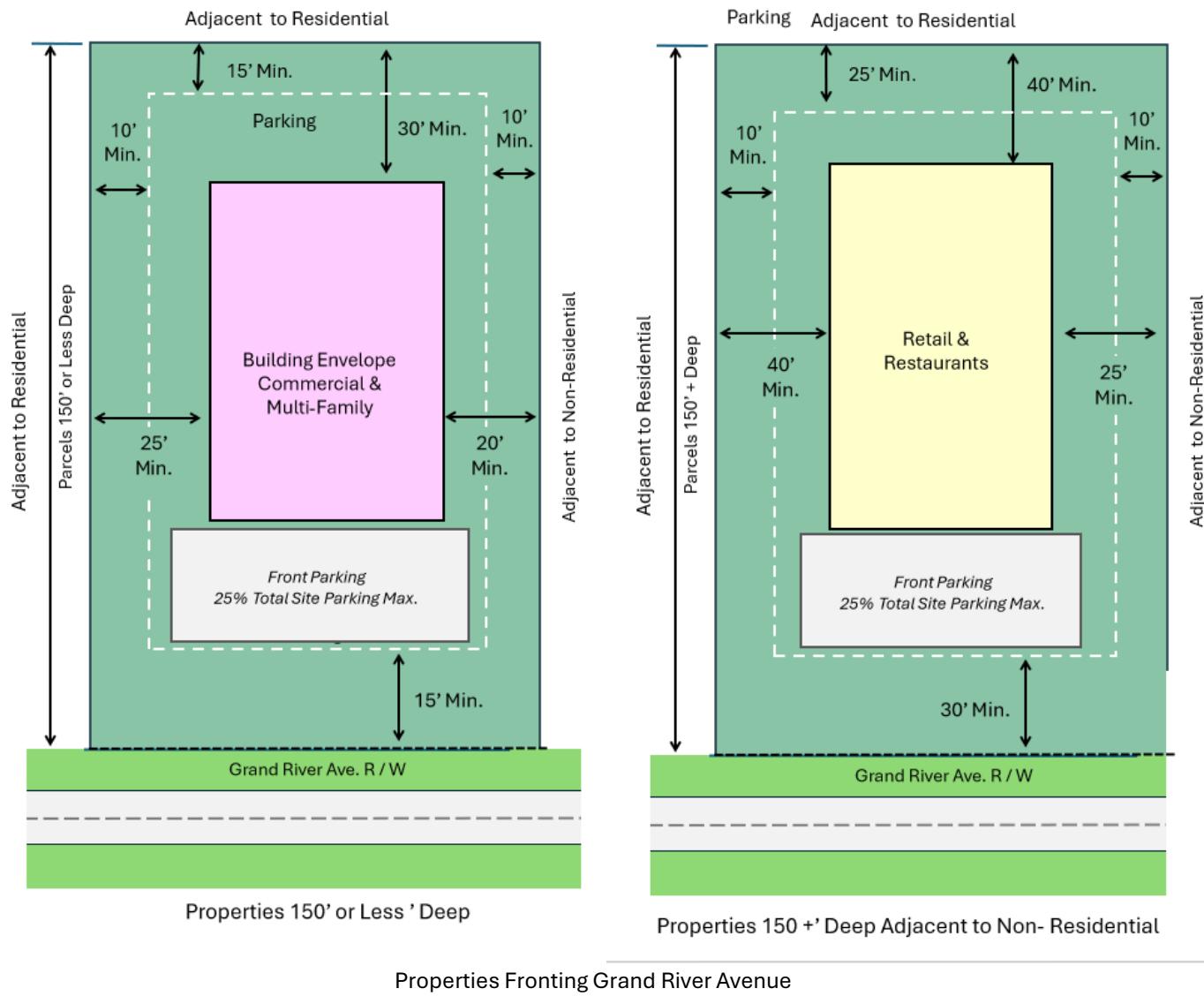


Properties 150' + Deep Fronting Grand River Avenue



Properties 150' or Less Deep Along Grand River Avenue

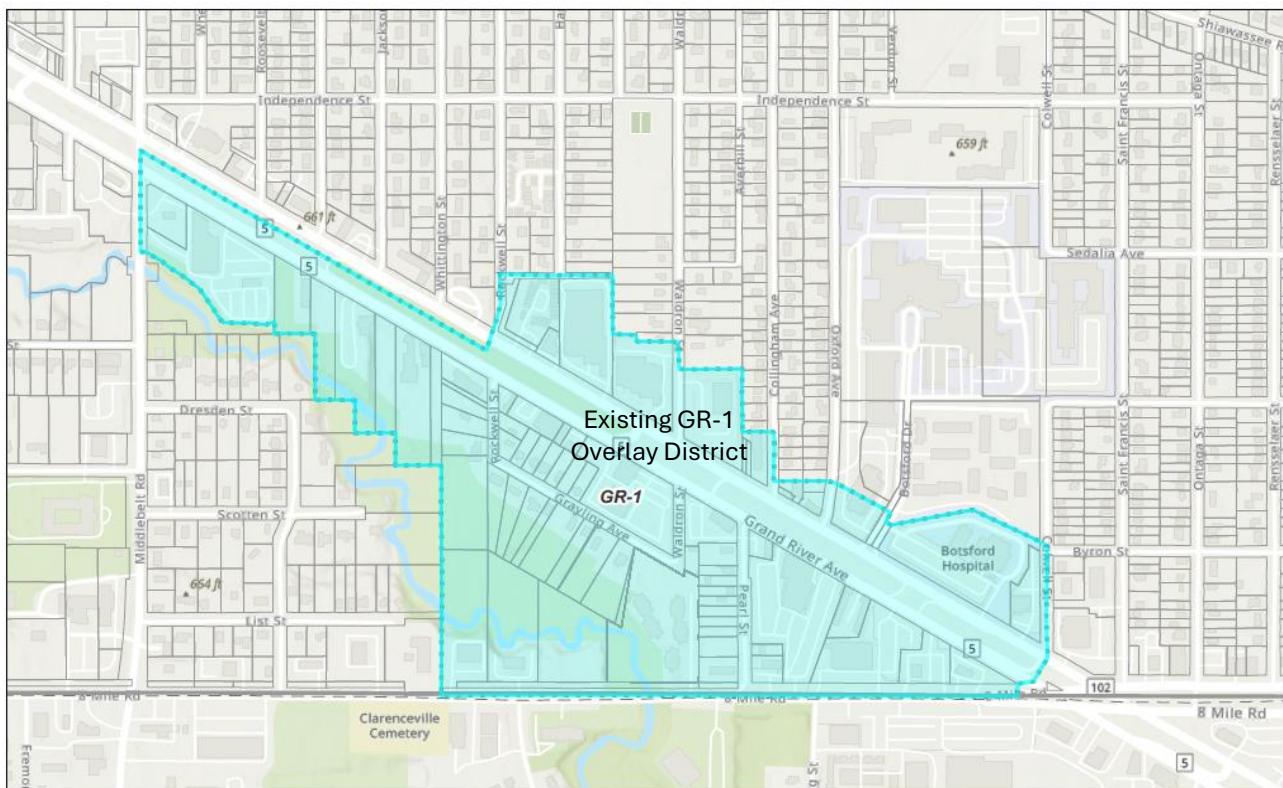
Proposed Grand River Avenue Parking Setbacks & Locations GR-2 Overlay



Grand River Landuse Zoning



Zoning Districts-City of Farmington Hills



10/13/2025, 11:12:28 AM

Tax Parcels Zoning districts

World Hillshade

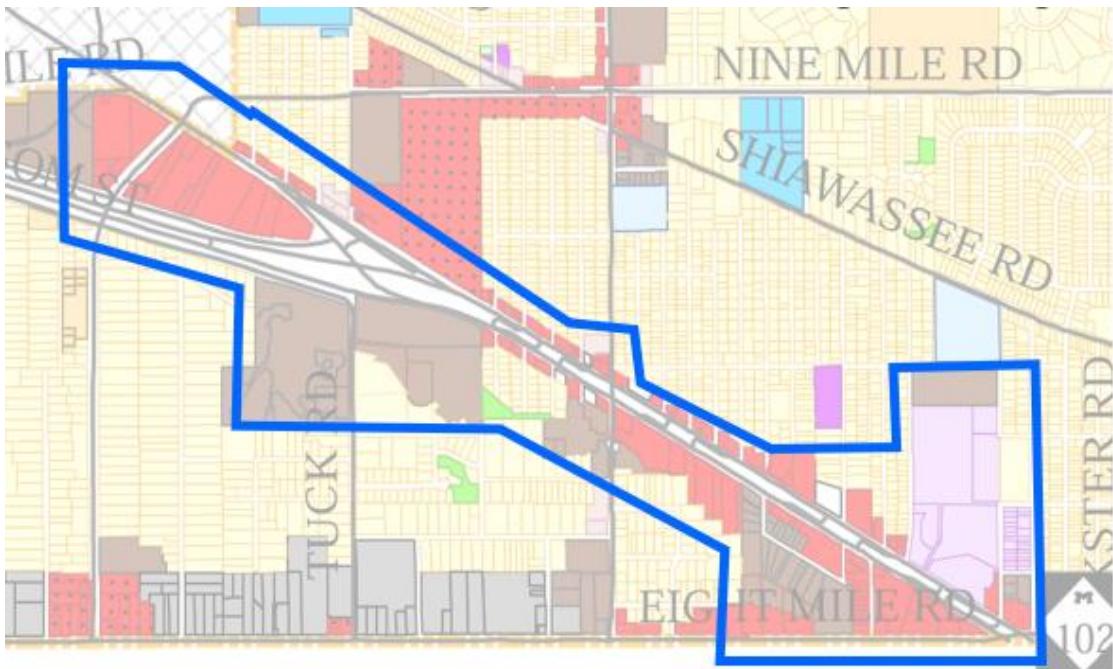
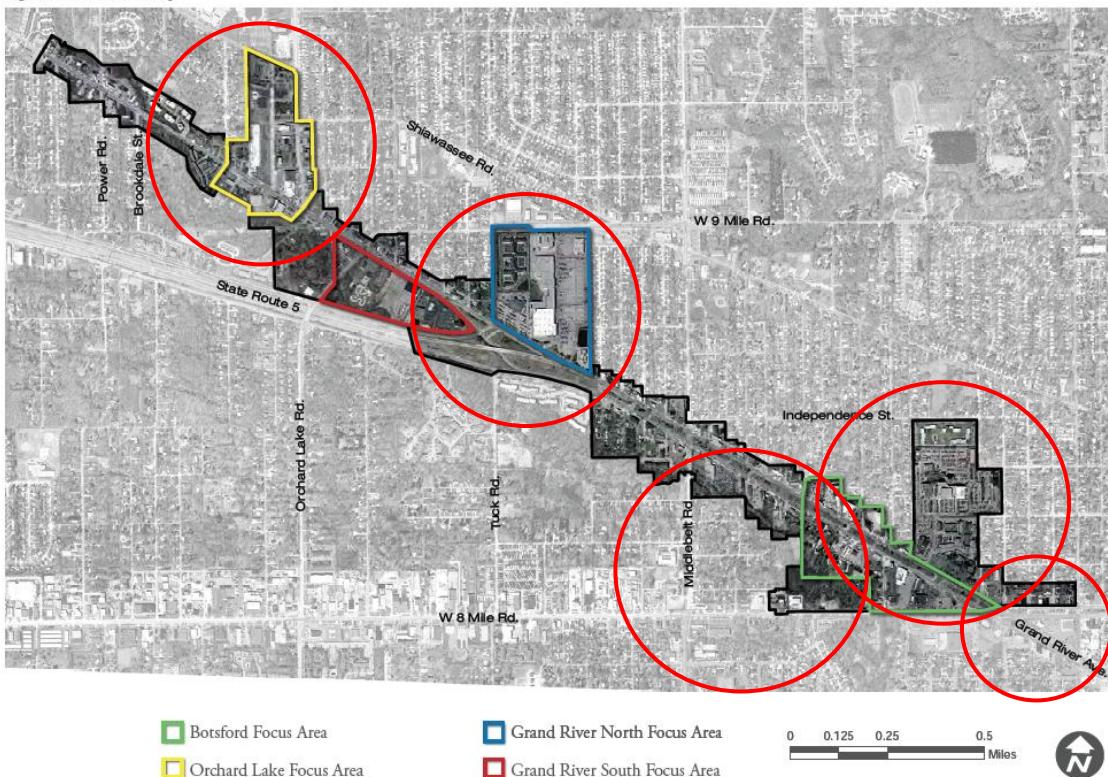


Figure 5.1 - Focus Area Map



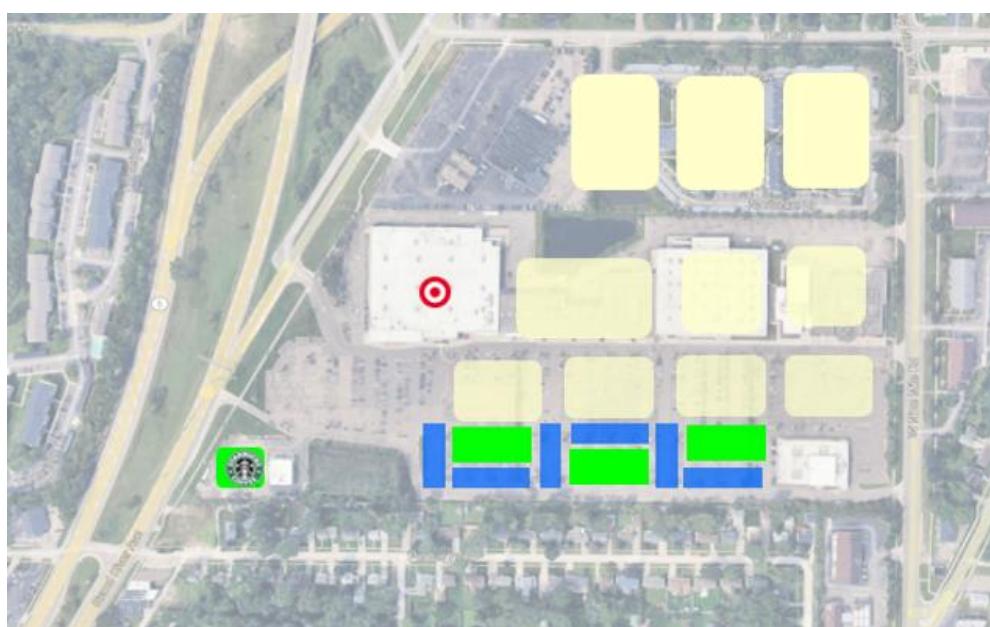
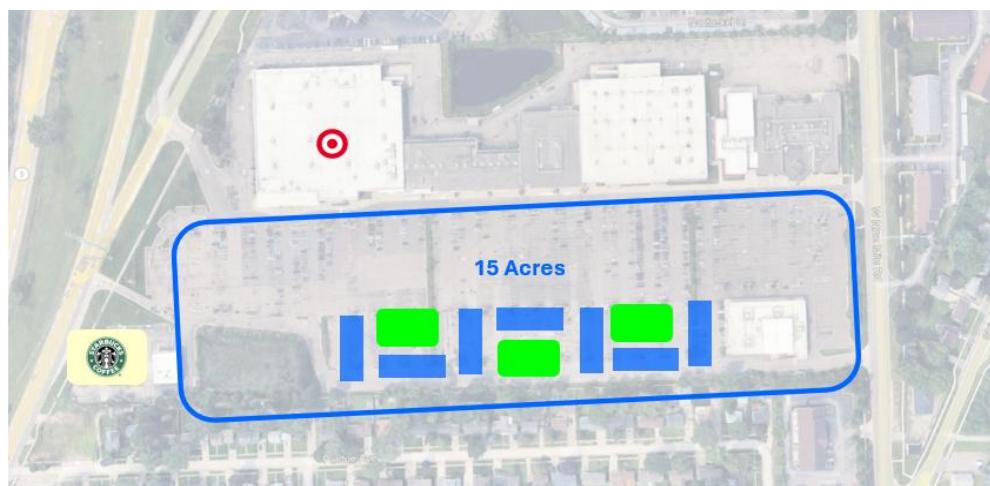
Front Yard Setback Case Study



Existing GR Overlay Setback Standards



West River Shopping Center – Planning Study



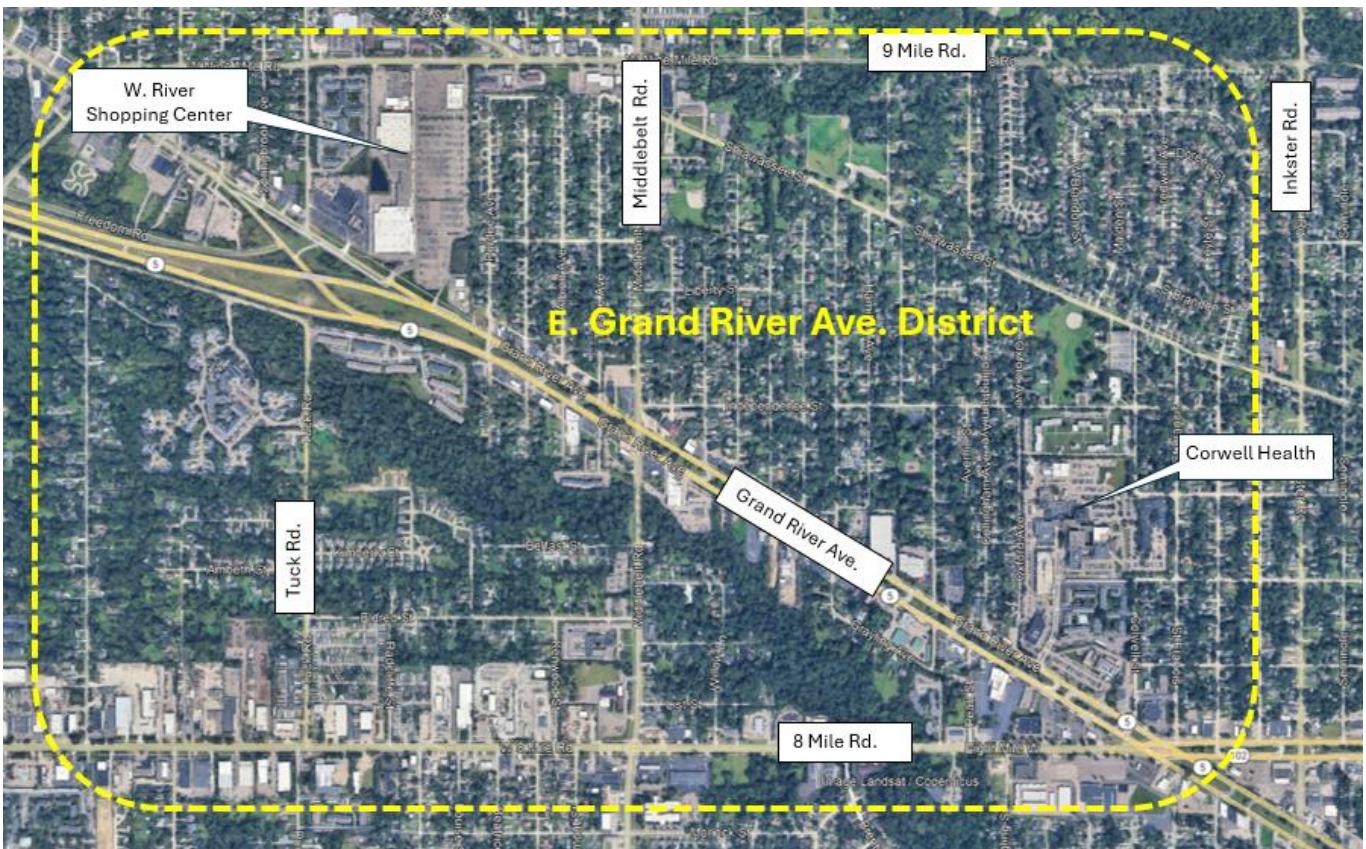








Image: Landsat / Copernicus



Multi-family East – Tuck Rd / North Grand River Ave.

Image: Landsat / Copernicus

Grand River Avenue Growth Planning Strategies

November 25, 2025

The following summarizes the findings and recommendations of GPG's Grand River Avenue Corridor market research, planning and growth strategy per GPG's August 29, 2024, Proposal Task 4:

1. Zoning Recommendations

- *Establishing a new by-right Grand River – 2 Overlay District that includes the overall Grand River corridor area and the: B-2, B-3, LI-1, OS-1, RA-3, RC-2, RC-3 zoning districts*
- *Creating a 5-year through 2031 sunset timeframe for the new GR-2 Overlay District*
- *Implementing predictable design, engineering standards, reviews, and approval timeframes*
- *Organizing blue-ribbon panels of experts to review existing architectural engineering, planning, site development, zoning, and other related development policies*
- *Conducting community planning engagement workshops with area businesses, residents, stakeholders, local, county, and state regulating organizations*
- *Exploring Transferring Development Rights land use zoning policies*
- *Examining potential city, county, and state parking, storm water retention, wetland banks, and other required site improvement infrastructure elements for shared use*

2. Neighborhood Enhancements

- *Conducting community planning engagement workshops with area businesses, residents, stakeholders, local, county, and state regulating organizations*
- *Organizing blue-ribbon panels of experts to review existing architectural engineering, planning, site development, zoning, and other related development policies for neighborhoods and GR commercial properties*
- *Attracting neighborhood-serving businesses along Grand River, including hardware, groceries, restaurants, and personal and professional services*
- *Continuing landscape and placemaking improvements for Grand River Avenue*
- *Expanding landscape and setback buffers along commercial and residential properties*
- *Offering planning and design services for local neighborhood parks, streetscapes, and common areas*
- *Improving walkability and pedestrian connectivity of neighborhoods and commercial areas*
- *Offering conceptual architectural and site design consulting services for small properties*
- *Conducting yearly focused corridor design charrettes – workshops for selected redevelopment areas and neighborhoods*

3. Grand River Corridor Economic Growth Initiatives Recommendations

- *Conducting community planning engagement workshops with area businesses, residents, stakeholders, local, county, and state regulating organizations*
- *Improving public transportation networks, service, and bus stop comfort amenities*
- *Examining developing city, county, state parking, storm water retention, wetland banks, and other required site improvement infrastructure elements for shared use by small properties*
- *Establishing a new by-right Grand River – 2 Overlay District that includes the overall Grand River corridor area and the: B-2, B-3, LI-1, OS-1, RA-3, RC-2, RC-3 zoning districts*
- *Implementing predictable design, engineering standards, reviews, and approval timeframes*
- *Organizing blue-ribbon panels of experts to review existing architectural engineering, planning, site development, zoning, and other related development policies*
- *Continuing landscape and placemaking improvements for Grand River Avenue*
- *Exploring Transferring Development Rights land use zoning policies*
- *Offering conceptual architectural and site design consulting services for small properties*
- *Conducting yearly focused corridor design charrettes – workshops for selected redevelopment areas*

4. Corwell Health Overview

- *Corewell Health Farmington Hills Hospital, a 330-bed teaching facility with Level II trauma status and a new birthing center, represents a major driver for commercial and residential development in the Grand River study area.*
- *Corwell employs 1,400 total staff members and includes a 30-acre medical campus with 40,000 sf of medical office space, a 35,000-sf cancer center, and 60,000 sf administrative staff buildings. Corwell provided 57,000 patient days and 10,800 total discharges in 2024.*
- *Healthcare is the corridor's largest commercial sector with 110 total businesses employing 5,500 full and part-time workers, representing 75% of Grand River's employment.*
- *Retail trade and restaurants are the area's second-largest business categories with 100 establishments employing 1,500 people and 20% of Grand River's labor force.*
- *Healthcare professionals, ancillary businesses, and specialized service providers often prefer proximity to major hospitals, driving demand for nearby office space. This synergy nurtures a localized medical ecosystem, spurring both new construction and renovations for physician groups and related services.*

Corwell Health Overview (Cont.)

- *Corewell Health's presence often inspires a cluster of complementary businesses—from medical research to administrative support. As these stakeholders grow, they require modern, well-located offices designed for the healthcare industry's needs.*
- *Ultimately, Corewell Health's continued expansion will strengthen the local office market and attract additional healthcare-focused investments to the Grand River corridor.*
- *As Corewell Health continues to grow, the area's residential and commercial market potential could exceed current projections by attracting additional businesses and investment*

5. Grand River & Downtown Farmington Opportunities

- *Grand River and downtown Farmington complement each other's retail, employment, and residential neighborhoods.*
- *Downtown Farmington residents have convenient access to large regional shopping, governmental services, and medical care that cannot be accommodated in the downtown area: Edge Fitness, Dunham's Sports, Encore Theaters, and Target stores.*
- *The Grand River corridor residents, visitors, and workers have nearby access to downtown Farmington's many restaurants, grocery store, and specialty shops.*
- *Corwell Health provides regional medical care for the downtown Grand River community and the greater Farmington area.*

6. Grand River Corridor Visitors & Market Area Demographics

- *The East Grand River district is situated within a favorable economic demographics area in south Oakland and northwest Wayne Counties*
- *There are 225,000 persons and 100,000 households living within 5 miles of the corridor*
- *The average household income is \$117,000, higher than the State of Michigan*
- *The Grand River area is a major regional employment center with Corewell Health serving as the area's major employer and economic catalyst*
- *80,000 workers are employed within a 10-minute drive of the South Grand River Corridor, indicating a pent-up demand for restaurants, groceries, and retail services.*

7. Business – Corporations Site Selection Considerations

- *Competitive economic conditions, education, and commercial real estate inventory*
- *Predictable site-building development process, standards & timeframes*
- *Proximity to walkable mixed-use districts & dependable public transportation*
- *Attractive and maintained public realm & surrounding built environment*

Business Site Selection Considerations (Cont.)

- *Availability of commercial building types, amenities, quality, real estate terms required for operations, costs, talent attractions, and brand refinement*
- *Access to skilled workforce and supporting services*
- *Nearby attractive housing, retail, restaurants, and other supporting services*
- *Access to primary, university, and trade educational institutions*
- *Adjacent to similar businesses, service categories*
- *Good government and leadership*

8. GR-1 Overlay Zoning: Relevant discrepancies with the existing overlay zoning

- *Increasing building setback requirements*
- *Reducing and standardizing permitted building heights*
- *Expanding building and landscape design options*
- *Adjusting and standardizing on-site parking requirements*
- *Decreasing non-residential permitted land uses*

9. 2024 Master Plan & Proposed GR-2 Overlay Comparisons

The City's 2009 Master Plan, GR-1 Overlay, and this study's proposed GR-2 Overlay District share their stated goals and policies as follows:

- *The Grand River Corridor is a Special Planning Area that includes many legacy commercial uses on lots with a wide variety of depths. This lack of uniformity in lot depth makes redevelopment challenging.*
- *The zoning in this area, from a group of commercial designations with an overlay between one and three form based character districts, could help guide redevelopment by establishing one set of regulations for the area rather than overlapping regulations, some of which are optional.*
- *In general, both commercial and multi-family uses should be part of the mix in this district.*

This study's proposed GR-2 Overlay District differs from the 2024 Master Plan Grand River Corridor's following recommendations:

- *“... buildings set near the road and access to rear yard parking off the side streets. Height limits set forth in the Grand River Corridor Overlay 1 should be carried forward to provide flexibility.”*

GR-2 Overlay recommends increasing building front, side, and rear setbacks

- *Standardized 3.5-story maximum building heights throughout the Grand River corridor*
- *Permitting limited front parking for retail uses*
- *Other minor site development – design adjustments*

10. Parking: Project the realistic market-based parking needs and consider parking minimums

- *1 Space for each residential dwelling unit, minimum*
- *3 Spaces per 1,000 sf office, retail, and other related commercial uses*
- *4 Spaces per 1,000 sf Restaurants and other related commercial uses*
- *TBD: Child & elderly care, hotels, medical, places of worship, schools & universities*
- *No Maximum parking space ratios recommended*

11. Residential, Office, Retail Market Demands:

- *See 14, 16, 18, 19 below and attached residential, office, retail, and hotel market studies*

12. Retail Business Attraction:

- *Discount and moderately priced regional and national brand stores*
- *Apparel: children's, family, men's, women's, jewelry, footwear-*
- *General retail, bulk discount, dollar, wholesale, resale stores*
- *Hardware & Garden stores*
- *Groceries & Specialty Food-fish, meats, produce*
- *Full-service, quick-casual, and maker restaurants and pubs*

13. Zoning Policy & Urban Design Enhancements Recommendations

- *Conducting community planning engagement workshops with area businesses, residents, stakeholders, local, county, and state regulating organizations*
- *Establishing a new by-right Grand River – 2 Overlay District that includes the overall Grand River corridor area and the: B-2, B-3, LI-1, OS-1, RA-3, RC-2, RC-3 zoning districts*
- *Creating a 5-year through 2031 sunset timeframe for the new GR-2 Overlay District*
- *Implementing predictable design, engineering standards, reviews, and approval timeframes*
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- *Exploring Transferring Development Rights land use zoning policies*
- *Offering conceptual architectural and site design consulting services for small properties*
- *Conducting yearly corridor design charrettes – workshops for selected redevelopment areas*
- *Examine developing city, county, and state parking, storm water retention, wetland banks, and other required site improvement infrastructure elements for shared use by small properties*
- *Increasing building setback requirements*

Zoning Policy & Urban Design Enhancements Recommendations

- Reducing and standardizing permitted building heights
- Expanding building and landscape design options
- Adjusting and standardizing on-site parking requirements
- Decreasing non-residential permitted land uses
- Other best practices, initiatives, and policies as applicable

14. Retail Demand Summary

This study finds that the East Grand River Avenue corridor is situated within a moderately strong, but underserved retail market area. To a large degree, Grand River's unmet commercial demand is representative of an all too common real estate bias towards investing in growing, higher-income suburbs. Statistically, though, the corridor's households of \$1.2 billion yearly retail spending make it competitive with many conventionally preferred locations. However, the East Grand River area's aged character and streetscape hide its real commercial market potential.

- The Avenue area's retail market demand, estimated for 2028, includes 15 new stores and 6 restaurants totaling 90,000 sf Combined, the new retail businesses could capture \$30 million in consumer spending currently leaving the southeast Farmington area
- Overall, apparel, books, electronics, furniture, hardware, and general merchandise stores totaling 45,000 sf have an unmet market demand in the Grand River Avenue area
- The Avenue's surrounding neighborhoods also share a need for a nearby, full-service, 30,000 sf supermarket offering fresh produce, meats, specialty items, and international foods could provide an amenity and convenience for the southeast Farmington Hills community. The grocery store could also provide an anchor business for a new village center
- The Grand River Avenue area also has a market demand for 5 full-service and quick-casual restaurants, a bakery, a deli, and a brew pub. Combined, these 15,000 sf of new restaurants could produce \$5 million in dining sales. On average, the corridor's new stores could generate up to \$350 sf/ year in sales, slightly higher than retail industry trends

East Grand River Ave. 2028 Additional Supportable Retail

15,000 sf Apparel, Jewelry, Footwear

5,000 sf Books, Electronics, Toys

10,000 sf Hardware & Garden

5,000 sf Home Furnishings

10,000 sf General & Discount Stores

30,000 sf Grocery & Specialty Foods

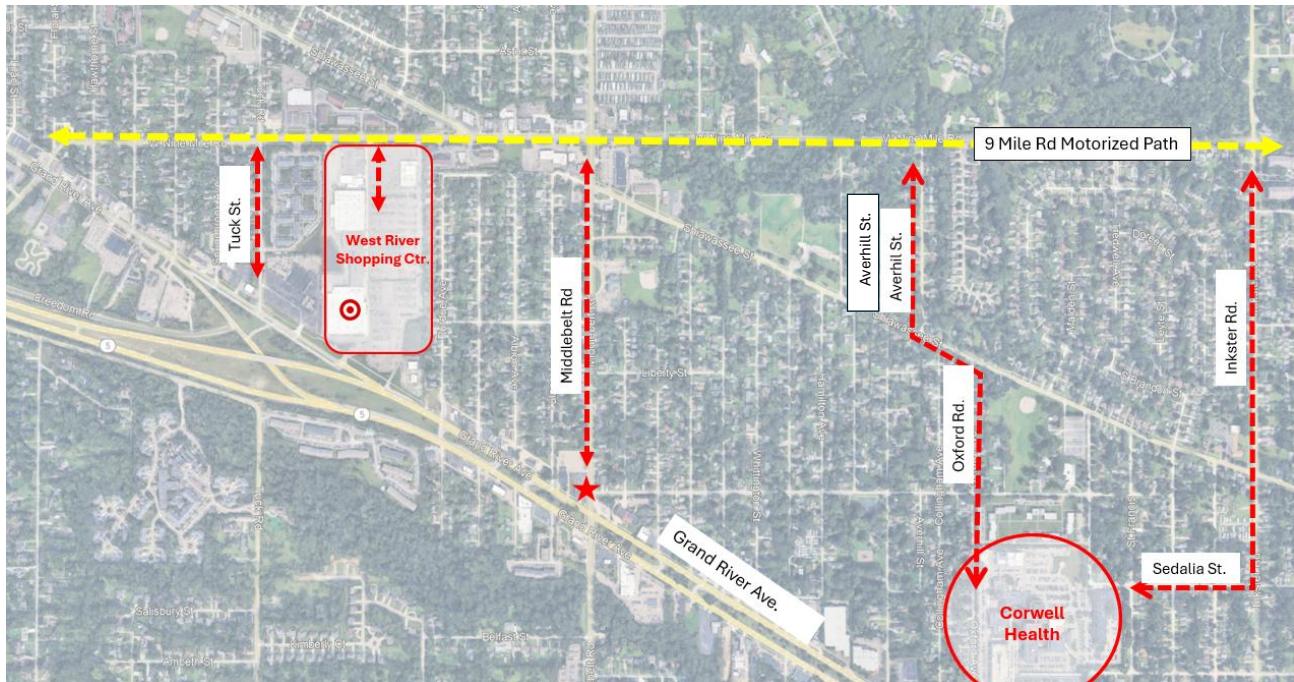
15,000 sf Restaurants, Cafes & Pubs

90,000 sf Total New Retail - 20 New Stores

Appendix A Grand River Corridor Growth Study

15. 9 Mile Rd. Non-Motorized Path Connections

- *West River Shopping Center-Walkways & Landscaped Square*
- *Grand River Ave – 9 Mile Rd, Tuck Street & Middlebelt Rd.*
- *Corwell Health to 9 Mile*
 - *Inkster Rd to Sedalia*
 - *Oxford St to Shiawassee Rd to Averhill Street*



16. Residential Market Demand:

This study projects that the Farmington Hills East Grand River Avenue corridor has potential market demand for up to 400 moderately priced new residential units by 2030

Grand River Corridor 2030 New Residential Market Demand

200 -250 Garden Apartments- 400 sf to 1,000 sf

30- 50 Duplex-Ranches - 1,000 to 1,600 sf

40- 50 Townhomes 1,000 to 1,800 sf

30-50 Ranch Multi-family – 1,000 sf to 1,800 sf

300 – 400 Total New Residential Units

Parking, Residential & Retail Market Demands through 2028: See 10, 14, 16, 18, 19

17. Office Market Demand

This study finds that the Farmington Hills Grand River Avenue corridor area has an existing demand for up to 50,000 square feet of new professional office space. By 2029, an additional 25,000 sf office demand could be supported in the Grand River area if it were located in a smaller, neighborhood-focused mixed-use walkable village center.

The 75,000 sf total of new office space would offer a desirable community destination and complement nearby commercial and residential areas. Demand in the Avenue's district is strong for two-story professional buildings with small-to-medium-sized floorplates.

Grand River's supportable businesses include healthcare, wellness, design, real estate, insurance, and related fields. The office market is primarily attractive Class B+ space, rather than the Class A office typically reserved for Fortune 500 businesses.

South Grand River Ave. 2030 Supportable New Office

10,000 sf Community Organizations
15,000 sf Local Services
30,000 sf Health -Medical
20,000 sf Professional Services
75,000 sf Total Office Demand (1)

18. Hotel Market Demand

Hotel demand in Southeast Michigan is experiencing significant growth, driven by a combination of major sporting events, rising tourism interest, population gains, and continued investment in hospitality infrastructure. Detroit has seen record-breaking visitor numbers and hotel revenues, highlighted by the 2024 NFL Draft, which brought in over 775,000 attendees and contributed to over \$1 billion in annual hotel revenue.

With thousands of rooms available within a 50-mile radius and a growing pipeline of large-scale events and hotel developments, the region is positioning itself as a competitive destination for both leisure and business travelers. Overall, downtown hotel occupancy for April rose to 54%, up from 48% the previous year, as reported by Axios. Visit Detroit calculated that hotel revenue hit a record-breaking \$1 billion in 2024, emphasizing the region's growing capacity to host large-scale events.

However, this study finds that the Farmington Hills southeast Grand River Avenue area does not have the conventional statistical or site location criteria for a new branded hotel. A smaller boutique inn potentially could be supported if combined within a walkable mixed-use town center.

19. Recommended GR-2 Overlay Site Development Standards

- *Increasing building setback requirements*
- *Reducing and standardizing permitted building heights*
- *Expanding building and landscape design options*
- *Adjusting and standardizing on-site parking requirements*
- *Decreasing non-residential permitted land uses*

Recommended GR-2 Overlay Site Development Standards (Cont.)

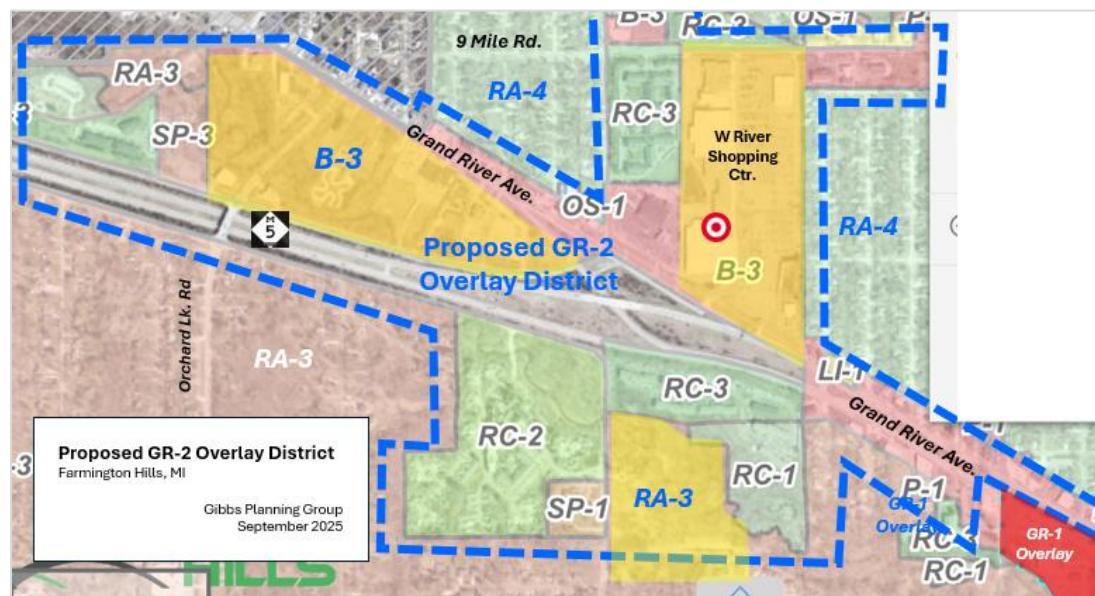
- *25,000 sf Maximum individual store size*
- *35' Maximum building height measured to the roof eaves*
- *3.5 Stories maximum building floors above ground*
- *50% Clear glass on the ground floor street frontage along Grand River*
- *3.5 Stories maximum building floors*
- *50% minimum Clear Glass on the ground floor street frontage along Grand River Avenue*
- *Minimizing required architectural design shapes, styles, materials standards*

20. Recommended Permitted GR-2 Principal Uses

Child & elderly care, government, hotels, medical, office, places of worship, residential, retail, restaurants, services, schools, universities, and other related land uses

21. Recommended GR-2 Prohibited Principal Uses

Adult entertainment, industrial, mortuaries, self-storage, trucking, logistics-distribution, vehicle fueling, repairs, sales, washing, storage, and other related land uses



	Existing GR – 1 Grand River Overlay & B-3 Zoning	Existing B-3 & GR-1 Overlay Standards	Proposed New By-Right GR-2 Overlay	Notes
1	Qualifications	With City PUD Approval	Permitted By Right	Predictability
2	Principal Permitted Uses	Banks, Child-Elderly Care, Hotels, Medical, Office, Multi-family (RC-3) Post Offices, Restaurants (All), Retail, Services	Banks, Child-Elderly Care, Colleges, Hotels, Medical, Office, Manufactured Homes, Multi-family (RC-3) Parks, Places of Worship, Post Offices, Restaurants, Retail, Services, Schools, Single-Family	
3	Principal Permitted Uses Subject to RA – RC Standards & Special Conditions	Farms, Golf Courses, Manufactured Homes, Municipal Buildings, Places of Worship, Parks, Schools, Single-Family	Banks, Child-Elderly Care, Colleges, Hotels, Medical, Office, Manufactured Homes, Multi-family (RC-3) Parks, Places of Worship, Post Offices, Restaurants, Retail Services, Schools, Single-Family	
4	Proposed Principal Uses Not Permitted	TBD	Auto – Vehicle Fueling-Repair-Sales-Wash, Distribution, Industrial, Logistics – Trucking, Self-Storage, Warehouse	
	Commercial & Multi-Family Residential Site Standards			
5	Accessory Uses-All in Underlying Zoning	TBD	----	----
6	Min. Lot Size	TBD	None	Market
7a	Min. Grand River Ave Front Setbacks – Lots 150+	15' Min.	60' Min.	Reduced Up to 0' In Off GR Planned Villages
7b	Min. Grand River Ave Front Setbacks Lots Under 150' Deep	----	20' Min	
8	Max. <u>Bldg.</u> Front Yard Setback (When Flat Façade	30' Max.	None	Highway Scale
9	Max. <u>Bldg.</u> Front Yard Setback for 50% of Façade	35' Max.	None	Highway Scale
10	Max. Bldg. Front Yard Setback for Forecourts – Plazas	Up to 30' Max.	None	Highway Scale
11a	Min. Bldg. Rear Yard Setback Adjacent to Non-Residential 150+ Deep Parcels	10' Min.	25' Min.	Increased to accommodate outside storage, parking, waste handling
11b	Min. Rear Bldg. Yard Setback Adjacent to Residential 150 + Deep Parcels	----	40' Min.	Increased for larger buffers for adjacent residential

No Code Change Recommended

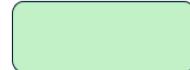
Recommended Removing or Reducing Code Requirements

Recommended Code Requirements Expansion

Commercial & Multi-Family Residential Site Standards				
	<i>Existing GR - 1 Grand River Overlay & B-3 Zoning</i>	<i>Existing B-3 & GR-1 Overlay Standards</i>	<i>Proposed New By-Right GR-2 Overlay</i>	<i>Notes</i>
12a	Commercial & Multi-Family Residential Site Standards	25' Min.	20' Min.	Increased for larger buffers for adjacent residential
12b	Min. Bldg. Rear Yard Setback Adjacent to Residential 150' or Less Parcels	---	30' Min.	Increased for larger buffers for adjacent residential
13	Min. Rear Yard Setback Adjacent to Residential in Flood Plain/Wetland	5'	20'	Standard Wetland Setbacks
14	Min. Setback -Interior Side Yard	0'	25' Min.	Highway Scale
Commercial & Multi-Family Residential Site Standards				
	<i>Existing GR - 1 Grand River Overlay & B-3 Zoning</i>	<i>Existing GR-1 Overlay Standards</i>	<i>Proposed New GR-2 Overlay</i>	<i>Notes</i>
15	Min. Side Yard Setback – Adj. Residential	25' Min.	25' to 40'	Highway Scale
16	Min. Side Yard Setback – Adj. Single Family Residential	25' Min.	40' Min. or 1.5 x Bldg. Ht. The Greater Of Highway Scale	
17	Min. Side Yard Setback – Adj. Multi-Family- Residential & Commercial	25' Min.	25' Min.	No Change
18	Min. Building Height – Ground Floor Multi-Story	14' Min.	None	Creative Design – Market
19	Min. Building Height – 1 Story Bldg. (Ground – Ceiling)	18' Min.	None	Creative Design - Market
20	Max. Building Height – South of Grand River	65' -5 Stories Max.	35' – 3.5 Stories Max.	Measured to Bldg. Eaves
21	Max. Bldg. Height – East of Whittingham/ S Grand River	87' -7 Stories Max.	35' – 3.5 Stories Max.	Measured to Bldg. Eaves
22	Max. Bldg. Height – North of Grand River	54' – 4 Stories Max.	35' – 3.5 Stories Max.	Measured to Bldg. Eaves



No Code Change
Recommended



Recommended Removing or
Reducing Code Requirements



Recommended Code
Requirements Expansion

Commercial & Multi-Family Residential Site Standards				
	Existing GR – 1 Grand River Corridor Overlay & B-3 Zoning	Existing B-3 & GR-1 Overlay Standards	Proposed New By-Right GR-2 Overlay	Notes
23	Min. Building Width to Parcel Size	40% Wide of the Parcel Width	None	Market Based
24	Min. Distance Between Buildings Commercial – Multi-Family Along GR 150+ Parcels	TBD	40'	Highway Scale
23	Min. Building Width to Parcel Size	40% Wide of the Parcel Width	None	Market Based
24	Min. Distance Between Buildings Commercial – Multi-Family Along GR 150+ Parcels	TBD	40' Min	Highway Scale
24b	Min. Distance Between Buildings Commercial – Multi-Family Along GR 150 or Less Parcels	TBD	20' Min	Highway Scale
25	Min. Distance Between Buildings Commercial – Outside GR in Planned Developments	TBD	0' – 20'	Planned Village Scale
Off-Street Site Parking Requirements				
26	Parking Space Distance to Commercial 5-8D	300' Maximum Distance	No Requirement	Market
27	Shared Parking 5-8	Subject to Engineering Study	Standardize Reductions	Market
28	Multi-Family Parking	2 to 2.5 / Unit	1 Space per Unit	Market
29	One-Family Parking	2 / Unit	1 Space per Unit	Market
30	Commercial – Office & Most Retail	4 / 1,000 sf Office 33/1000 sf Drive-Thru	3 Spaces per 1,000 sf Min.	Market
30b	Commercial – Restaurants & Others TBD	Varies Up to 30 / 1,000 sf	4 Spaces per 1,000 sf Min.	Market



No Code Change Recommended



Recommended Removing or Reducing Code Requirements



Recommended Code Requirements Expansion

	Building Design & Materials			
	Existing GR - 1 Corridor Overlay & B-3	Existing GR-1 Overlay Standards	Proposed New By-Right GR-2 Overlay	Notes
31	Parking in Bldg. Front Yard Setbacks	Prohibited	Permitted for Retail & Restaurants	30% Max. of Total Site Front Parking
32	Building Placement – Build to Line	50% Bldg.	None	Highway Scale
33	Building Entrances Recessed	3'-5'	None	Market
34	Bldg. Forecourts Placement	30' – 35% Bldg.	None	Creative Deign
35	Muti-Building's Placements	Allowed in Back Yard	Allowed in Back Yard	No Change
36	Bldg. Frontage Landscaping & Plazas	Required	Required	No Change
37	Building Base Design	Distinguished	No. Requirement	Creative Deign
38	Building Base Design	Shall Enhance Pedestrian Experience, Durable Materials, Ample Windows	No Requirement	Creative Deign
39	Bldg. Upper-Level Floors Design	Distinguished	No Requirement	Creative Deign
40	Building Top Design	Distinguished, Cornice, Noticeable Roof Edge	No Requirement	Creative Deign
41	Building Top Design – Flat Roofs	Enclosed with Parapets	No Requirement	Screen Roof Mechanical
42	Building Roof Access	Can Be Used for Balconies & Terraces	Access Not Permitted Adj. Single-Family Residential	Restaurants Not Permitted on Roof
43	Building Vertical Façade Segments	Max 60' Wide	No Requirement	Creative Deign
44	Building Signage, Windows & Doors – Materials	Painted – Stained	No Requirement	To allow for special metals & materials



No Code Change Recommended



Recommended Removing or Reducing Code Requirements



Recommended Code Requirements Expansion

Building Design & Materials				
	<i>Existing GR – 1 Grand River Overlay & B-3</i>	<i>Existing GR-1 Overlay Standards</i>	<i>Proposed New By-Right GR-2 Overlay</i>	<i>Notes</i>
45	Window Shutters	50% Window Width	No Requirement	Shutters not Likely
46	Building Glass – Glazing – Ground Floor	Clear or Lightly Tinted	Clear or Lightly Tinted (%)	No Change
47	Upper Floor Window Design Min. Area of Wall	25-70% Wall Area	No Requirement	Along Grand River Greater in Planned Villages
48	Ground Floor Window Design Min. Area of Wall	40 – 90% Bldg. Wall Area	30% Min.	Along Grand River Greater in Planned Villages
Building Design & Materials				
	<i>Existing GR – 1 Grand River Corridor Overlay & B-3</i>	<i>Existing GR-1 Overlay Standards</i>	<i>Proposed New By-Right GR-2 Overlay</i>	<i>Notes</i>
50	Ground Floor Operational Door	1 Door per Street Front	1 Door per Street Front When Fronting Parking	
51	----	----	----	----
52	Building Upper Window Design Bands	Distinguished Design	No Requirement	Creative Design
53	Building Upper Window's Design Shapes	Vertical Proportioned	No Requirement	Creative Design
54	Building Fronts Facing Streets, Parks, Rivers, Plazas	90% Brick, Glass, Stone, integrally colored, 0.5 Half Brick, Split face, Stucco	No Requirement	Also allow metals, Fiber Cement & EIFS
55	Building Fronts Not Facing Streets, Parks, Rivers, Plazas	70% Brick, Glass, Stone, integrally colored, 0.5 Half Brick, Split face, Stucco Frosted Panels	No Requirement	Creative Design
56	Building Fronts Facing Streets, Parks, Rivers, Plazas	Frosted Panels with Special Approvals	No Requirement	Creative Design



No Code Change
Recommended



Recommended Removing or
Reducing Code Requirements



Recommended Code
Requirements Expansion

	Building Design & Materials			
	Existing GR - 1 Grand River Overlay & B-3	Existing GR-1 Overlay Standards	Proposed New By-Right GR-2 Overlay	Notes
57	Multi-Family, Assisted Living Outside Walls	Fiber Cement Panels Permitted with Conditions	Additional Permitted Materials	Creative Design
58	Building Awnings & Canopies Style & Heights	8' Min. Height from Sidewalks	8' Min. Height from Sidewalks	-----
59	Awnings Encroachments into Streets & Setbacks into Street ROW or Build-To Line	5' Encroachment Permitted	Subject to Review -Should be permitted along small streets but not Grand River Ave or Mile Roads	
60	Awnings Encroachments into Tree Canopy	Not Permitted	No Requirement	Creative Design
61	Awning Locations	Must be Over Ground Floors Windows	No Requirement	Creative Design
62	Awning Size & Scale	Must be Scale with its Window & Overall Bldg. Façade	No Requirement	Creative Design
63	Awning Colors	Must Complement Bldg. Façade as Determined by City	No Requirement	Creative Design
65	Awning Style	Straight Shed (No Radius)	No Requirement	Creative Design
66	Awning Materials	Durable Materials – Canvas Type	Add Metal & Glass	Creative Design
	Sign Standards 34-5.5 pg. 5-19			
	Existing GR - 1 Grand River Overlay & B-3 Zoning	Existing GR-1 Overlay Standards	Proposed New By-Right GR-2 Overlay	Notes
67	Landscaping at Base of Signs 34-5.5.3A.vii Pg 5-25	3' Width Surrounding Sign	—	—
68	Entranceway Sign Structures 3405.5.3.Av Pg 5-27	Public Streets Only	Private Streets Also	-----
69	Hanging Signs 34-5.5.3C 5-31	8 Square Feet Maximum Size	Larger along GR 4 Square Feet per Side in Planned Villages	
70	Awning Signs 34-5.5.3D iv. 5-32	8" Height – 80% of Awning	4" Height – 20% of Awning in Planned Villages	



No Code Change
Recommended



Recommended Removing or
Reducing Code Requirements



Recommended Code
Requirements Expansion

	Landscape Development Add 34-5.14				
	Existing GR - 1 Grand River Overlay & B-3	Existing GR-1 Overlay Standards	Proposed New By-Right GR-2 Overlay	Notes	
71	Approved Trees 5-41	Bradford Pear	Do Not Permit	----	
72	Approved Trees 5-41	Additional Trees	Allow Horse Chestnut	----	
73	Tree Planting Rows 5-42	Staggered Rows	Permit Straight-Grid Plantings	Creative Design	
74	Landscape Buffers – Multi-Family to Single Family	Varies per Required Buffer Size	Simply Plant Multipliers	----	
75	Landscape Buffers – Plant Types 5-44All	TBD	Allow all Evergreens Trees	----	
76	Landscape Buffer Tree Planting	TBD	3 Trees per 15' of Buffer LF	50% Evergreen Trees Min.	
77	Landscape Buffer Shrub Planting	TBD	10 Shrubs per 15' of Buffer LF	----	
78	Parking Lot Tree Planting	TBD	1 Tree per 5 Parking Stalls	Large Canopy Trees Only	
79	----	----	----	----	
	Recommended Site Standards for New Planned Villages off Grand River Ave.				
	Site Design Standard	Single-Family 2-Plex	Town Homes 3-5 Plex	Multi-Family	Commercial Medical, Office, Retail
81	Minimum Parcel Size	None	None	None	None
82	Minimum Unit Lot-Size Size	None	None	None	None
83	Min. Dwelling Size	None	None	300 sf	NA



No Code Change
Recommended



Recommended Removing or
Reducing Code Requirements



Recommended Code
Requirements Expansion

	Recommended Site Standards for New Planned Villages off Grand River Ave.				
	Site Design Standard	Single-Family 2-Plex	Town Homes 3-5 Plex	Multi-Family	Commercial Medical, Office, Retail
84	Maximum Building Size	None	None	None	25,000 sf Max. Store Size
85	Maximum Lot Coverage	None	None	None	None
86	Minimum Front Yard Setback to Grand River Ave.	70'	70'	70'	70'
87	Minimum Front Yard Setback to Mile Roads	50'	50'	50'	50'
88	Minimum Front Yard Setback to Internal Street	10'	10'	15'	5'
89	Maximum Individual Retail Store Size	----	----	----	25,000 sf
90	Maximum Building Height	35' – 3.5 Stories	35' -3.5 Stories	35' -3.5 Stories	35' - 3.5 Stories
91	Min. Distance Between Buildings -Side Yards	10'	15'	30'	30'
92	Minimum Site Rear Setback	15'	20'	30'	Scale for Site
93	Minimum Parking (Including On-Street)	1 Space per Unit	1 Space per Unit	1 Space per Unit	4 Spaces per 1,000 sf Restaurants & Related
93a	Minimum Parking (Including On-Street)				3 Spaces per 1,000 sf Office, Most Retail & Related
94	Site Landscaping – Trees Including Common Areas & Street Trees – NIC Parking Lots	5 Trees per Unit	5 Trees per Unit	10 Trees per Unit	5 per 1,000 sf Gross Building Area
95	Site Landscaping – Shrubs Including Common Areas	20 per Unit	20 per Unit	30 per Unit	20 per 1,000 sf Gross Building Area
96	Maximum Unit Density / Acre or Lot Coverage	None	None	None	None

No Code Change Recommended

Recommended Removing or Reducing Code Requirements

Recommended Code Requirements Expansion

Grand River Avenue Hotel, Office, Residential, Retail Market Analysis

Farmington Hills, Michigan



Prepared For:
City of Farmington Hills, Michigan

Prepared By:
Gibbs Planning Group

July 2, 2025

Grand River Avenue Retail Market Analysis

July 2, 2025



Figure 1: View of East Grand River Avenue looking north.

Summary

This study finds that the East Grand River Avenue's corridor is seated within a moderately strong, but underserved retail market area. The Avenue area's retail market demand, estimated for 2028, includes 15 new stores and 6 restaurants totaling 90,000 square feet. Combined, the new retail businesses could capture \$30 million in consumer spending currently leaving the southeast Farmington area.

Overall, apparel, books, electronics, furniture, hardware, and general merchandise stores totaling 45,000 sf, have an unmet market demand in the Grand River Avenue area. The Avenue's surrounding neighborhoods also share a need for a nearby, full-service, 30,000 sf supermarket. A food market offering fresh produce, meats, specialty items and international foods could provide an amenity and convenience for the southeast Farmington Hills community. The grocery could also provide an anchor business for a new village center.

The Grand River Avenue area also has a market demand for 5 full-service and quick casual restaurants, a bakery, a deli and brew pub. Combined, these 15,000 sf of new restaurants could produce \$5 million in dining sales. On average, the corridor's new stores could generate up to \$350 per square foot per year in sales, slightly higher than retail industry trends.

Summary

The Grand River Avenue area is surrounded with favorable, densely populated demographics. Overall, 225,000 people, 100,000 households and 150,000 workers are located within 5 miles of the East Grand River area. These nearby households have \$105,000 average incomes. In addition, 155,000 people and 80,000 workers are also located within a 10-minute drive to the Avenue.

To a large degree, Grand River's unmet commercial demand is representative of an all too common real estate bias towards investing in growing, higher income suburbs. Statistically, though, the corridor's households of \$1.2 billion yearly retail spending makes it competitive with many conventionally preferred locations. However, the East Grand River area's aged character and streetscape hide its real commercial market potential.

East Grand River Ave. 2028 Additional Supportable Retail

15,000 sf Apparel, Jewelry, Footwear

5,000 sf Books, Electronics, Toys

10,000 sf Hardware & Garden

5,000 sf Home Furnishings

10,000 sf General & Discount Stores

30,000 sf Grocery & Specialty Foods

15,000 sf Restaurants, Cafes & Pubs

90,000 sf Total New Retail - 20 New Stores

Background

The City of Farmington Hills has retained Gibbs Planning Group to estimate the market demand for new retail stores and restaurants in the East Grand River Avenue area. This study focuses on the East Grand River Avenue area between Orchard Lake and Eight Mile Roads.

This study's projections represent GPG's analysis of the corridor's statistical market demand through 2028, assuming business best practices and other conditions. This study does not necessarily reflect the availability of the Avenue's land area size or building inventory to accommodate 90,000 sf of new retail development.

This study defines supportable retail demand as businesses that will produce sales that are necessary to pay for operations, rent, labor and other expenses, while yielding a competitive market return on those expenses.

This study addresses the following for the Grand River Avenue area:

- To identify the trade area's demographic and commercial conditions and trends
- To estimate the sizes and types of new supportable retail businesses
- To project the types of retailers and restaurants that may seek to open a new business
- To project potential new store sales potentials

Retail Market Trade Areas

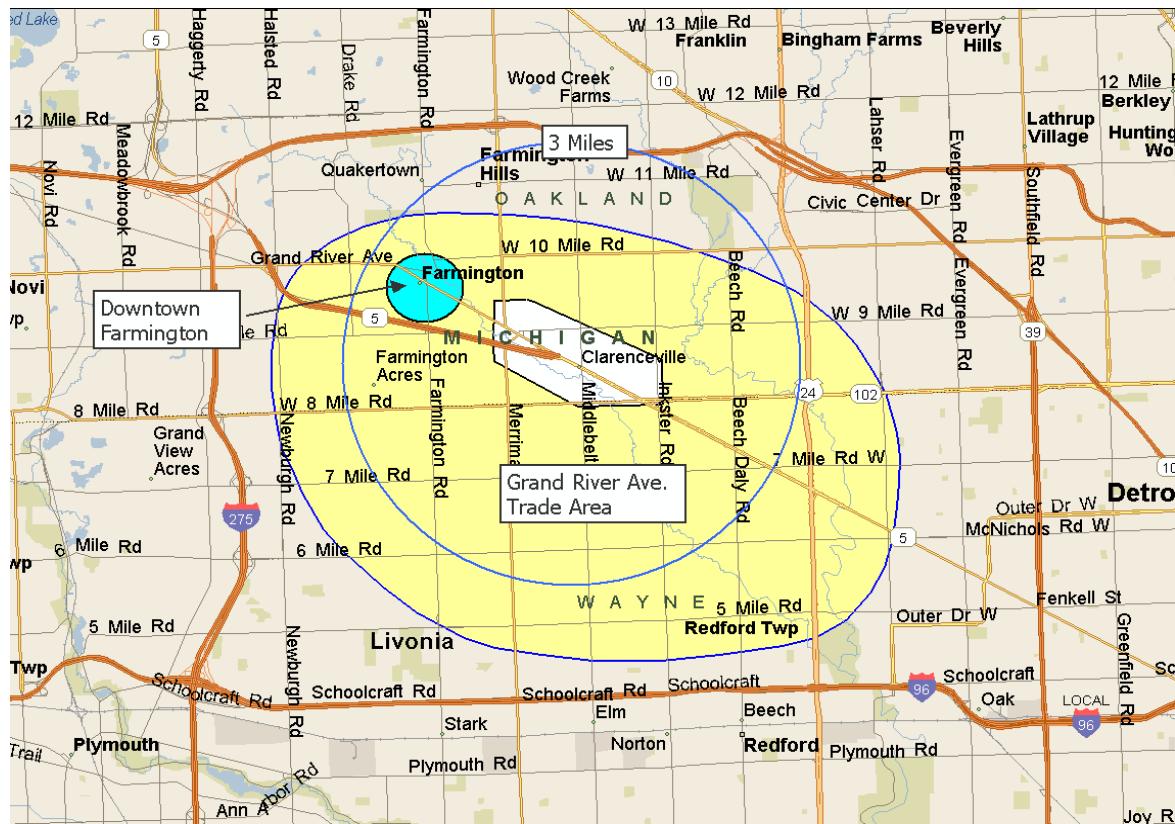


Figure 2: East Grand Reiver Avenue retail market trade area (yellow) includes 120,000 people, 50,000 households and 45,000 workers.

As a part of this analysis, GPG projected an East Grand River's retail market trade area geographically. The trade area where the businesses located along the corridor may have a competitive market advantage because of location, household spending, employment centers, traffic patterns, unmet market demand and other factors.

These economic advantages equate to a potential for Grand River's restaurants and stores to induce unmet spending and to capture new retail sales occurring in other locations.

GPG estimates Grand River's overall retail catchment- trade area extends 2 to 4 miles and covers 25 square miles. Downtown Farmington, and parts of Livonia, Southfield and Northwest Detroit make up some of this study's estimated trade area. The trade area is defined by I-275, Telegraph, 10 Mile and 5 Mile Roads.

Grand River's trade area includes 45,000 workers, 5,000 businesses and 120,000 people. The area also includes 50,000 households with \$95,000 average and \$77,000 median incomes. In 2024, 18,000 Grand River Avenue's households earned over \$100,000.

Retail Market Trade Areas

GPG projects that the residents and workers inside the Grand River defined trade area will account for up to 40% to 50% of the total sales captured by Grand River's businesses. The balance of the retail sales would be from persons outside of the trade area, businesses, visitors, the internet and workers. The Avenue's defined retail trade area's residents and workers spent \$1.2 billion on retail goods, groceries and restaurants in 2024, excluding automotive related expenditures.

In 2024, the existing businesses in the Grand River district captured only \$40 million of the \$1.2 billion retail spending within its trade area. The over \$1 billion retail spending gap represents a significant supply and demand imbalance and shortage of available retail stores for the Grand River Avenue's households.

5 Mile Ring	10 Min. Drivetime	Grand River Ave. Retail Trade Area
225,000 Population	155,000 Population	120,000 Population
100,000 Households	70,000 Households	50,000 Households
\$105,000 Ave. HH Income	\$95,000 Ave. HH Income	\$95,000 Ave. HH Incomes
11,000 Businesses	7,000 Businesses	5,000 Businesses
150,000 Workers	80,000 Workers	45,000 Workers

Farmington Hills Demographics

There are approximately 84,000 people and 36,000 households living in the City of Farmington Hills. City residents have \$153,000 average household incomes, 65% earn over \$75,000 and 20% earn over \$100,000. Farmington's median household incomes are \$115,000, twice the State and 30% higher than Oakland County.

Over 60% of the city's residents have a four-year college degree compared to the 30% within the state. The City's Spring 2025 unemployment rate of 3.1% was below Oakland County's 3.7%.

2024 Demographics	5-Minute Drivetime	10-Minute Drivetime	5 Mile Ring	Grand River Ave. Retail Trade Area	City of Farmington Hills
Population 2024	26,000 pop.	155,000 pop.	225,000 pop.	120,000 pop.	83,000 pop.
Households 2024	12,000 HH	70,000 HH	100,000 HH	50,000 HH	35,000 HH
Median HH Incomes 2024	\$77,000	\$70,000	\$77,000 HH	\$70,000	\$115,000
Average HH Incomes 2024	\$105,000	\$95,000	\$105,000 HH	\$95,000	\$153,000
Per Capita Income 2024	\$46,000	\$47,000	\$46,000	\$45,000	\$67,000
Median Age 2023	43.3	42.2	42.5	41.5	42.0
HH Incomes \$100,000 +	4,500 HH	28,000 HH	42,000 HH	18,000 HH	20,000 HH
Total Number of Businesses	1,500 Bus.	7,000 Bus.	11,000 Bus.	5,000 Bus.	4,700 Bus.
Total Workers	15,000 Workers	80,000 Workers	150,000 Workers	45,000 Workers	60,000 Workers

Figure 3: Grand River Avenue drivetime and trade area demographics. 225,000 population and 100,000 households are located within a 5-mile radius of the Grand River corridor.

Neighborhood Retail Spending Comparisons

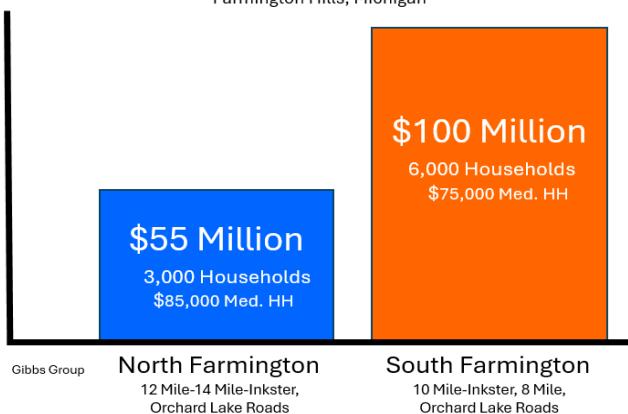


Figure 4: Left, View looking south: 14 Mile – Halstead; Right View looking west across Shiawassee Street – Inkster Road.

As a part of this research, GPG has compared Farmington Hills south and north neighborhood's retail spending patterns. On average, household incomes north of 12 Mile Road are 30% to 90% higher than incomes in the Grand River corridor area. Median household incomes in the Halstead – 13 Mile Roads are \$160,000 compared to \$90,000 near Grand River Avenue and Middlebelt Roads. Household incomes close to 9 Mile and Farmington Roads are \$65,000. This study's defined trade area's median household incomes are \$78,000.

However, on average, the Grand River Avenue area has double the population than those north of 12 Mile Road. The 13 Mile – Halstead area averages 1,100 homes per square mile, compared to 2,000 households per square mile near Grand River and Middlebelt Road.

Figure 5 4 Square Mile Comparisons
Total Household Retail Spending
Farmington Hills, Michigan



The lower density per square mile reflects the larger house lot sizes and stricter zoning and environmental policies implemented during the 1960's. The higher south area's household densities offsets their lower incomes, generating up to double the total retail spending per square mile.

Neighborhood Retail Spending Comparisons

A test model comparing 4 square miles north of 12 Mile to 4 square miles south of 12 Mile area's residents retail spending illustrates the south area's households spent \$100 million in retail compared to \$55 million in total retail spending in the north area's residents. See Appendix B for additional retail spending comparison models.

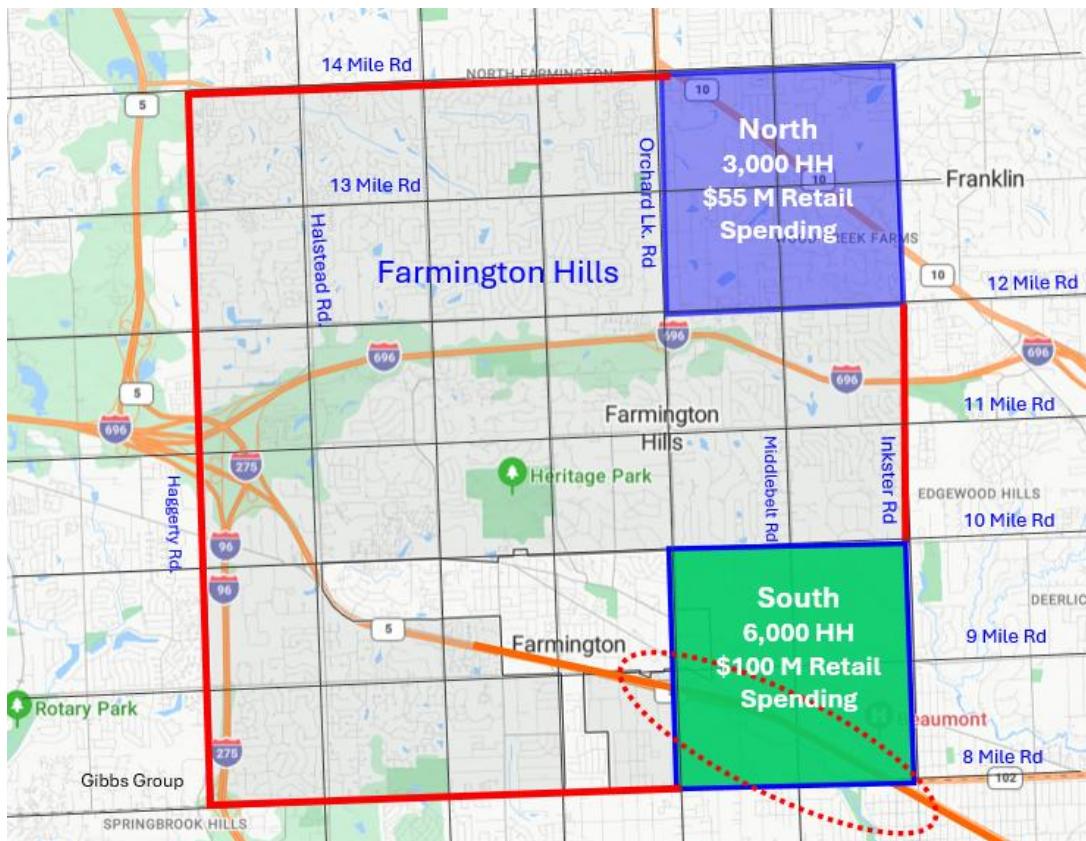


Figure 6: Map of north and south 4 square mile household retail spending and density comparisons

Farmington Hills Employment Overview

Farmington Hills has a 2024 commercial base of 46,000 workers. When one considers other factors such as the City's high education and income levels, the amenities and access to the entire Metro Detroit area including Ann Arbor, Farmington Hills may be able to exceed the job growth rate of Oakland County. Over 75% of Farmington Hills' working age adults are employed in office, sit-down professions. Approximately 60% of Farmington's adults have earned a bachelor's degree or higher.

A few of the top employers in Farmington Hills include Corewell Health, Mercedes-Benz Financial Services, Japanese Solderless Terminals, Robert Bosch (Bosch Group) and Nissan Technical Center of North America. In January 2025, Bosch announced a \$14 million investment in a hydrogen research hub at its North American headquarters in Farmington Hills. The hydrogen research hub will create at least 30 high-wage engineering jobs in advanced hydrogen fuel cell technology that strengthens the city's reputation as a home to innovative technology companies.

Farmington Hills Employment Overview



Figure 7: 80,000 workers are within a 10-minute drive of Grand River. On average, workers spend \$120 weekly on retail.

Other studies indicate Farmington Hills could see 400 – 600 office workers added annually through 2030. While this study does not have a specific projection for the Grand River corridor, it is expected that it will capture some of the job growth through the addition of medical and healthcare-related jobs. Daytime employment plays a large role in supporting retail businesses. On average, U.S. office - sit-down workers spend \$120 weekly shopping and dining. Adjusting for part-time employment, each worker spends \$3,500 per year on retail goods, groceries and restaurants. Restaurant spending accounts for the balance at \$60 per week.

Non-office - stand-up workers are estimated to have slightly less disposable income, to have multiple work locations, and typically are on the road more during their workweek. Discount merchandise, grocery, quick service restaurant and convenience items make up the majority of the stand-up worker's dollars, at \$100 per week retail spending.

There are 15,000 workers and 1,500 businesses located within a convenient 5-minute drive to the East Grand River study area. Within a 10-minute drive to Grand River there are 80,000 workers and 7,000 businesses. The Avenue's overall retail market trade area has approximately 45,000 workers and 5,000 businesses.

Worker Retail Market Demand

The 15,000 workers located within a 5-minute drive of Grand River Avenue are projected to spend \$50 million yearly on retail, food and beverage (15,000 workers x \$3,500 retail spending each = \$50 M). Most of the workers' retail spending will occur while commuting to and from their job or during lunch break. As such, only a small fraction of the overall employee spending can realistically be captured by stores and restaurants along Grand River.

This study estimates the East Grand River corridor has an untapped market potential to capture \$5 million of the \$50 million total worker spending occurring elsewhere. Assuming \$250 sf/yr average store sales per year, the \$5 million of captured worker spending equates to 20,000 sf and 10 stores. However, the corridor is presently lacking many quick casual restaurants and branded retail stores preferred by time sensitive workers

Worker Retail Market Demand

Retail Category	Weekly Worker Retail Spending	Annual Worker Spending (30 weeks Ave.)	Workers 5- Min. Drive to Grand River		
			Total Workers	Total yr Spending	Supportable Store Size
Restaurants	\$30 / week	\$900 yr.	15,000	\$12 M	5,000 sf
Retail Goods	\$40 / week	\$1,100 yr.	15,000	\$16 M	4,000 sf
Groceries	\$50 / week	\$1,500 yr.	15,000	\$22 M	10,000 sf
Totals	\$120 / week	\$3,500 yr.	16,000	\$50 M	20,000 sf

Figure 8: 15,000 workers are located within a 5-minute drive of East Grand River Avenue.

Retail Market Demand

This study concludes the Grand River Avenue corridor will support up to 90,000 sf of new retail and restaurant stores totaling 20 new or expanded businesses by 2028. Much of the new retail demand may not be realized given the Avenue's current constraints. A small free-standing bookstore, bakery or café would require extraordinary goods and services to compete with larger brand stores located in nearby shopping centers.

However, the smaller supportable stores, books, shoes, and toys merchandise could be absorbed by expanded departments within larger stores.

A walkable, mixed-use village could induce untapped market demand and broaden the Grand River's need for new shops and restaurants. Cafes, specialty shops, housing, and offices located within a village will expand Grand River Avenue's retail area and demand. A commercial village could range from a 1-acre cluster of 5 shops to a 10-acre center with 25 or more businesses. The West River shopping center's 6-acre parking, the Corwell Health medical center's properties and other areas near Grand River Avenue may be able to accommodate such a mixed-use center.

The projected retail and restaurant 2028 demand and sales:

10,000 sf Apparel: 3 to 6 Children's, men's, women's clothing focused on athletic, casual, business casual, and medical clothing and accessories. Stores should offer value to moderately priced, branded merchandise. 2028 Projected new apparel store sales:

\$2,500,000 / year

\$250 sf/year average store sales

1,500 sf Book Store: A small book or music store offering extended hours, knowledgeable staff, community activities and current reading and/or music materials. The store should also be known as one of the area's leading destinations for a select few categories such as biographies, children's, cooking, history, and/or magazines. The store should also host community events.

\$500,000 / year

\$330 sf/year average store sales

Retail Market Demand



Figure 9: The East Grand River Avenue area has a market demand for 75,000 sf of retail and 15,000 sf of restaurants.

5,000 sf Discount Store: 1 to 2 specialty discount stores specializing in select retail categories such as clothing, foods, home goods, footwear, tools, toys, or wines. 2028 Projected new store sales:

\$1,250,000 / year

\$250 sf/yr average store sales

2,000 sf Electronics, Appliances: A national brand cellular provider and small specialty electronics store. 2028 Projected new electronic store sales:

\$1,200,000 / year

\$600 sf/year store average sales

2,000 sf Garden Nursery: A garden center offering flowers, plants, holiday decorations, trees, tools, and garden supplies.

\$1,000,000 / year

\$500 sf/ yr average store sales

30,000 sf Groceries: A specialty food market offering fresh baked goods, fish, meats, produce, organics, prepared foods, beers, wines, and flowers. The grocery should specialize in a food or beverage category with knowledgeable staff. 2028 Projected store sales:

\$8,500,000 / year

\$280 sf/year store average sales

5,000 sf Home Furnishing Stores: 1 to 2 small to medium sized furniture stores selling art, lamps, furniture and textiles, focusing on new or renovated housing in the greater Farmington region. 2028 Projected new home store sales:

\$2,500,000 / year

\$500 sf/year average store sales

10,000 sf Hardware: A full-service hardware store offering electrical, garden, hardware, household items, paints, tools and other home improvement goods and services. Stores should provide extended hours and knowledgeable staff. 2028 Projected new store sales:

\$3,000,000 / year

\$300 sf/year average store sales

Retail Market Demand



Figure 10: The East Grand River Avenue area has a market demand for a pub, 2 full-service and 3 quick casual restaurants.

2,500 sf Shoes, Footwear, Handbags: 1–2 service-oriented, moderately priced footwear stores specializing in athletic, children’s, women’s, or men’s shoes, and/or leather accessories. 2028 projected sales:

\$1,000,000/year
\$400 sf/yr average store sales

2,000 sf Toys-Hobbies: A small toy and hobby offering educational games, toys, arts, models and crafts. 2028 Projected new store sales:

\$500,000 / year
\$250 sf/year average store sales

5,000 sf General Retail Stores: 3 to 5 stores offering a wide range of merchandise: clothing, electronics, foods, footwear, household goods, Kitchen, health & beauty, home decorations, soft goods. 2028 Projected Sales:

\$1,400,000 /year projected sales
\$280 sf/yr average store sales

Retail Market Demand

2,000 sf Breweries & Pubs: A small micro-brewery or pubs specializing in themed or hand-crafted beers, spirits, wines and other beverages. The pub should provide sit-down dining and live music complementing its brand. 2028 Projected sales:

\$1,000,000 / year
\$500 sf/year average store sales

5,000 sf Full-Service Restaurants: 3 to 5 local and regional sit-down restaurants offering attentive service, and well-designed interiors highlighting themed food category, such as breakfast, bistro, deli, family, pizza, seafood and steak. Small, with 40 to 50 seats, regional or branded restaurants are recommended. 2028 Projected sales:

\$1,750,000 / year
\$350 sf/year

Retail Market Demand

6,000 sf Quick-Casual Restaurants: 4 to 6 moderately priced quick-casual restaurants offering counter and self-service breakfast, lunch, and/or dinner meals. Restaurants should focus on select categories such as bagels, burgers, chicken, sandwiches, tacos, pizza and sandwiches. Drive-through windows, home delivery and curb-side pick-up should be accommodated. 2028 projected sales:

\$1,800,000/year
\$300 sf/yr average store sales

2,000 sf Specialty Foods Service: 1 to 2 small specialty maker shops offering handcrafted coffee, baked goods, ice cream, desserts, and ready-to-eat fine foods and snacks. Some of these food categories could also be located as a department inside a small grocery instead of individual stores. Stores should provide inside seating. 2028 projected sales:

\$500,000 / year total sales
\$250 sf/yr average store sales



Figure 11: The East Grand River Avenue area has a demand for a home furnishings and hardware store

Other Retail Demand

Statistically, some retailers located within the Grand River corridor are capturing significantly higher store sales than was spent by nearby residents. This indicates that the businesses are drawing customers from outside of the Avenues' market area and exceeding local demand. This market advantage affords the area's residents access to greater amounts of goods and services. The high store sales may also represent a potential oversupply of the businesses category in the Grand River Avenue area.

The 2024 high sales stores include convenience stores, department store goods, liquor, men's clothing, pet supplies, pharmacies, specialty foods-fish, produce, tire stores, tobacco stores and used car dealers.

Retail Market Demand

Figure 12
2028 Projected Grand River Avenue Demand for New Businesses

Retail Category	2025 Total Retail Spending-Demand	2025 New Store Sales / Yr.	New Store Sales/ SF/YR	New Supportable Store Size	No. New Businesses
Retailers					
Apparel: Children, Men, Women	\$77,000,000	\$2,500,000	\$250	10,000 sf	3
Book Store	\$7,000,000	\$500,000	\$330	1,500 sf	1
General Merchandise Stores	\$50,000,000	\$1,400,000	\$280	5,000 sf	2
Electronics, Phones, Appliances	\$26,000,000	\$1,200,000	\$600	2,000 sf	1
Garden, Nursey	\$20,000,000	\$1,000,000	\$500	2,000 sf	1
Groceries & Specialty Foods	\$290,000,000	\$8,500,000	\$280	30,000 sf	1
Hardware & Housewares	\$37,000,000	\$3,000,000	\$300	10,000 sf	1
Home Furnishings, Textiles, Art	\$15,000,000	\$2,500,000	\$500	5,000 sf	1
Toys, Crafts, Games	\$10,000,000	\$500,000	\$250	2,000 sf	1
Shoes, Footwear, Leather	\$15,000,000	\$1,000,000	\$400	2,500 sf	1
Discount Stores	\$300,000,000	\$1,300,000	\$250	5,000 sf	1
Retailer Totals	\$850,000,000	\$23,000,000	\$340	75,000 sf	14 Stores
Restaurants					
Breweries & Pubs	\$20,000,000	\$1,000,000	\$500	2,000 sf	1
Full-Service Restaurants	\$160,000,000	\$1,700,000	\$350	5,000 sf	2
Quick Casual Restaurants	\$135,000,000	\$1,800,000	\$300	6,000 sf	3
Bakery, Coffee, Deli, Ice Cream	\$25,000,000	\$500,000	\$250	2,000 sf	1
Restaurant Totals	\$340,000,000	\$5,000,000	\$350	15,000 sf	6 F & B
Retailer & Restaurant Totals	\$1,200,000,000	\$28,000,000	\$345	90,000 sf	20 Stores

(1) The 20 new businesses demand could be deployed with new stores utilizing industry best practices and where grouped within planned commercial clusters. The new demand could also be absorbed by expanded departments within existing stores. Some stand-alone stores may not be supportable along the existing Grand River Avenue corridor.

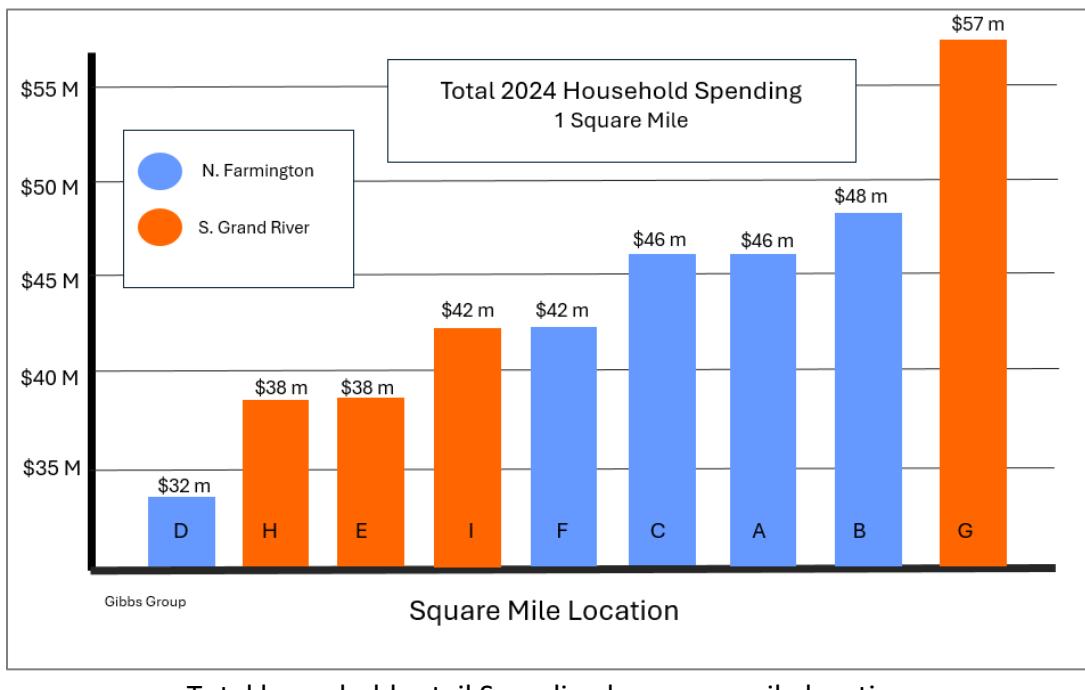
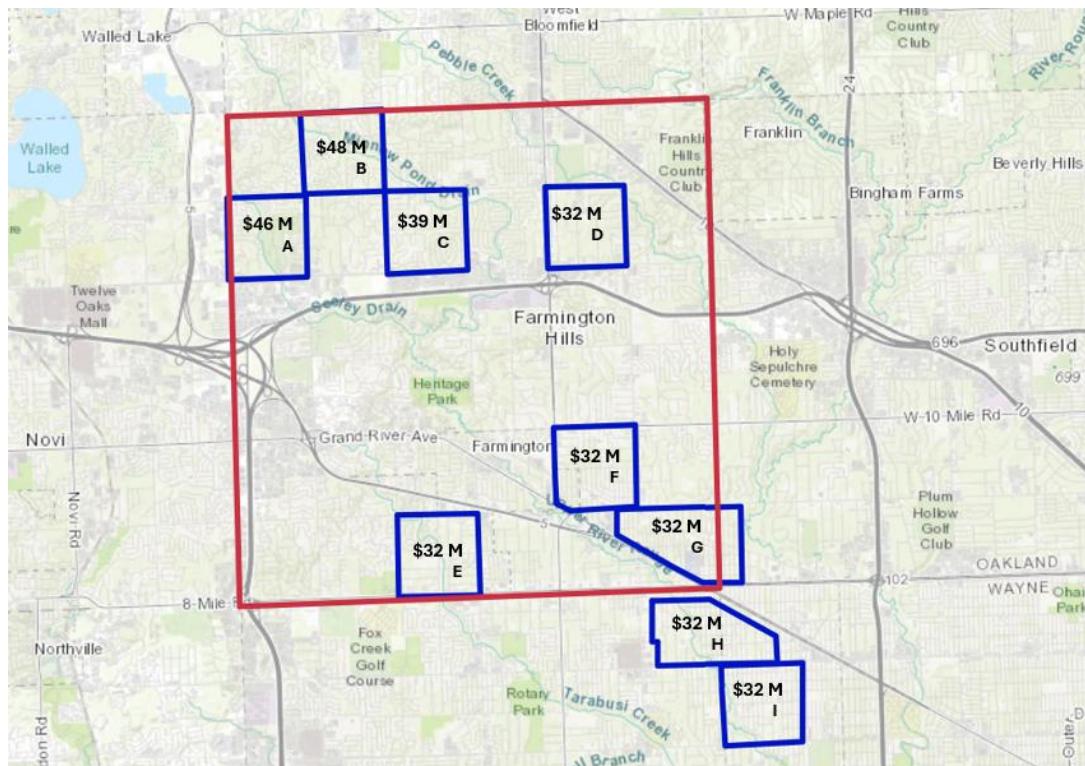
Alternative Retail Demand Views

As part of this analysis, GPG retained independent retail real estate specialists to peer review its Grand River demand projections. Some of the advisors sharply disagreed with GPG's estimate market demand for 20 new stores and restaurants. One retail broker concluded that only 1 to 3 small stores and restaurants would likely deploy new stores along the Avenue.

The projections also reflect a lack of understanding of densely populated, underserved, aged, moderate income markets. The new West River shopping center's Starbucks demonstrates a pent-up demand for upscale businesses that counter the conventional shopping center norms. Grand River area stakeholders, shopping center management, workers and residents have expressed views of a strong demand for new retail stores and restaurants in the Grand River Avenue district.

Appendix B

Total Retail Spending by square mile location

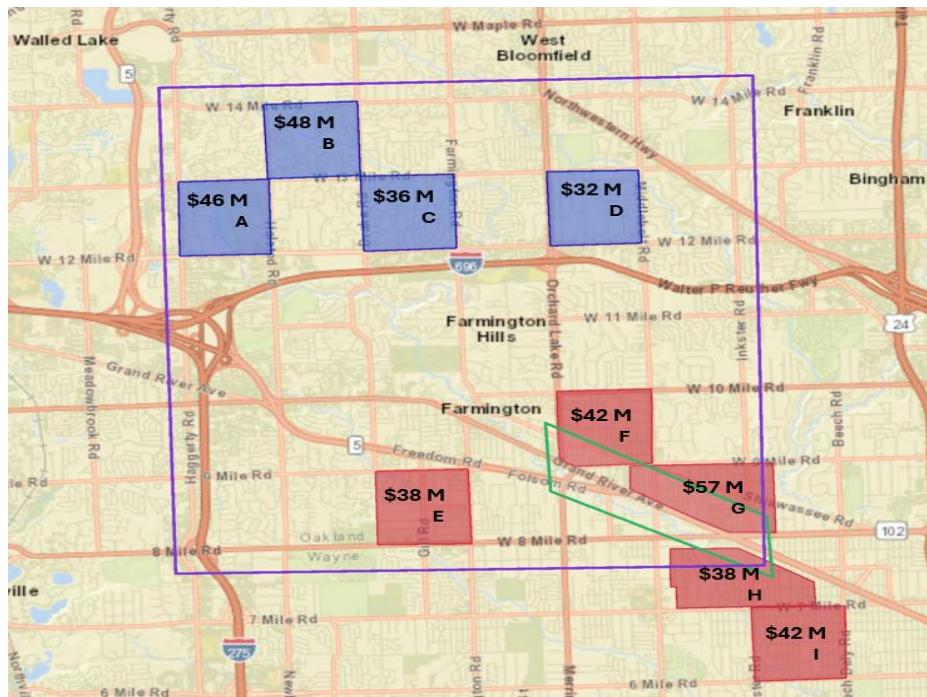


Total household retail Spending by square mile location

Appendix C

Demographics Characteristics and Total Retail Spending by Square Mile Location

	Location – 1 Square Mile	Population	House Holds	Med HH Income	Med Home Value	Total Retail Spending
A	Halstead – 12 Mile -NW Copper Creek	2,600	1,100	\$175,000	\$430,000	\$46M
B	Halstead – 14 Mile SE	2,700	1,100	-\$160,000	\$450,000	\$48M
C	Drake – 13 Mile SE	3,300	1,300	\$130,000	\$300,000	\$46M
D	12 Mile / Orchard Lk. Rd	2,400	1,300	\$70,000	\$305,0000	\$32M
E	9 Mile-Farmington Rd - SW	1,700	3,400	\$68,000	\$300,000	\$38M
F	Orchard Lk – 10 Mile Rd SE	4,300	1,900	\$90,000	\$215,000	\$42 M
G	N. Grand River – Corwell H	4,600	2,000	\$90,000	\$200,000	\$57M
H	8 Mile-Grand River -SW Botsford Park	4,700	2,000	\$68,000	\$170,000	\$38M
I	Inkster – 7 Mile Rd SE	5,100	2,100	\$88,000	\$135,000	\$43M
---	D'town Farmington Sq. Mile	95,000	42,000	\$110,000	\$335,000	\$1.3 B
---	Total Retail Trade Area	145,000	62,000	\$78,000	\$235,000	\$1.5 B



Grand River Avenue Hotel Market Analysis

Farmington Hills, Michigan



Prepared For:
City of Farmington Hills, Michigan

Prepared By:
Gibbs Planning Group

July 2, 2025



Metro Detroit Region Hotel Overview

Gibbs Group July 2, 2025



Figure 1: Left Holiday Inn, Farmington Rd/I-696; Sheraton I-275/ 8 Mile Rd; Right Marriott Delta Hotel – Grand River Ave/10 Mile Rd.

Summary

Hotel demand in Southeast Michigan is experiencing significant growth, driven by a combination of major sporting events, rising tourism interest, population gains and continued investment in hospitality infrastructure. Detroit has seen record-breaking visitor numbers and hotel revenues, highlighted by the 2024 NFL Draft, which brought in over 775,000 attendees and contributed to over \$1 billion in annual hotel revenue.

With thousands of rooms available within a 50-mile radius and a growing pipeline of large-scale events and hotel developments, the region is positioning itself as a competitive destination for both leisure and business travelers. Overall, downtown hotel occupancy for April rose to 54%, up from 48% the previous year, as reported by Axios. Visit Detroit calculated that hotel revenue hit a record-breaking \$1 billion in 2024, emphasizing the region's growing capacity to host large-scale events.

However, this study finds the Farmington Hills southeast Grand River Avenue area does not have the conventional statistical or site location criteria for a new branded hotel. A smaller boutique inn potentially could be supported if combined within a walkable mixed-use town center.

Greater Metro-Detroit Region

Within a 50-mile radius of the city, approximately 45,000 hotel rooms were available during the 2024 NFL Draft, and Detroit alone had 5,300 rooms on the market, according to the Downtown Detroit Partnership (DDP). Hotel data reflects the surge: During the week ending April 27, the average daily room rate (ADR) jumped by 22%, reaching \$150.00. Downtown Detroit hotels outperformed the broader region in occupancy, averaging 85% over the week.

Looking forward, Detroit is poised to maintain and even grow its hospitality momentum. The Detroit Sports Commission has secured several major events, including the 2027 NCAA Men's Final Four at Ford Field. In 2028, the city will host both the Big Ten Women's Basketball Tournament and the NCAA Division I Men's Midwest Regional, both to be held at Little Caesars Arena.

Convention Impacts

In 2025, conventions related to the city's ongoing leadership in automotive design and production will continue to dominate. For example, in May 2025, the Automate convention at Huntington Place attracted 45,000 guests, and more than 900 exhibitors specializing in robotics and automation. As these high-profile events continue to choose Detroit, meeting and group demand for hotels is expected to rise. As hotel demand rises, Southeast Michigan is seeing a burst of construction and renovation activity aimed at expanding its hospitality capacity.



Figure 2: Left: Michigan Central Station. Via *Historic Detroit*. Right: Hudson's high-rise hotel, retail, office and residential complex. Via *SHoP Architects*. The Hudson's hotel will be Michigan's only 5-Star hospitality offering.

Michigan Central Station & Hudson Site

One of the largest projects is Michigan Central Station, a landmark redevelopment featuring over 600,000 square feet of mixed-use space, including retail, hospitality, community and office areas. The site is expected to include a 100 room hotel. At the Hudson site, another high-profile project is underway: a 210-room, five-star hotel, luxury residential, retail and the new General Motors World Headquarters is under construction. The Hudson hotel will be Michigan's only five-star hospitality offering.

Market Oversupply

In contrast, the demand for hotel rooms in the South Michigan region is likely oversupplied. According to Newmark Research, South Michigan's hotel market has a high supply risk, ranking in the bottom 5% of markets. The oversupply issue impacts revenue, with South Michigan ranking 97th out of 104 markets for revenue per available room, at just \$70, well below the national average of \$100. South Michigan does not have the same robust growth and attention that has come to Detroit in the past few years.

Encouraging Trends

Meanwhile, the AC Hotel is bringing 150 new rooms to the region, and the Courtyard Detroit Downtown has recently completed upgrades to its existing 260 rooms. Occupancy rates are also improving; Central Business District hotels saw occupancy rise from 52% in 2023 to 57% in 2024. Average daily rates in CBD also grew, increasing from \$220 to \$225 based on data from CoStar.

Encouraging Trends

In terms of the purpose of a visit, 17% of hotel guests come for meetings, 25% for other business trips, and 58% for leisure. Chris Moyer of Visit Detroit calculates the need for 4,000 more hotel rooms to effectively compete for and accommodate major sporting events and conventions in the future. Detroit hit a key milestone in 2025 with two consecutive years of population growth. This population growth is expected to attract more attention into downtown areas and support investor appetite.

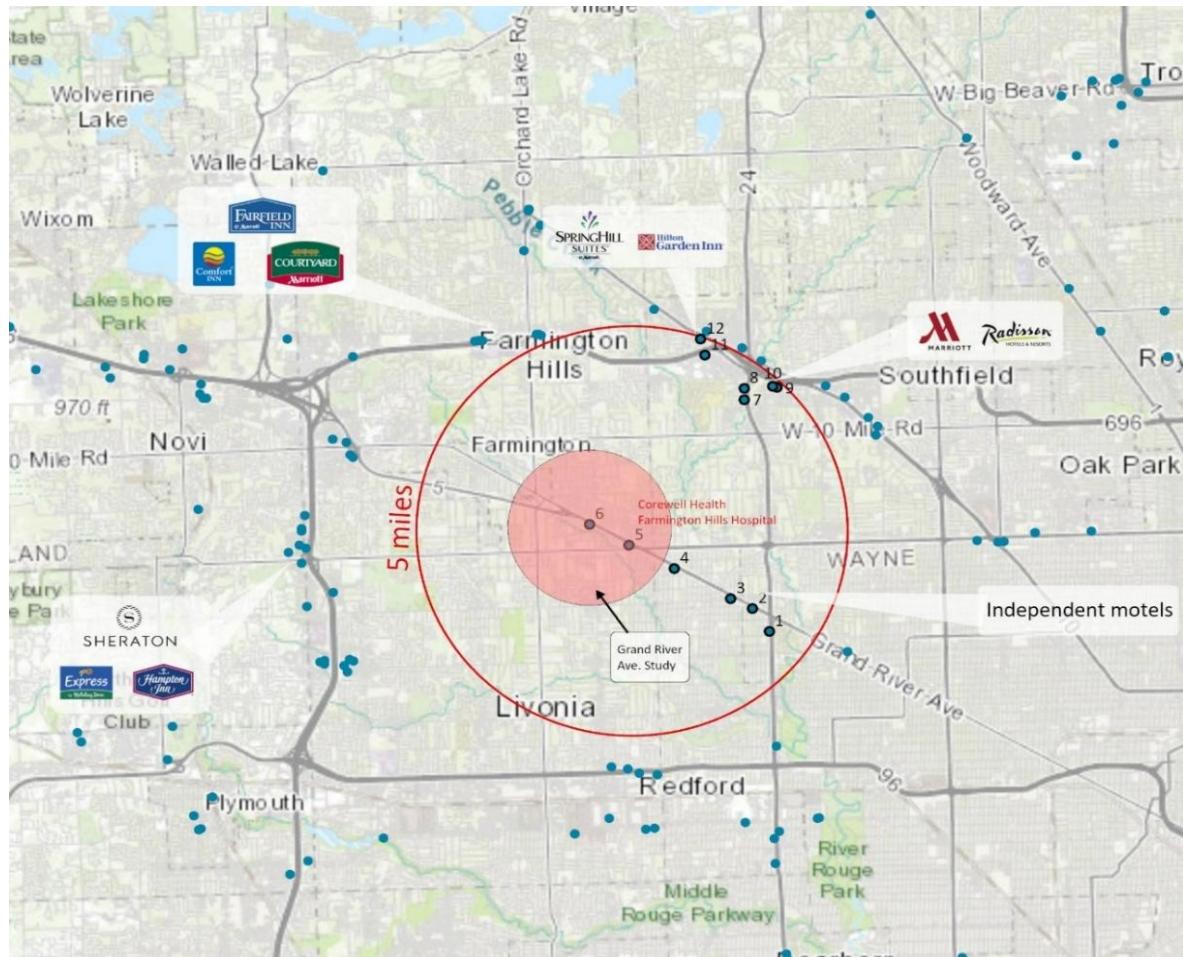


Figure 3. Existing hotels located surrounding the Farmington Hills, south Grand River Avenue corridor

Figure 4: Hotels within 5 miles of the Corewell Health Farmington Hills Hospital

<i>Hotel Brand</i>	<i>Map Reference</i>	<i>Total Keys</i>	<i>Published Rates</i>	<i>Location</i>
A Victory Inn & Suites	1	65 rooms	\$65-100	4 miles - Telegraph Rd., Detroit
Deluxe Inn	2	15 rooms	\$100	4 miles - Grand River Ave., Detroit
Coach & Lantern	3	65 rooms	\$40-55	3 miles -Grand River Ave., Redford
Dorchester Motel	4	35 rooms	\$40-55	1 mile Grand River Ave., Redford
Bahama Motel	5	40 rooms	\$20-70	0 miles Grand River Ave., Farmington Hills
Grand Tulane Motel	6	10 rooms	\$40-55	1 mile Grand River Ave., Farmington Hills
Quality Inn	7	105 rooms	\$60-100	4.5 miles Telegraph Rd., Southfield
Radisson Hotel	8	55 rooms	\$90-120	4.5 miles Telegraph Rd., Southfield
Courtyard By Marriott	9	145 rooms	\$90-260	5 miles Northwestern Hwy., Southfield
Marriot Southfield	10	225 rooms	\$130-180	5 miles Northwestern Hwy., Southfield
Hilton Garden Inn	11	195 rooms	\$130-200	4.5 miles American Dr., Southfield
Springhill Suites By Marriott	12	90 rooms	\$100-160	5 miles Northwestern Hwy., Southfield

Grand River Avenue Office Market Analysis

Farmington Hills, Michigan



Prepared For:
City of Farmington Hills, Michigan

Prepared By:
Gibbs Planning Group
Indigo Retail Group

July 2, 2025



Farmington Hills, Michigan

Grand River Avenue Office Market Analysis

July 2, 2025

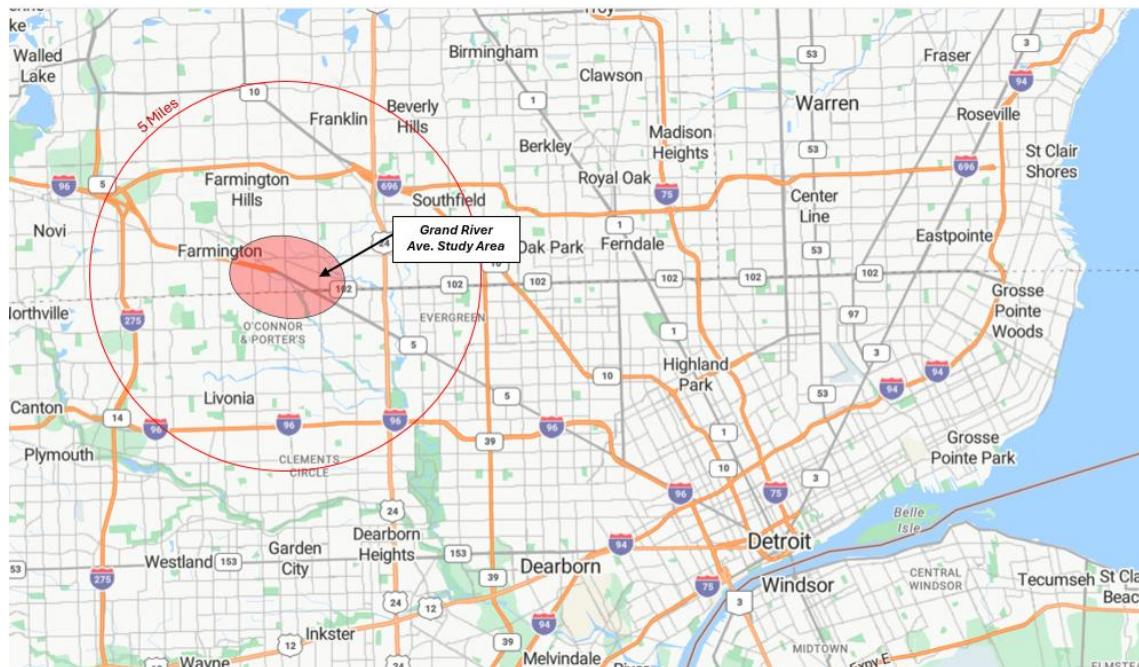


Figure 1: Aerial view of the Grand River Avenue corridor study area

Summary

This study finds the Farmington Hills Grand River Avenue corridor area has an existing demand for up to 50,000 square feet of new professional office space. By 2029, an additional 25,000 sf office demand could be supported in the Grand River area if it were located in a smaller, neighborhood-focused mixed-use walkable village center (1). The 75,000 sf total of new office space would offer a desirable community destination and complement nearby commercial and residential areas.

Demand in the Avenue's district is strongest for two-story professional buildings with small-to-medium-sized floorplates. Grand River's supportable businesses include healthcare, wellness, design, real estate, insurance, and related fields. The office market is primarily attractive Class B+ space, rather than the Class A office typically reserved for Fortune 500 businesses.

South Grand River Ave. 2030 Supportable New Office

10,000 sf Community Organizations

15,000 sf Local Services

30,000 sf Health -Medical

20,000 sf Professional Services

75,000 sf Total Office Demand (1)

Summary

The growth of the office market in Farmington Hills will be driven by two distinct factors.

First, the city's high-income demographics and well-educated population have attracted entrepreneurs and executives who may prefer to live and work in the same community, boosting demand for local office facilities. As these business owners seek more convenient commutes, they may relocate to the south Grand River study area.

Second, Corewell Health Farmington Hills Hospital, a 330-bed teaching facility with Level II trauma status care and a new birthing center, represents a major driver for office development in the south Grand River area. Corwell employs 1,400 total staff members on a 30-acre campus located northwest of Grand River Avenue and Eight Mile Roads.

Corwell's Farmington location includes 40,000 sf of medical office space, a 35,000 sf cancer center and 60,000 sf administrative staff buildings. Corwell's Grand River medical center provided 57,000 patient days and 10,800 total discharges in 2024.



Figure 2: The health and wellness sectors employ 5,500 workers, 75% of the south Grand River total workforce. Retail trade businesses employ 20%, 1,500 of the Grand River area's labor force. Left, Corwell Medical Center, Right, West River shopping center corridors two largest employers.

Healthcare professionals, ancillary businesses and specialized service providers often prefer proximity to major hospitals, driving demand for nearby office space. This synergy nurtures a localized medical ecosystem, spurring both new construction and renovations for physician groups and related services.

Like other major medical campuses across the country, Corewell Health's presence often sparks new investment for complementary businesses—from medical research to administrative support. As these stakeholders grow, they require modern, well-located offices designed for the healthcare industry's needs. Ultimately, Corewell Health's continued expansion will strengthen the local office market and attract additional healthcare-focused investments to the Grand River area.

As the Farmington corridor grows and Corewell Health continues to expand, the area's office market potential could exceed current projections by attracting additional businesses and office space users. In other words, the total amount of supportable new office space may be larger than the 50,000 to 75,000 sf of new office projected by this analysis.

Summary

New office developments along the Grand River corridor are likely to command rents in the upper \$20s per square foot per year (sf/yr), specifically ranging from \$26 to \$29 sf/yr on a gross or a modified gross basis. Gross rents include property taxes and insurance, The building lease holder pays for their own utilities, interior improvements and some of properties' common area maintenance (CAM). These rates may surpass the City of Farmington Hills' existing average of \$21 per sf/yr.

These projected real estate lease rents are justified by strong demand drivers. Chief among these are entrepreneurs seeking a closer-to-home workplace and healthcare-related users looking to position themselves near Corewell Health. Consequently, potentially higher rents align with the corridor's strategic appeal and underscore its potential for sustained growth.

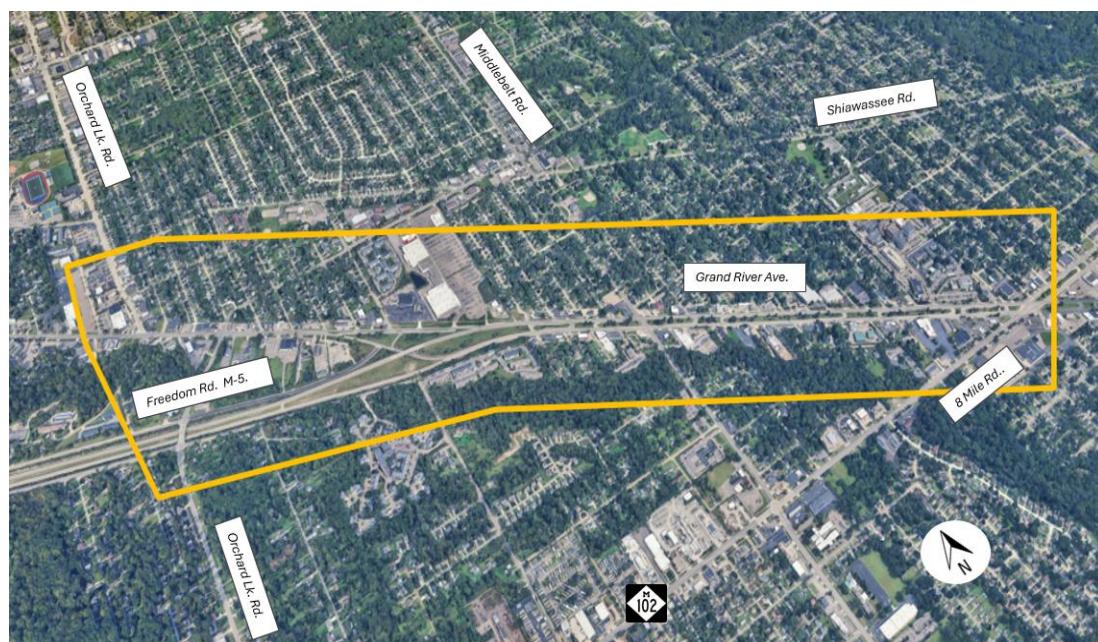


Figure 3: Aerial photo of the 2-mile south Grand River Avenue study area looking northeast.

Background

Gibbs Planning and Indigo Retail have been retained by the City of Farmington Hills to conduct an independent market potential analysis to project how much new office development may be supportable along the south Grand River Avenue area by 2030. The 2-mile long corridor is located in southeast Farmington between Orchard Lake and Eight Mile Roads. Eight Mile Road is the City of Detroit's northern border.

The projections of this study are based on Grand River's economic characteristics utilizing the real estate industry's best practices. This study does not necessarily reflect the Avenue's existing building stock and area's physical character.

Additionally, this study's office space projection reflects statistical market demand, but not necessarily the availability of existing real estate properties to accommodate new office space. This analysis considers current market conditions and trends to estimate a potential office demand for the study area, given its site characteristics, competitive position and other factors.

Placemaking Opportunities

While job growth in Farmington will remain strong, the employment growth in the south Grand River corridor will lag the city. However, Corewell Health Farmington Hills serves as a stabilizing force in the area and will be a catalyst for real estate investment, healthcare and related jobs going forward.

Grand River Avenue's moderate commercial market demand potential is overlooked by many in the real estate industry. The gap in job growth is due in part to the corridor's aged character, limited shopping and dining offerings and other non-market related factors. The district's commercial market demand potential offers a considerable opportunity for growth with enhanced placemaking including the development of a neighborhood, walkable, mixed-use village center.



Figure 10: A small neighborhood mixed-use village would offer the Grand River neighborhoods and businesses an attractive live, work, and shopping destination. Left, Eddie Street, South Bend, IN, Right Ada, MI new villages.

Demographic Trends

Underlying demographic trends directly and indirectly impact new office potential—a growing population suggests continued demand for local services and a strong workforce appeals to firms who rely on filling open positions with talented workers. Farmington Hills presently has 83,400 residents and 36,000 households.

By 2029, the City's population is projected to decline slightly to 82,700 residents in 36,400 households. It is interesting to note that while the population is declining, the number of households is increasing. This trend is generated in part by the aging population and adult children starting their own households.

The projected population decline is higher for the Grand River rental market trade area and the city of Farmington Hills compared to Oakland County, Metro Detroit and Michigan. The median household income in the City of Farmington Hills is \$103,600 while the average household income is \$135,000, demonstrating the impact of high-income earning households. Overall, 65% of the City's households earn more than \$75,000 per year, which is notably higher than Metro Detroit (50%) and Michigan (48%).

Demographic Trends

Farmington's strong income characteristics indicate a favorable market for office space. Furthermore, the City's high incomes are evidence of a deep talent pool of highly educated workers which is a plus in attracting and retaining companies and employers. This further suggests that the underlying workforce could help attract professional office businesses to Farmington, including the south Grand River area. Similarly, business owners living in Farmington Hills but with locations elsewhere may take advantage of the opportunity to locate closer to home.

Demographic Trends

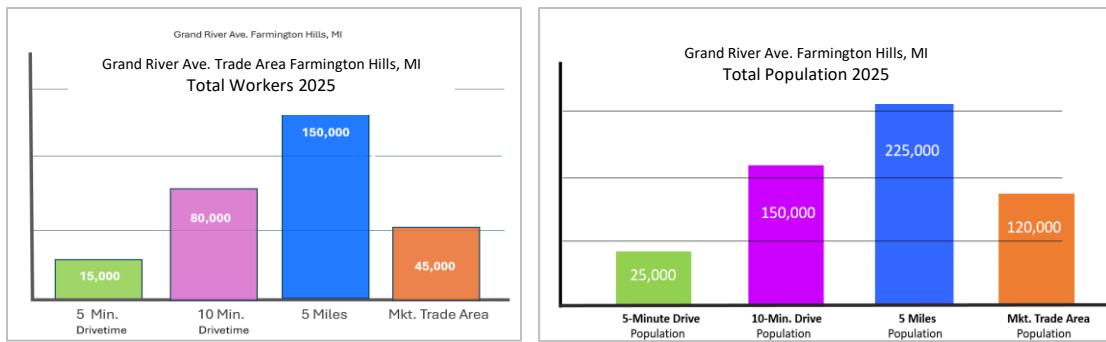


Figure 11: Employment and population 5-10 minute drive-time, 5 mile ring and defined market trade area demographics.

Commercial Market Trade Areas

The commercial market trade areas are geographic locations where the Grand River commercial district has a significant competitive advantage because of access, design, quality competition and traffic and commute patterns. This market advantage equates to a potential expansion in the capture of consumer visitors and expenditures by the retailers, restaurants and offices located within the Avenue's commercial district.

As part of this analysis, GPG defined the commercial market trade area by geographic, vehicular access, strength of retail competition and residential growth patterns and drivetimes. GPG projects that the residents and workers inside the defined trade area will account for up to 20% of the total sales captured by Grand River's businesses. The balance of the Avenue's sales would be from persons outside of the trade area, visitors, the internet and business to business commerce.

This study projects that Grand River's overall retail market trade extends 3 to 4 miles: 6 Mile to 11 Mile Roads north-south and I-275 to Telegraph Road east-west. The trade area includes 120,000 population, and 50,000 households. In 2024, these households had \$90,000 average and \$70,000 median incomes.

5 Mile Ring 225,000 Population 100,000 Households \$117,000 Ave. HH Income 11,000 Businesses 150,000 Workers	10 Min. Drivetime 150,000 Population 70,000 Households \$120,000 Ave. HH Income 7,000 Businesses 80,000 Workers	Grand River Ave. Retail Trade Area 120,000 Population 50,000 Households \$95,000 Ave. HH Incomes 5,000 Businesses 45,000 Workers
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Downtown Farmington

Located at the west edge of the Grand River district, downtown Farmington is known for its charming small-town feel with elegant Victorian-style homes. The historic district been selected as one of the eight finalists for the *2025 Great American Main Street Award*. Downtown Farmington is continuing to develop with two new streetscape projects, a public space program as well as new businesses and housing clusters. New market-rate housing is currently being developed downtown.

New Office Construction



Figure 17: Rendering of the downtown new Hudson's building. The building will include approximately 500,000 sf of office space and serve as the headquarters for General Motors.

A build-to-suit project is one where a developer designs and constructs a new building specifically to meet a tenant's unique requirements for size, layout, and amenities. Build-to-suit projects are nearly the only source of new office building construction in Metro Detroit. Farmington Hills is no different and mirrors this reality.

Currently there are two build-to-suit projects being offered in Farmington Hills. There is a 7,000 sf opportunity at 30610 W Twelve Mile Road, east of Orchard Lake Road on the market. The Thomas Duke Company is offering a build-to-suit with five stories and up to 67,000 sf at 21430 Haggerty Road, south of 9 mile Road. Not only did high rents help make the office building development a reality, but the developer also built this building for a specific tenant, JP Morgan Chase.

Summary of New Office Potential

Over the last two years, the City of Farmington Hills has approved a number of key office projects solidifying its position as a predominant office submarket in Metro Detroit. Comerica Bank consolidated offices in Livonia and Auburn Hills and relocated employees to a new 300,000 sf facility adding 20,000 sf to their Farmington Hills footprint. With 2,000 employees, this is now Comerica's the largest corporate office.

Another prominent office addition was approved with Japanese Solderless Terminals (JST) moving and expanding their R&D operations from Indoplex Drive to 12 Mile Road. The new JST facility is 80,000 sf with 100 employees. The JST research and development building is the most sustainable in Michigan. Approximately 100 trees were repurposed to use as lumber for the project or for interior furniture. Natural features were incorporated into this project to promote green infrastructure.

Grand River Avenue Residential Market Analysis



Prepared For:
City of Farmington Hills, Michigan

Prepared By:
Gibbs Planning | Indigo Retail Group

July 2, 2025

Farmington Hills, Michigan
Grand River Avenue Residential Market Analysis
July 2, 2025



Figure 1: The East Grand River Avenue area has a 2025 demand for up to 150 new market-rate residential units growing to 450 dwellings by 2030. The demand includes 250 multi-family apartments – right and 50 townhouse units left.

Summary

This study projects that the Farmington Hills East Grand River Avenue corridor has potential market demand for up to 400 moderately priced new residential units by 2030. The corridor also currently has a 2025 new demand for 100 new residential dwellings. The 2030 housing demand includes 250 garden-style apartments, 50 duplex homes, 50 ranch multi-family and 50 townhomes.

The East Grand River district is seated within a favorable economic demographics area in south Oakland and northwest Wayne Counties. There are 225,000 persons and 100,000 households living within 5-miles of the district. The average household incomes are \$117,000, higher than the State of Michigan. The Grand River area is a major regional employment center with the Corewell Health serving as the area's major employer and economic catalyst. In addition, 80,000 workers are employed within a 10-minute drive of the Grand River study area.

Work-force housing represents the Grand River area's largest residential shortage. Also known as 'missing middle' housing, 50% of the new residential demand is by households earning a combined \$60,000 to \$90,000 income. These units should be designed and moderately priced for persons gainfully employed in the education, medical, government, and the service sectors.

Grand River Corridor 2030 New Residential Market Demand

200 -250 Garden Apartments- 400 sf to 1,000 sf

30- 50 Duplex-Ranches - 1,000 to 1,600 sf

40- 50 Townhomes 1,000 to 1,800 sf

30-50 Ranch Multi-family – 1,000 sf to 1,800 sf

300 – 400 Total New Residential Units

Summary

Approximately 25% of the new residential should be targeted at single-person households or those earning modest incomes between \$40,000 and \$50,000. Small rental apartments located near Corwell Health, public transit and other employment centers are recommended. Given the economics of an affordable housing development, public–private partnerships may be necessary to bring these units to market.

The Grand River area also has a considerable demand for 55+ households looking for new, housing options near their existing neighborhoods. There are 40,000 persons aged 55+ living within 3 miles of study area. Approximately 25% of the district's new housing demand is for the 55+ year population.

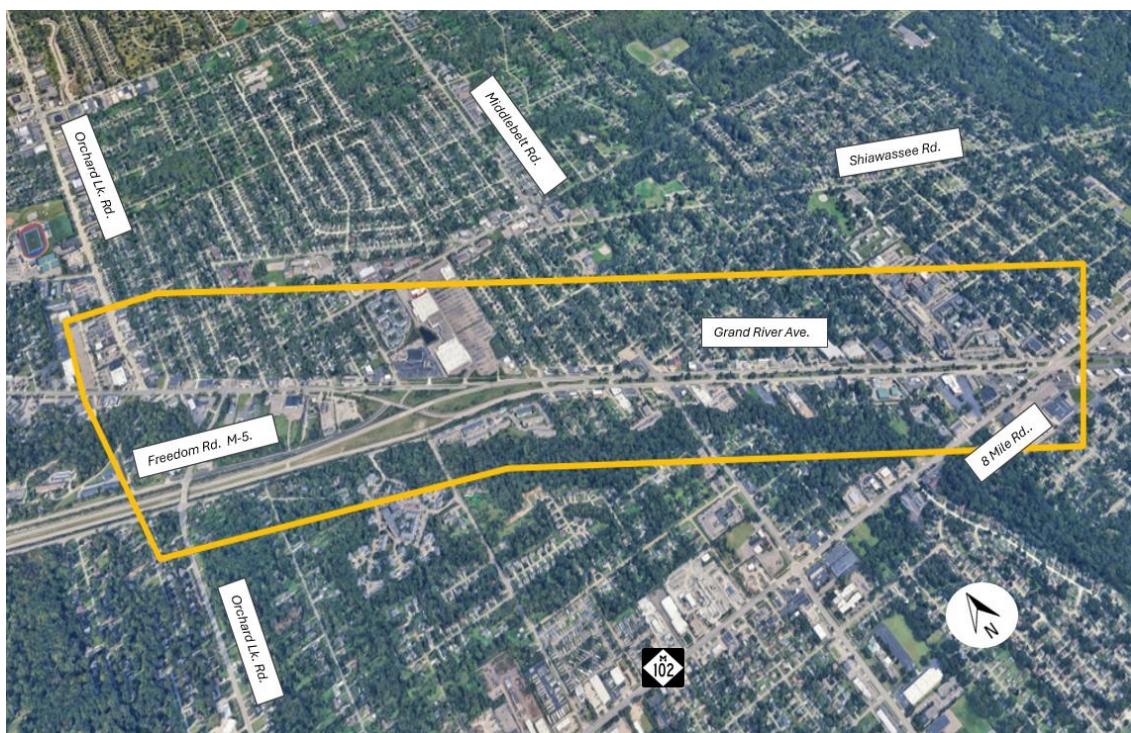


Figure 2: View of E Grand River corridor looking north

There is also a statistical demand for manufactured and smaller single-family homes in the Grand River and Eight Mile area. These houses would appeal to almost all demographic segments, young singles to empty nesters. However, this study assumes the Grand River corridor doesn't have suitable land area sites large enough that are available to accommodate single-family dwellings or manufactured housing developments typically required for these communities.

It is also plausible that the corridor district could support an additional 150 to 200 more new residential units, totaling 600 dwellings, if located within a mixed-use, walkable town center with restaurants and shops.

Background

The City of Farmington Hills has retained Gibbs Planning and Indigo Retail Group to conduct an independent residential market potential analysis to estimate the new market rate housing demand within the east Grand River Avenue district. The 2-mile long corridor is in southeast Farmington Hills between Orchard Lake and Eight Mile Roads.

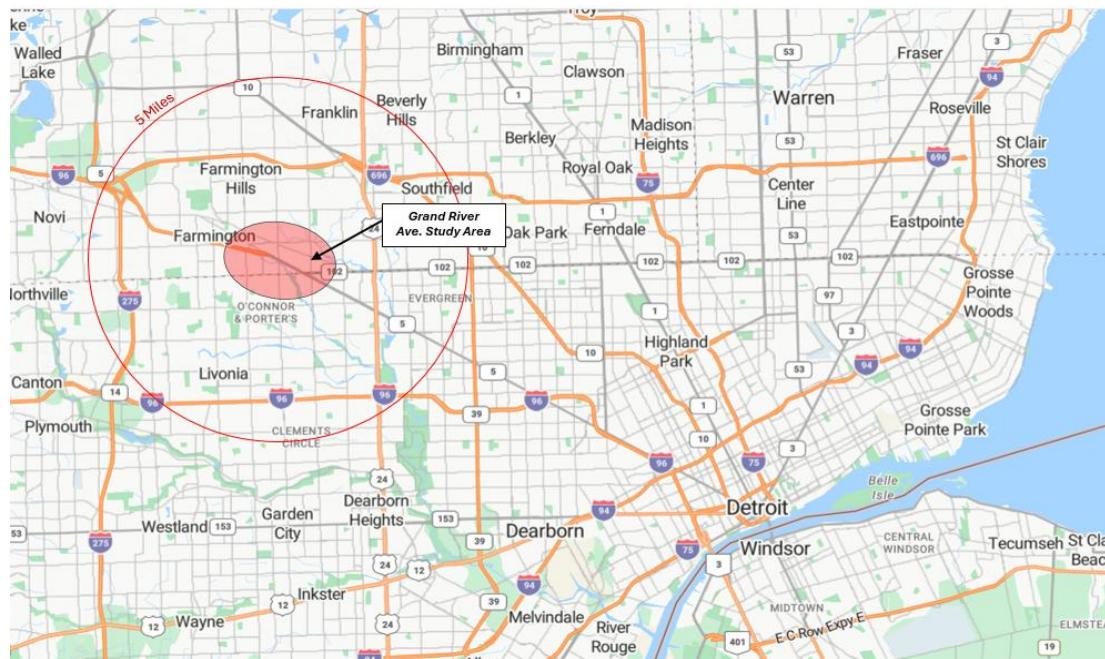


Figure 3: The Grand River study area is located in southeast Farmington Hills along the City of Detroit's Eight Mile Road border.

The projections of this study are based on Grand River's market characteristics utilizing the residential real estate industry's best practices. Additionally, this study's residential projections reflects statistical market demand, but not necessarily the availability of existing real estate properties or landuse policies to accommodate new housing development. Considerable additional housing demand is supportable if built within a walkable, mixed-use town center.

Real Estate Developer Insights

Feedback from local real estate investors is that the East Grand River corridor has a sizable existing pent-up market demand for new commercial and residential development. However, some real estate developers in Metro Detroit, including Farmington Hills, remain hesitant to invest in speculative residential projects due to lingering uncertainty about the market, shifting housing trends and other factors.

Rising construction costs, limited property availability, high interest rates, trades shortages, and governmental approval uncertainties are most cited for the Grand River corridor's supply and demand imbalance. Grand River Avenue's central location and the Corewell Health center may be an exception and attract new residential investment.

Real Estate Developer Insights

Area developers also indicate there's a strong demand for both for-sale and rental housing in the East Grand River area. With building construction costs of \$160 to \$200 sf and home sales over \$300 sf, area builders estimate 400 to 600 units could statistically be absorbed by 2030.

However, builder opinions widely vary on the specific unit types and pricing. Some project that new "for sale" townhomes and ranch-style properties could be highly competitive. Others see robust opportunities for upscale apartments with quoted monthly rents as high as \$2.80–\$3.10 sf monthly for highly amenitized developments, but there is disagreement on whether structured parking is financially viable in this market.

This study finds that while there is demand for highly amenitized developments, the rents may not be in the \$2.80 to \$3.00 sf but in the range of \$2.40 to \$2.60 psf. Overall, these insights suggest a strong appetite for products ranging from single-level "empty nester" homes to apartments, with ultimate success hinging on execution details such as finding suitable land.

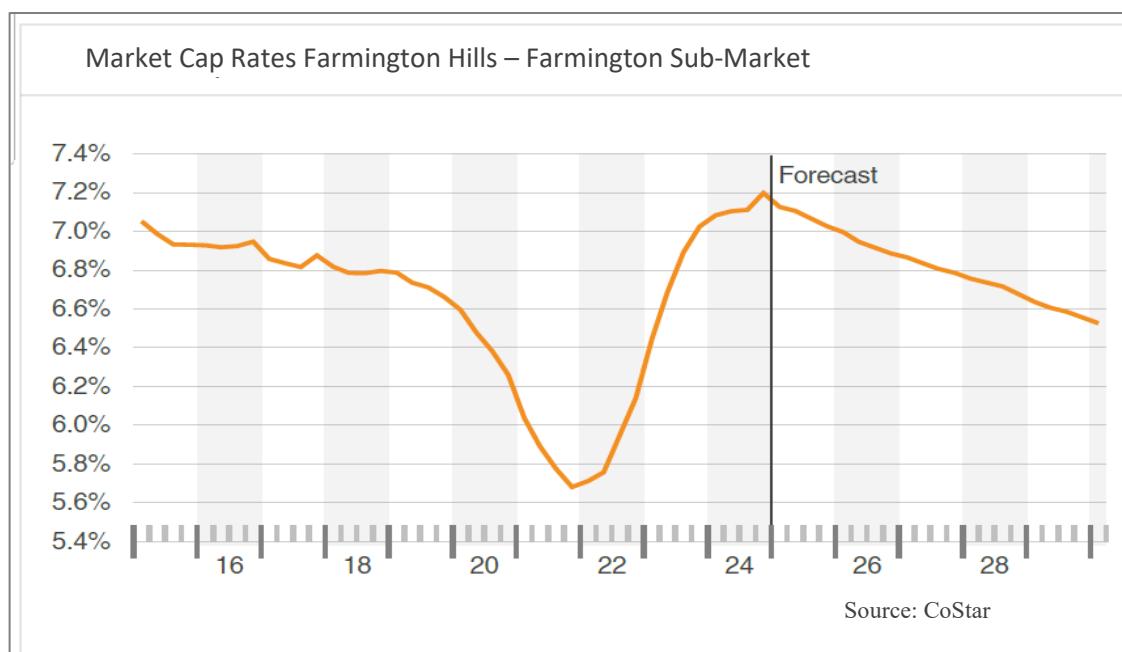


Figure 4: Farmington Hills – Farmington CoStar Submarket reported real estate transactions cap rates. Source :CoStar

Farmington Hills Demographics

There are approximately 84,000 people and 36,000 households living in the City of Farmington Hills. City residents have \$153,000 average household incomes, 65% earn over \$75,000 and 20% earn over \$100,000. Farmington's median household incomes are \$115,000, twice the State and 30% higher than Oakland County. Over 60% of the city's residents have a four-year college degree compared to the 30% within the state. The City's spring 2025 unemployment rate is 3.1% was below Oakland County's 3.7%.

Farmington Hills Demographics

2024 Demographics	5-Minute Drivetime	10-Minute Drivetime	5-Mile Ring	Grand River Ave. Retail Trade Area	City of Farmington Hills
Population 2024	26,000 pop.	155,000 pop.	225,000 pop.	120,000 pop.	83,000 pop.
Households 2024	12,000 HH	70,000 HH	100,000 HH	50,000 HH	35,000 HH
Median HH Incomes	\$77,000	\$70,000	\$77,000 HH	\$70,000	\$115,000
Average HH Incomes	\$105,000	\$95,000	\$105,000	\$95,000	\$153,000
Per Capita Income	\$46,000	\$47,000	\$46,000	\$45,000	\$67,000
Median Age 2023	43.3	42.2	42.5	41.5	42.0
HH Incomes \$100,000 +	4,500 HH	28,000 HH	42,000 HH	18,000 HH	20,000 HH
Total Businesses	1,500 Bus.	7,000 Bus.	11,000 Bus.	5,000 Bus.	4,700 Bus.
Total Workers	15,000	80,000	150,000	45,000	60,000

Figure 6: East Grand River Avenue drive-time and mile demographics.

U.S. Residential Market Overview

The U.S. residential market faces a persistent severe housing shortage, with builders struggling to meet demand for both single-family and multi-family homes. According to a recent Freddie Mac estimate, the nation has a shortage of 4 million housing units, driving up prices and leaving many buyers competing for limited inventory. Rising construction costs and labor constraints further contribute to tight supply, prompting homeowners to stay put longer.

Affordability remains a critical concern, as mortgage rates and surging home prices have outpaced wage growth for much of the population. Nearly one in three American households spends over 30% of its income on housing, according to the U.S. Census Bureau—a threshold signaling cost burden. In response, demand has shifted toward smaller homes, rentals, and other more budget-friendly options.

Developers and policymakers nationwide are exploring solutions, such as zoning reforms and streamlined permitting to boost supply and ease affordability pressures. Some regions are also encouraging on-site accessory dwelling units and modular construction to add lower-cost housing. Despite these initiatives, competition remains fierce in most metropolitan areas, including Metropolitan Detroit, underscoring the need for innovative strategies to address the shortfall.

Housing Types

The housing industry groups building (product) types by size, layout, and other design characteristics. Garden apartments, twins – duplexes, townhomes, ranch, cape cod, cottage, mansion-multi-family, stacked flats, one-over two towns and single family homes are the most common house types in the Midwest.

The house types are based on design, rather than ownership. Houses can be offered as for-sale, or rentals. Build to Rent (BTR) is the fastest growing development model. The rental homes offer the features and lifestyle of a town or single family home, without a long-term commitment, mortgage, maintenance, taxes and upfront downpayment.



Figure 8: Cape Cod duplex-twins (left) and townhome (right). This study finds that the Cape Cod and ranch duplexes will be the highest price point of all housing types projected in this study.

Residential Demand

As outlined, this analysis projects that the Grand River study area has a market demand for 150 new units in 2025 growing to approximately 400 dwellings by 2030. The market demand is based on published statistics, demographics, real estate sales reports and interviews with residential developers and sales agents.

Real estate is a dynamic and volatile industry. Southeast Michigan, as well as most of the country faces an extreme housing shortage. Increasing building costs, interest rates, unpredictable development entitlements and other factors contribute to the supply and demand in balance.

The Grand River Avenue housing demand is reportedly not being built for several non-market or economic conditions. Limited buildable site availability, predictable zoning codes, engineering standards and other conditions have been cited by the Grand River area developers. Additionally, many area investors and builders may have an unfounded bias towards the south Farmington Hills–Northwest Detroit's residential market demand.

This report recognizes that housing demand will continue to evolve over the next five years, with shifting preferences likely to blur the lines between apartment, townhome, and duplex demand.

Appendix A



Figure 19: Kimberly Court neighborhood located northeast of 8 mile and Tuck Roads

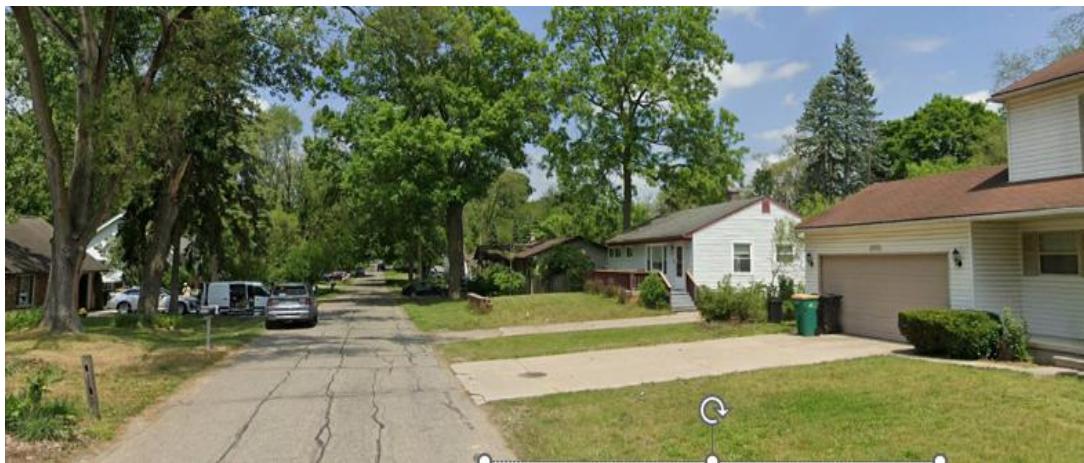


Figure 20: Collingham Avenue located northwest of Grand River Avenue and Corwell Health.



Figure 21: Jefferson Street – north of Grand River Avenue – East of Middlebelt Road

Appendix B



Figure 22: Brandon Street north of Shiawassee Road – West of Inkster Rd.



Figure 23: Grand River Ave. looking northwest toward Middlebelt Road.



Figure 24: Grand River Avenue looking south toward 8 Mile Road.

Appendix C



Figure 25: Multi-family residential – East of Tuck Road / North of Grand River Avenue – looking east towards West River Shopping Center

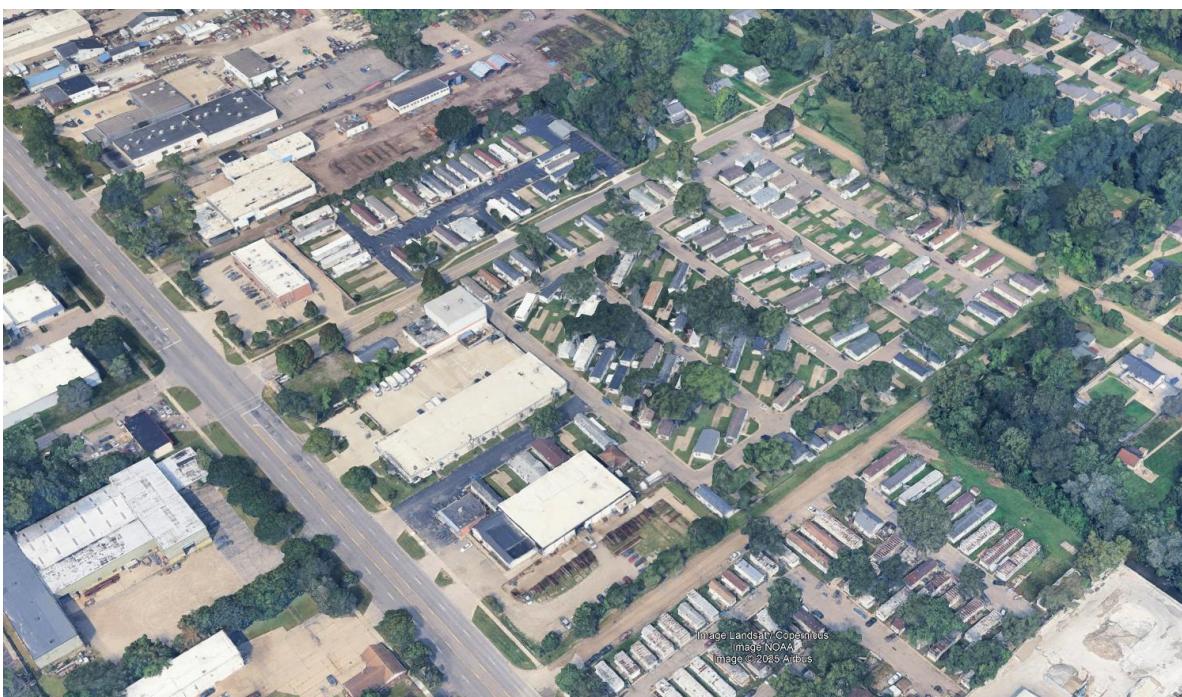


Figure 26: View looking northwest – North of 8 Mile Road – East of Tuck Road.

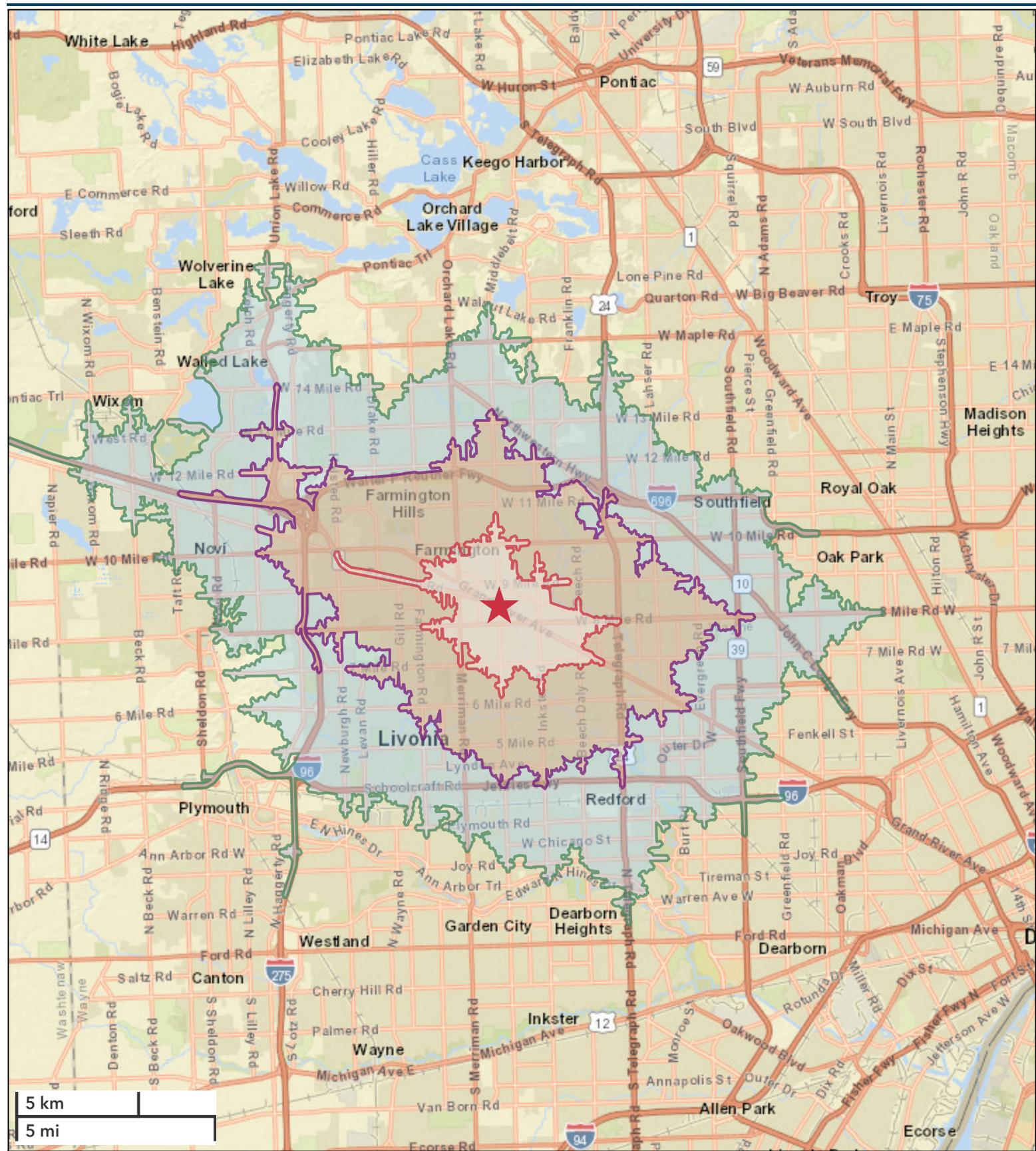
Appendix D



Figure 27: Grand River Avenue looking southeast from Middlebelt Road. Right: The Farmington Hills Fire Station #3 and Jon Grand Community Center.

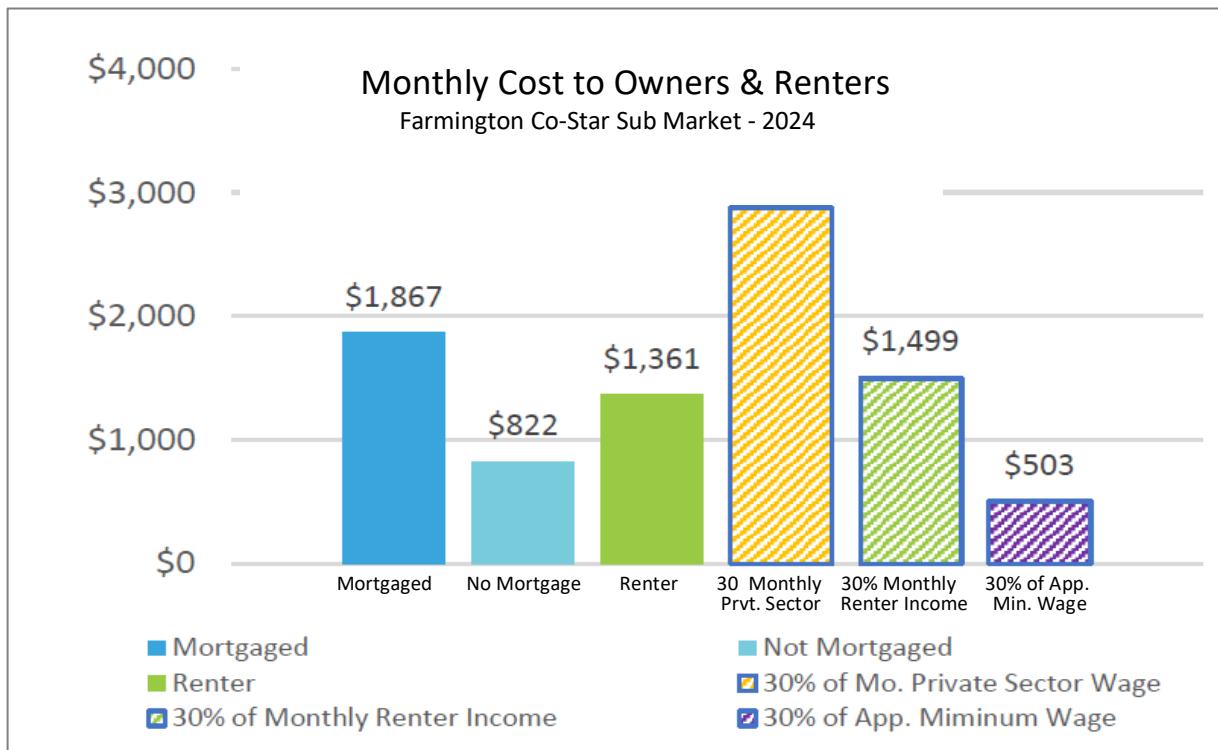
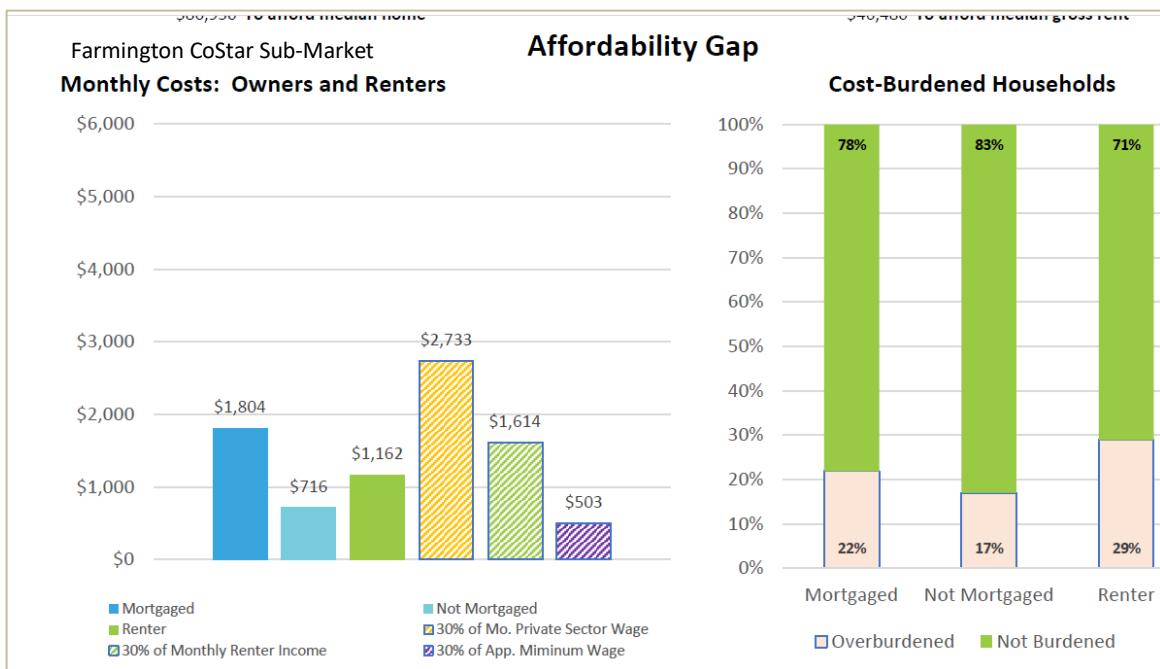


Figure 28: Farmington Hills and City of Farmington.

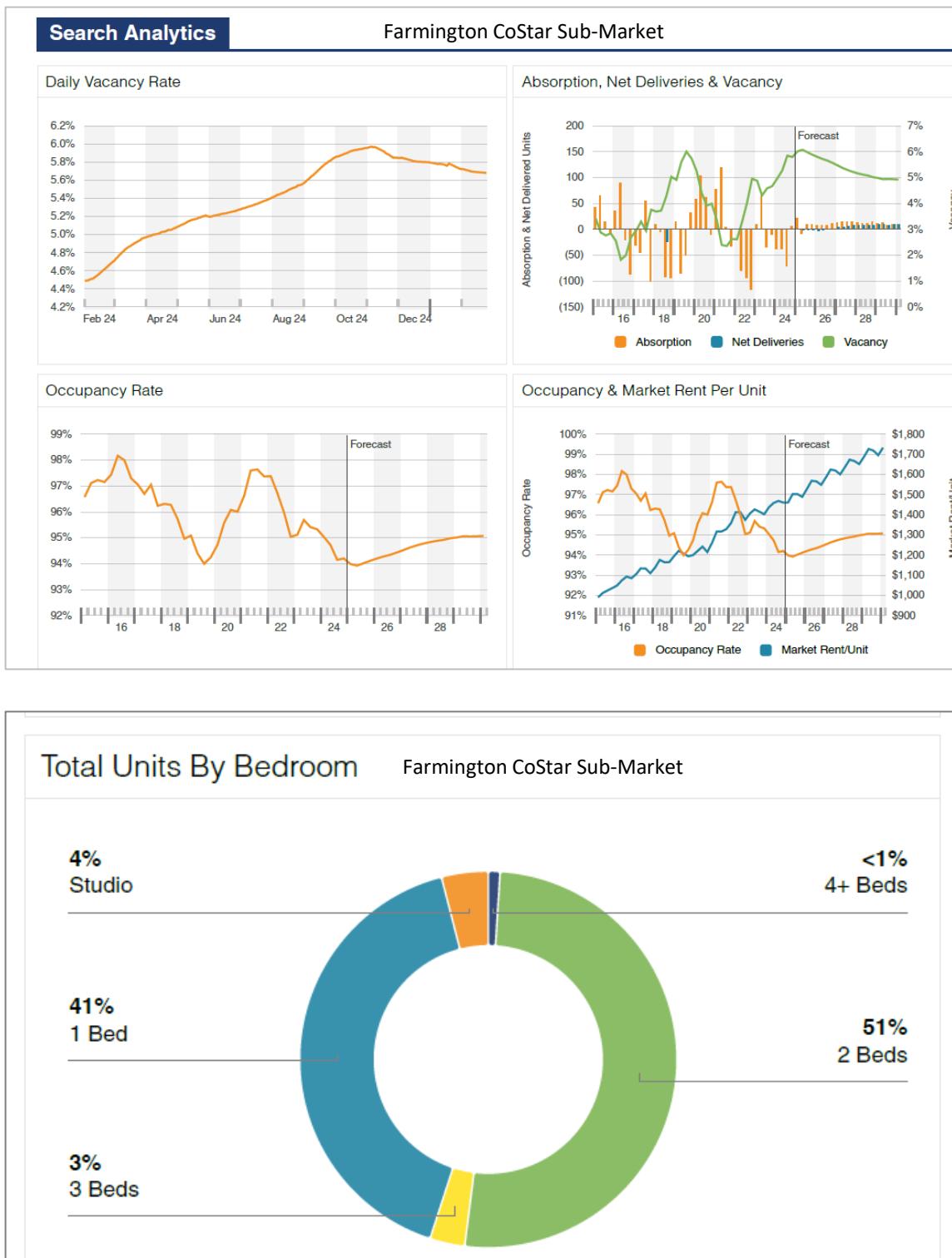


February 20, 2025

Appendix H

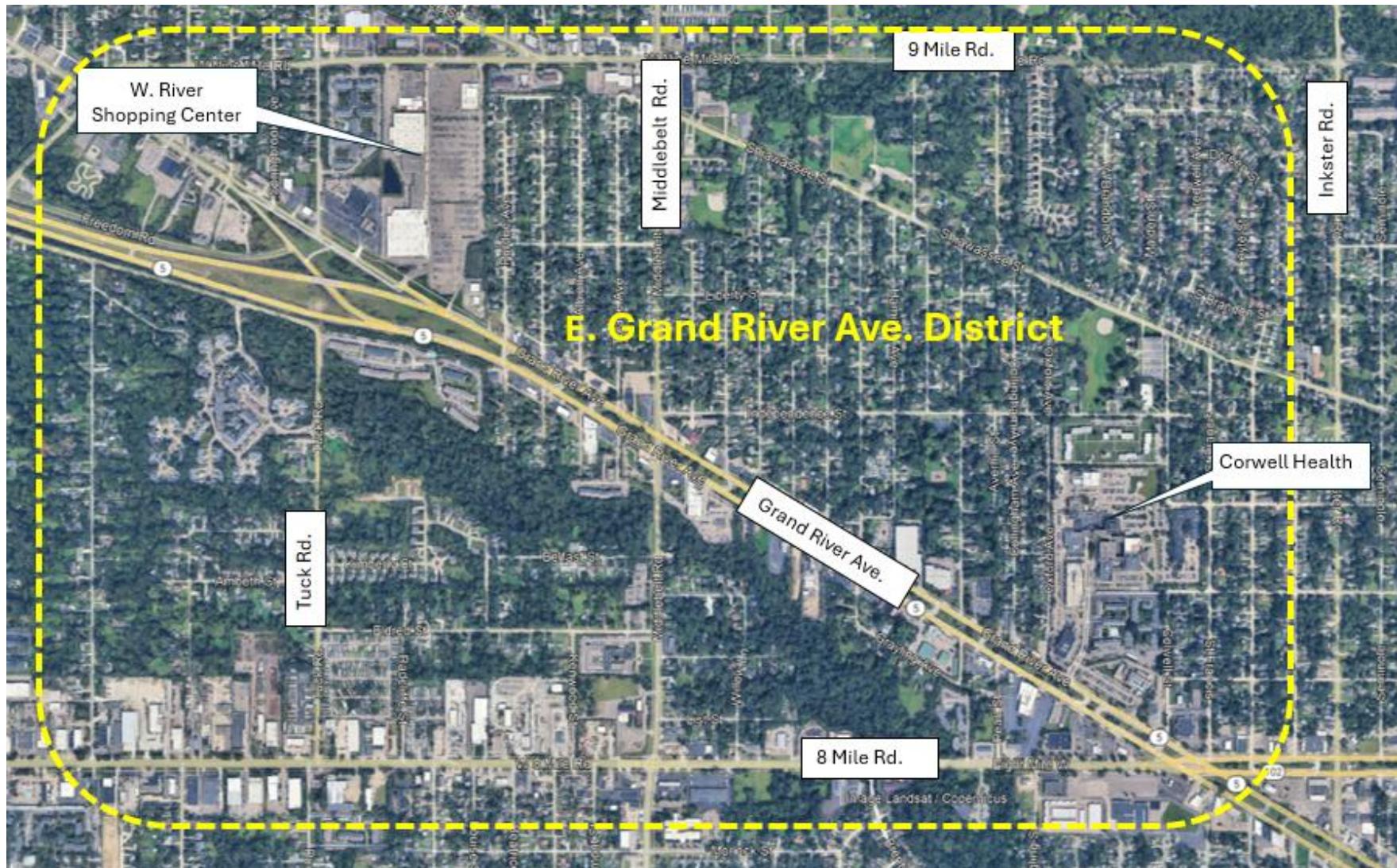


Appendix I

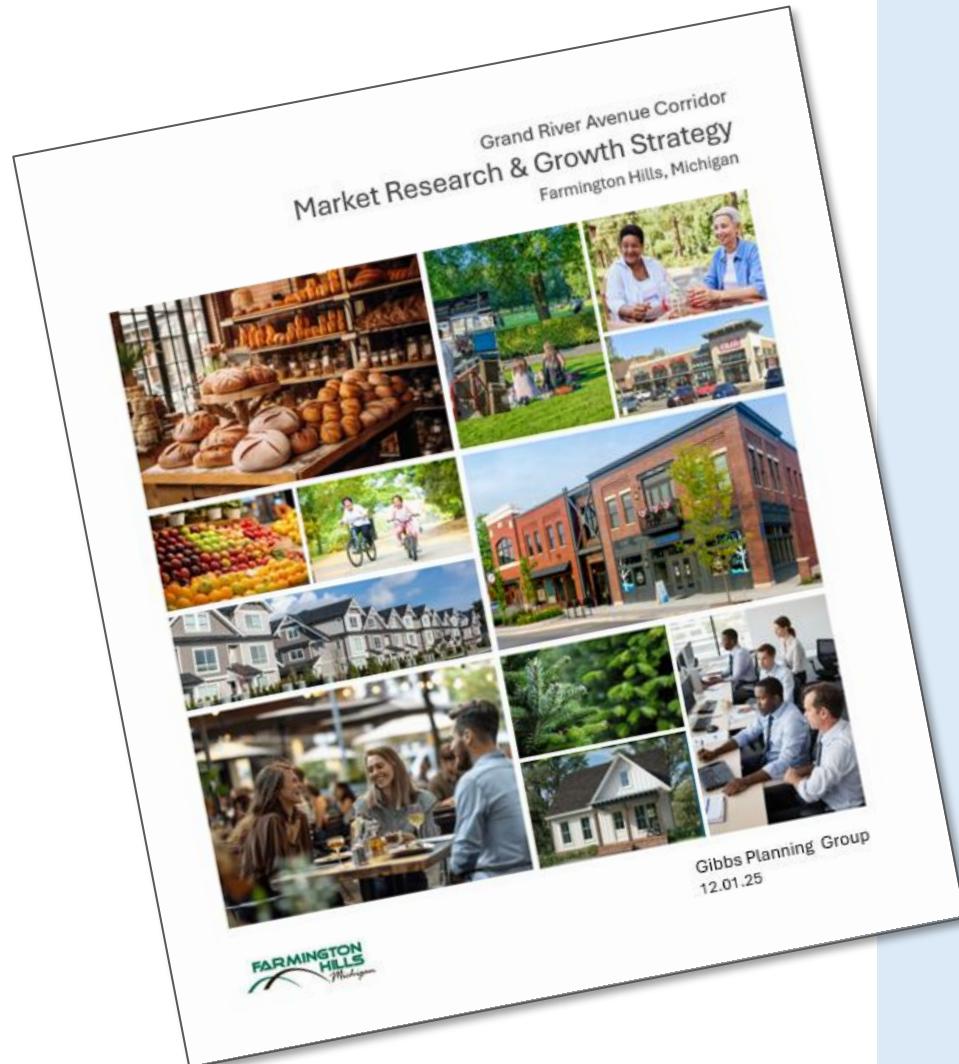


Grand River Avenue Corridor
Market Research & Growth Strategy
Farmington Hills, Michigan





Existing Front Yard Setback – 40'
GR-1 Standard: 15' Min. to 30' Max

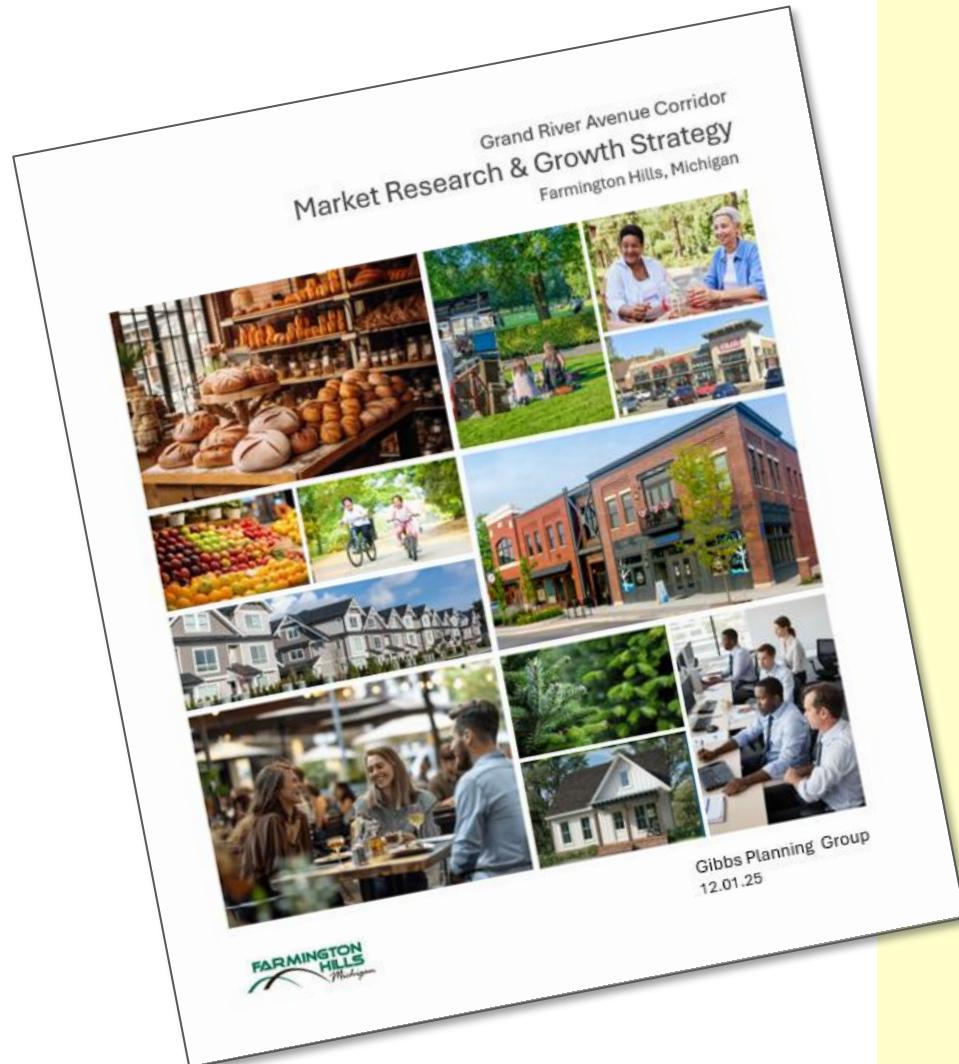


Goals

Enhance Neighborhoods
Stimulate Growth & Investment
Beautify the Corridor

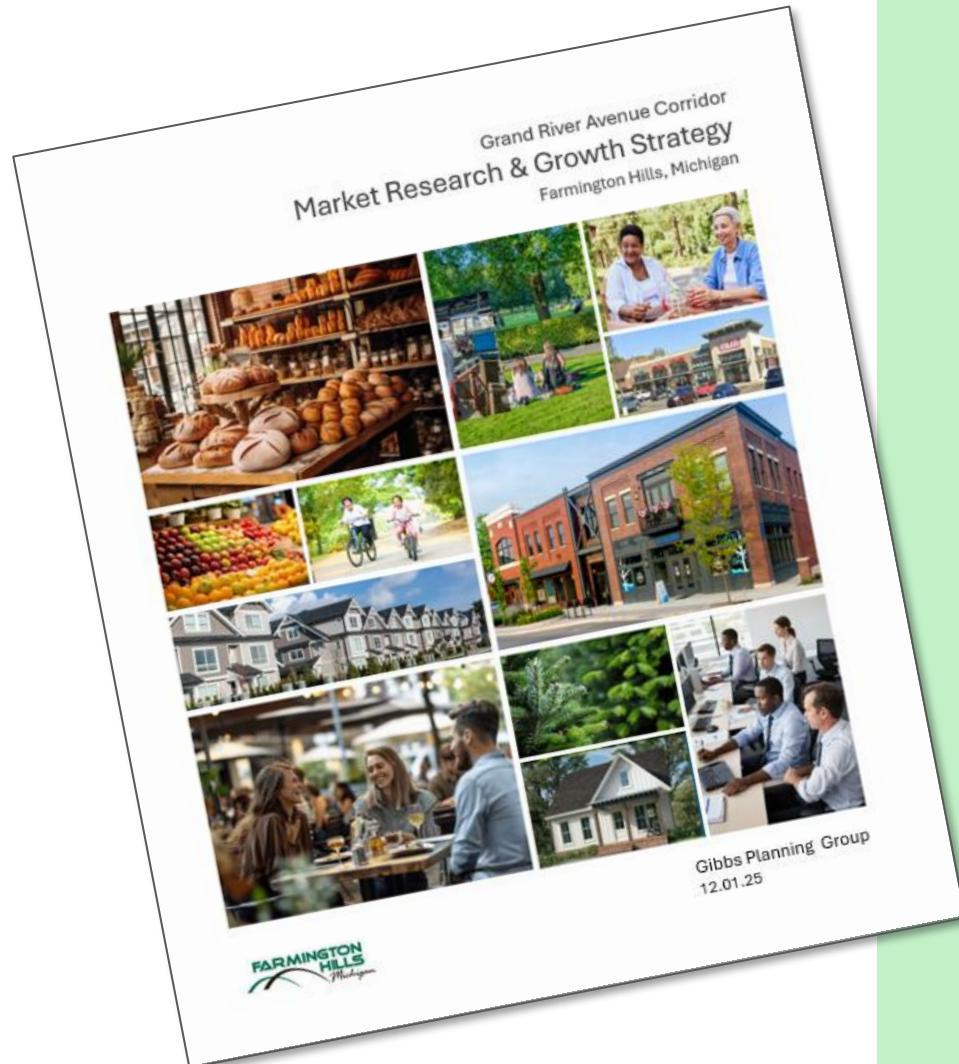
Tasks

Stakeholder Interviews
Market Research
Underlying Zoning Review
GR-1 Overlay Review
GR-2 Overlay Option
Setbacks
Parking
Density
Building Heights
By Right Standards



Recommendations

- Maintain Existing Zoning Districts & GR-1
- Community Workshops
- New GR-2 By-Right Overlay
- Predictable Standards
- 5 -Year Sunset GR-2
- Blue Ribbon Panels
- Architecture & Site Planning Services
- Focused Planning Charrettes
- Transferring Development Rights –TDRs
- Continuing Placemaking Enhancements
- Stormwater, Parking, Wetland Banks



Goals

- Enhance Neighborhoods
- Stimulate Growth & Investment
- Beautify the Corridor

GR-2 Overlay

- Focused Principle Uses
- 3.5 Store Building Heights
- Reducing Parking Requirements
- 25,000 sf Max. Retail Size
- Relaxing Architectural Design Standards
- Increasing Residential Buffers
- Permitting Front Parking for Retail
- Simplify Design & Approvals

Community Workshops & Focused Planning Charrettes



BATA North Site Master Plan
Garfield Township, Michigan 11 January 2021

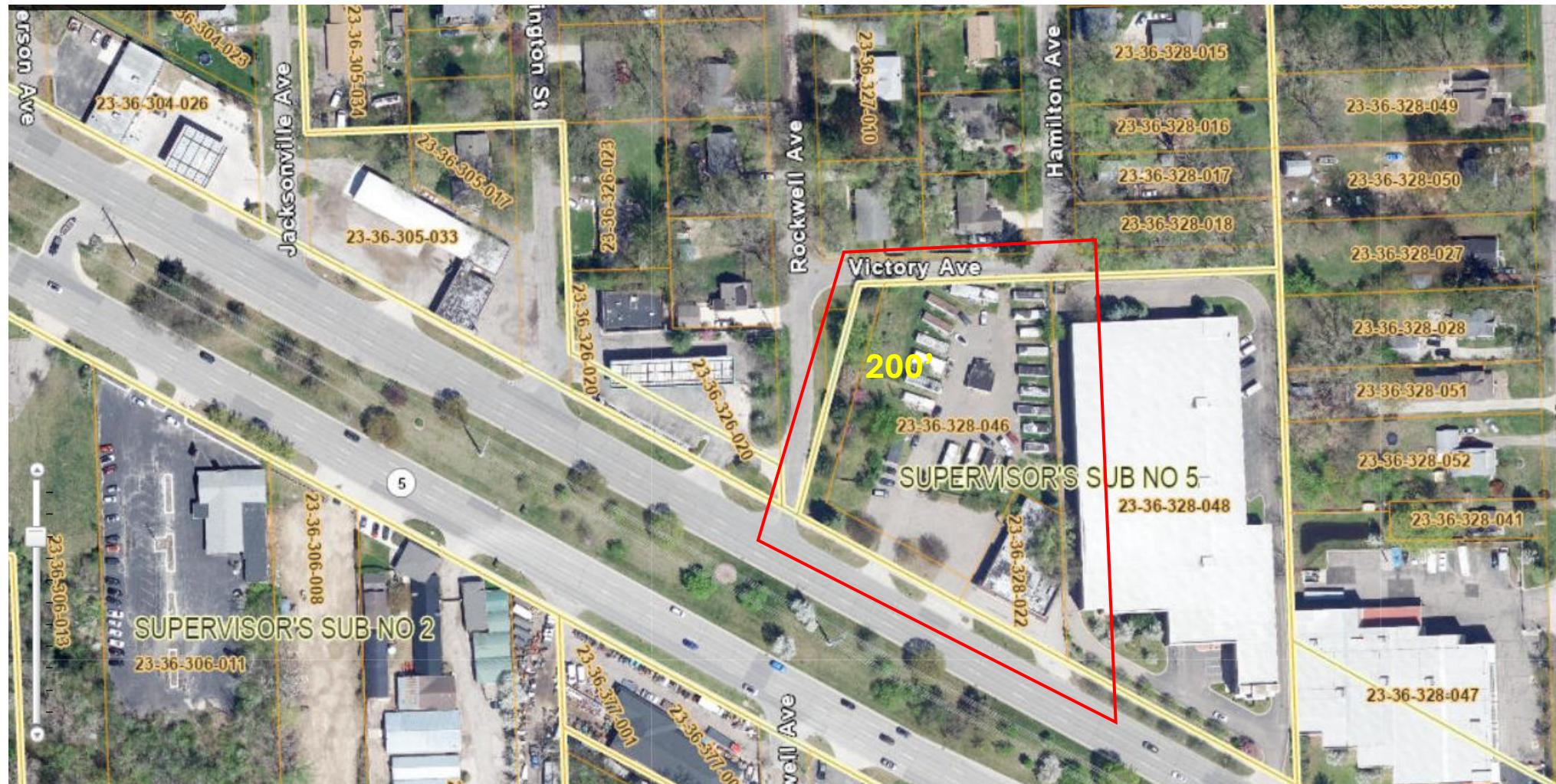


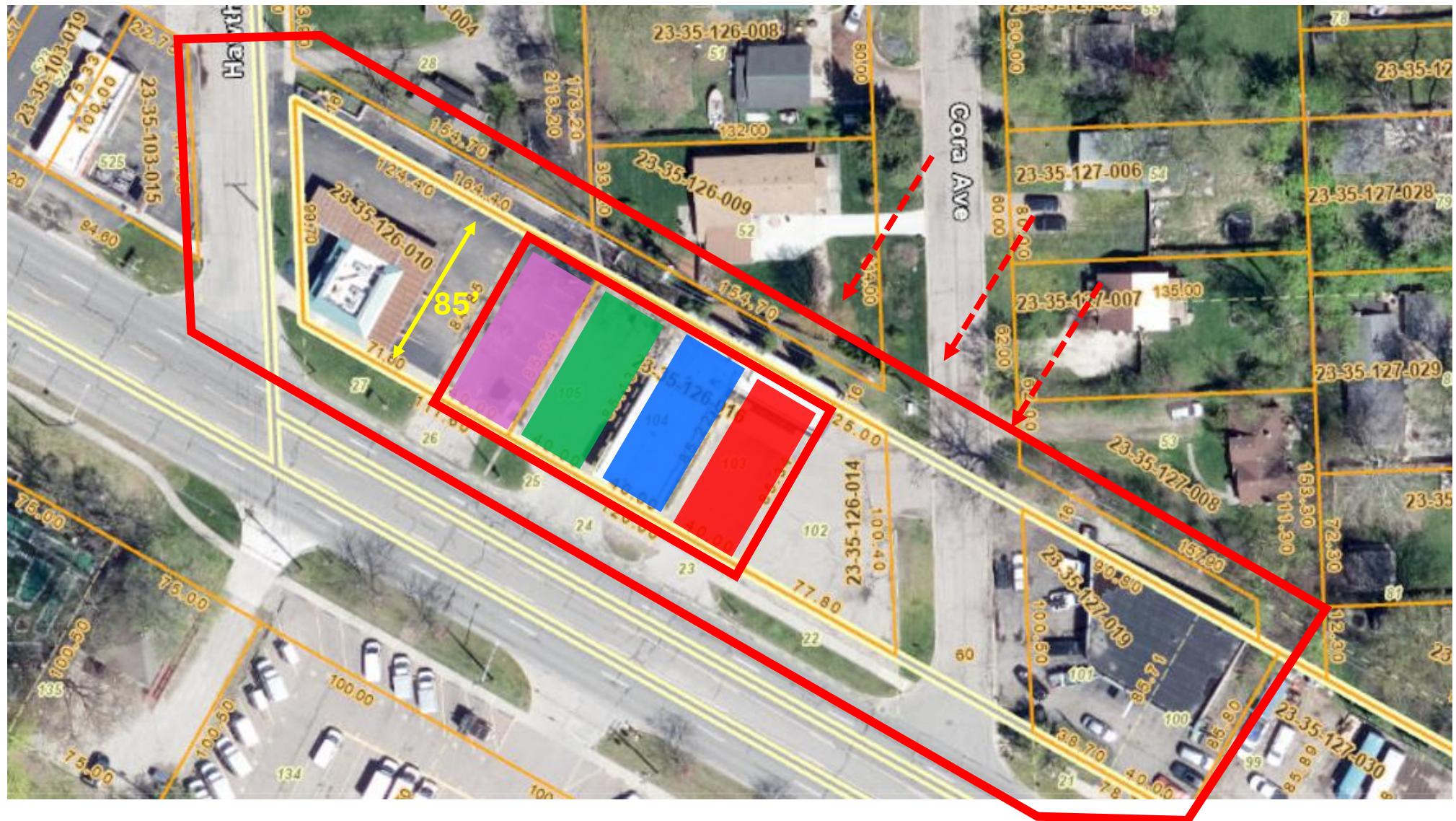
Plan 2 B-2



Farmington Hills
Grand River Corridor Growth Study

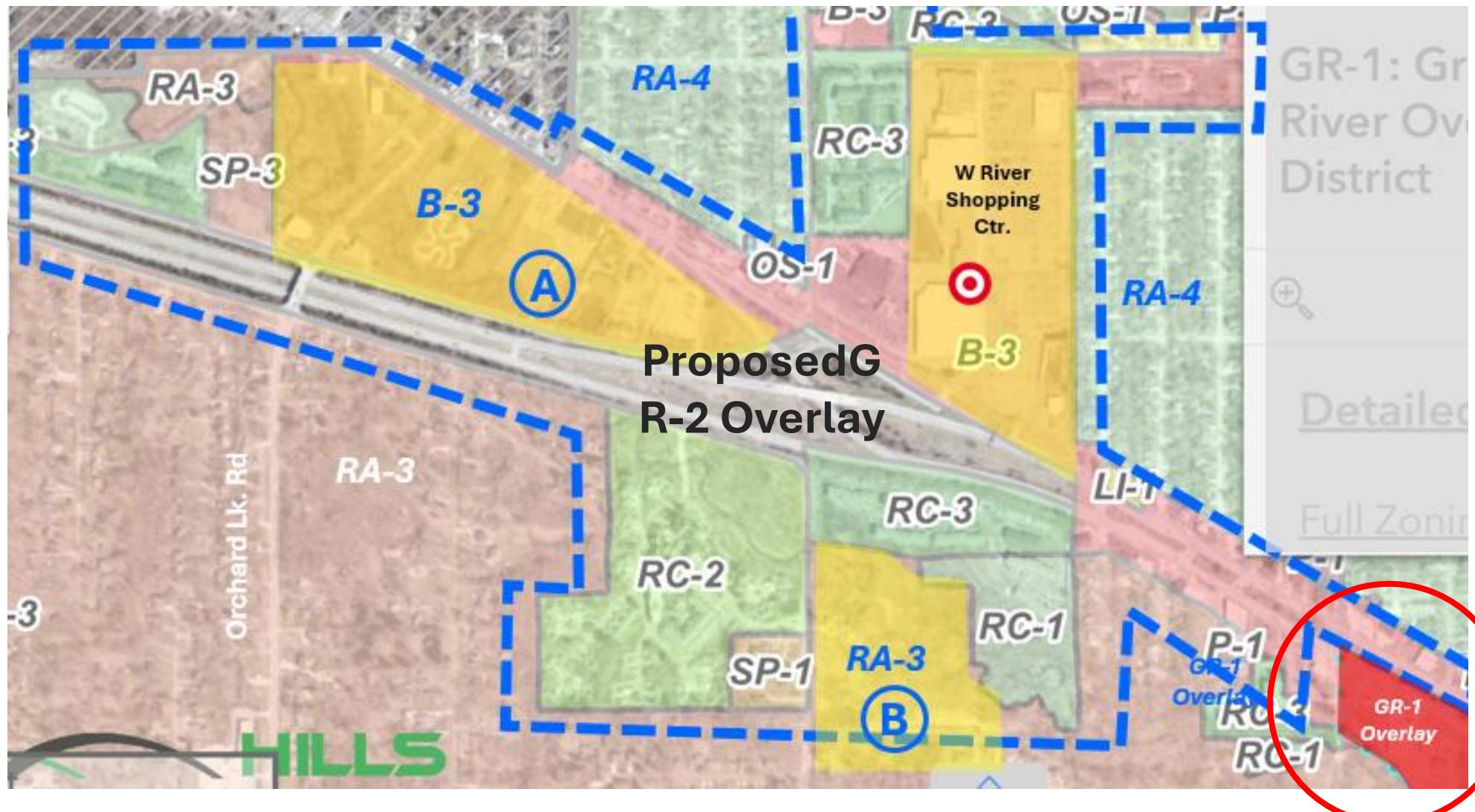
Gibbs Planning





Farmington Hills
Grand River Corridor Growth Study

Gibbs Planning



E. Grand River Market Demand

Grand River Avenue



Farmington Hills, MI

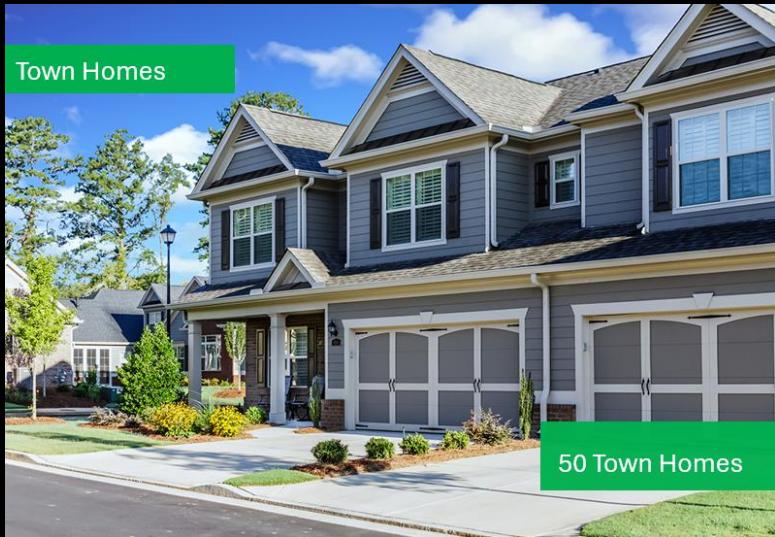
75,000 sf Office
90,000 sf Retail
15 Stores
6 Restaurants
400 – 600 Homes
Towns, Apartments
Single-Family

Gibbs Planning | Indigo Group

July 2, 2025

E. Grand River Market Demand

Grand River Avenue



E Grand River Corridor

2025 Residential Demand

50 Town Homes

100 Single-Family – Twins

250 Garden Apartments

400 -600 Total Dwellings

Farmington Hills, MI

Gibbs Planning | Indigo Group

July 2, 2025

Mixed-Use
Walkable Village



Farmington Hills, MI

Gibbs Planning | Indigo Group

July 2, 2025

E. Grand River Market Demand

Grand River Avenue

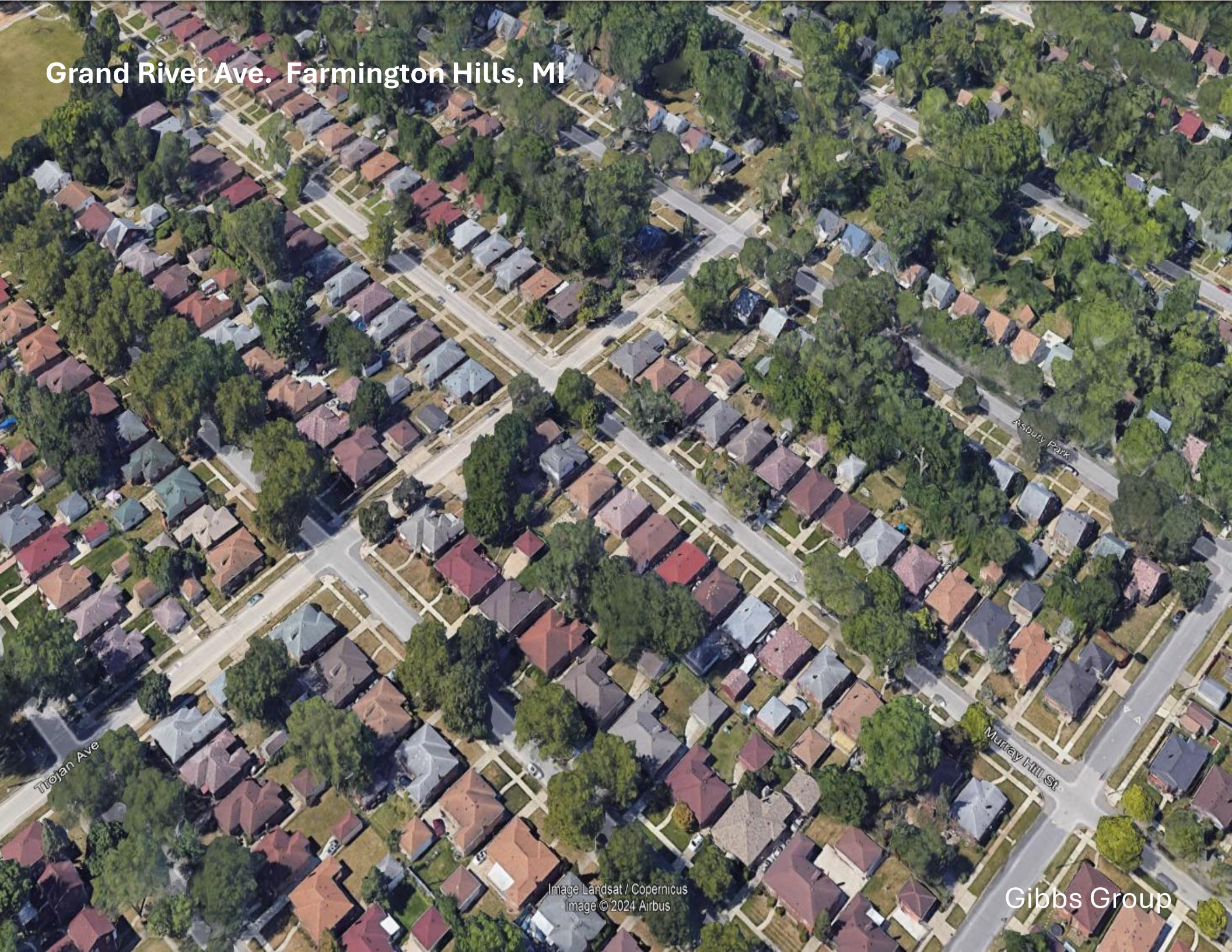


Farmington Hills, MI

Gibbs Planning | Indigo Group

July 2, 2025

Grand River Ave. Farmington Hills, MI



Trojan Ave

Asbury Park

Murray Hill St

Image Landsat / Copernicus
Image © 2024 Airbus

Gibbs Group

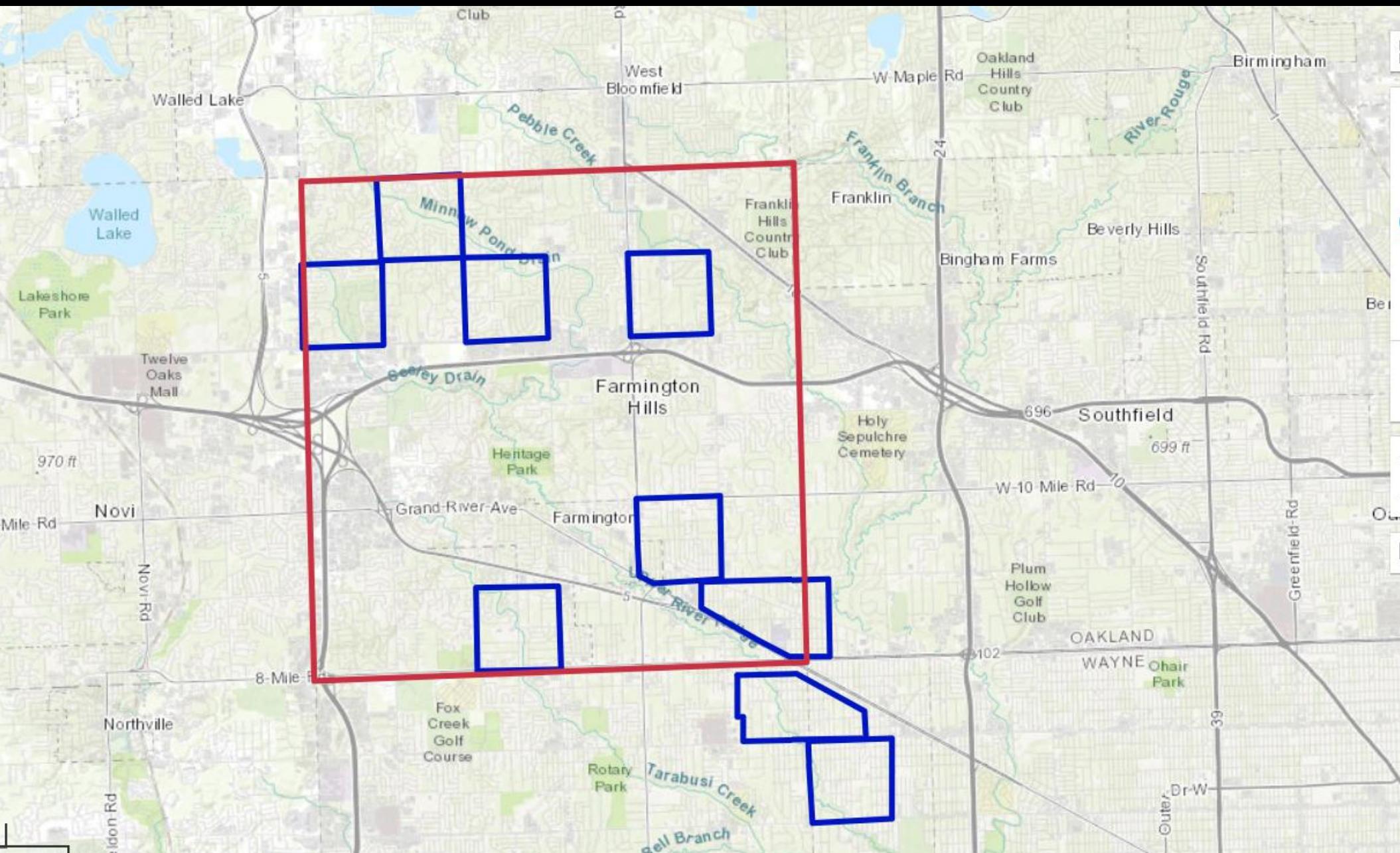
Halstead – 14 Mile Rd



Image Landsat / Copernicus

E. Grand River Market Demand

Grand River Avenue



Farmington Hills, MI

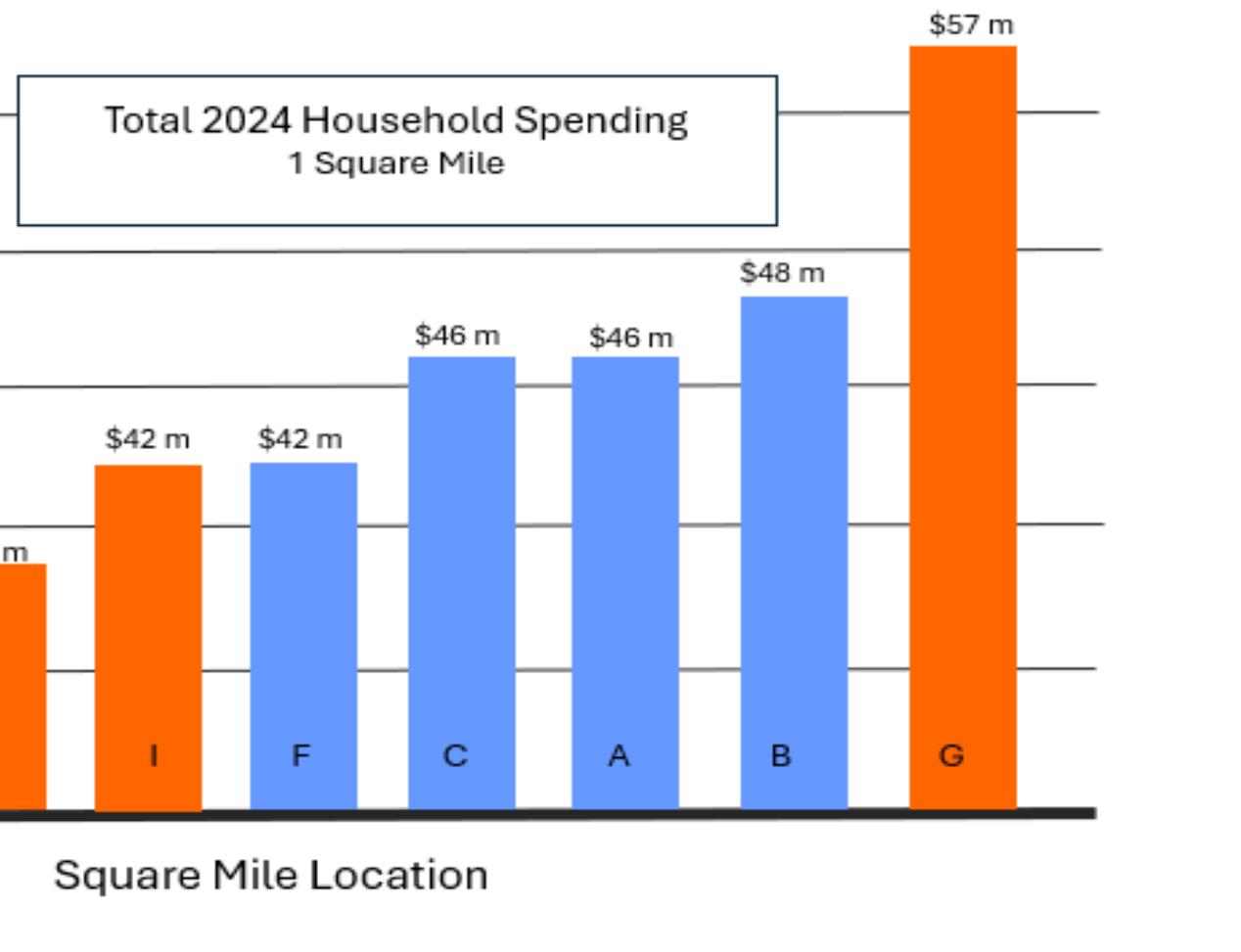
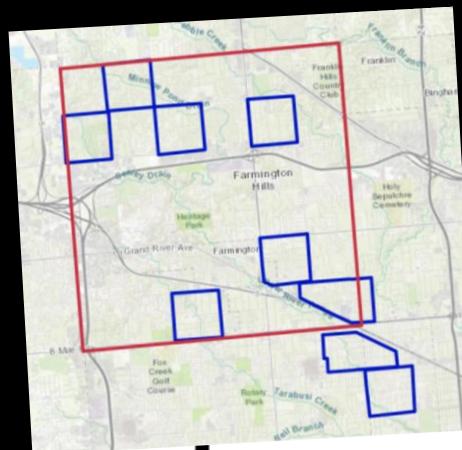
Gibbs Planning | Indigo Group

July 2, 2025

36

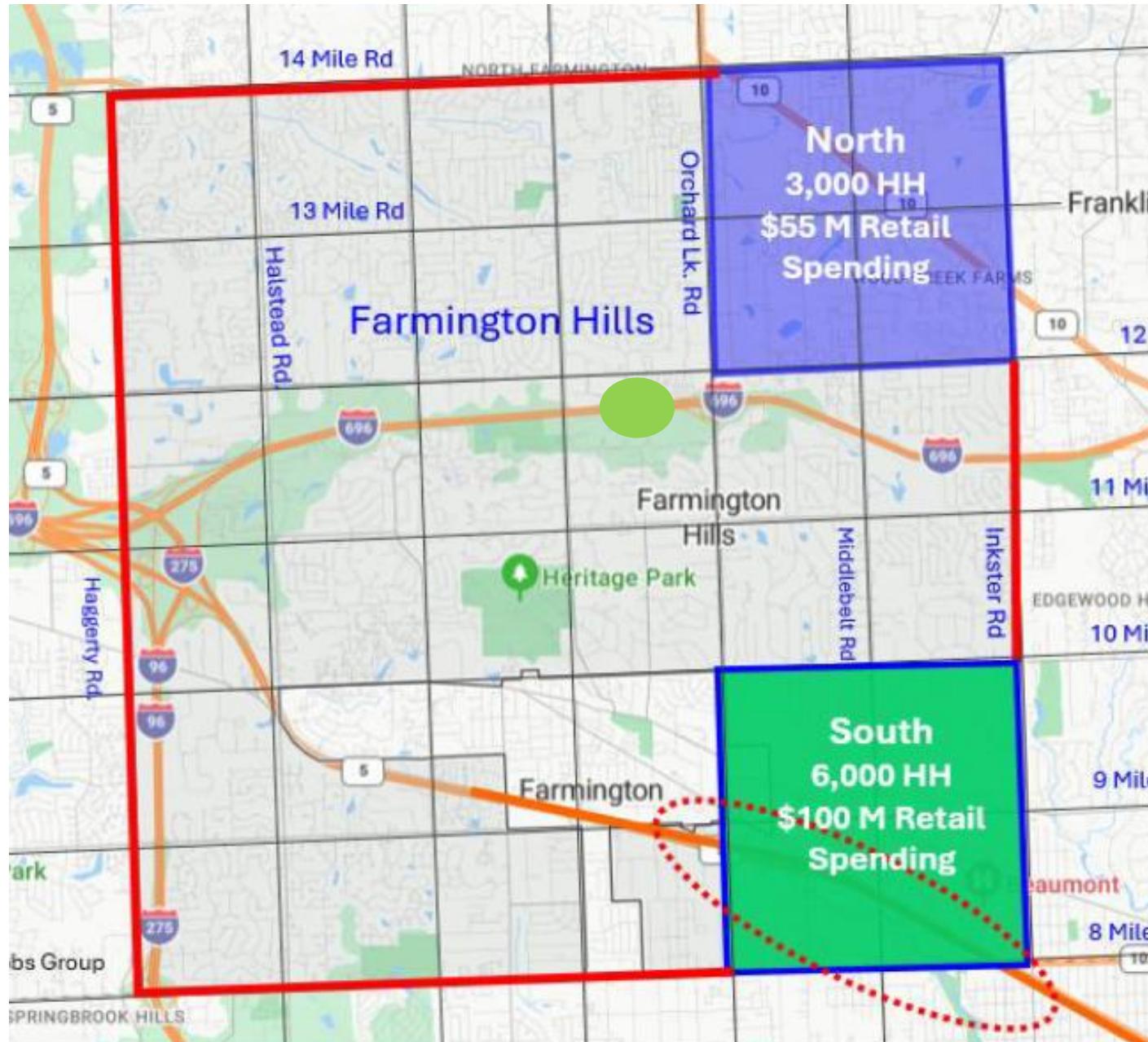
E. Grand River Market Demand

Grand River Avenue



E. Grand River Market Demand

Grand River Avenue



Square Mile Retail Spending Model
Total Household Retail Spending
Farmington Hills, Michigan

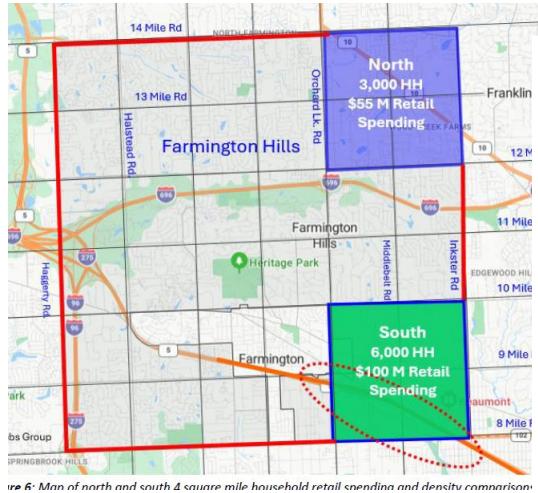


4 Sq. Miles

Figure 6: Map of north and south 4 square mile household retail spending and density comparison

E. Grand River Market Demand

Grand River Avenue



4 Sq. Miles



Square Mile Retail Spending Model Total Household Retail Sending

- N. Farmington
- S. Grand River

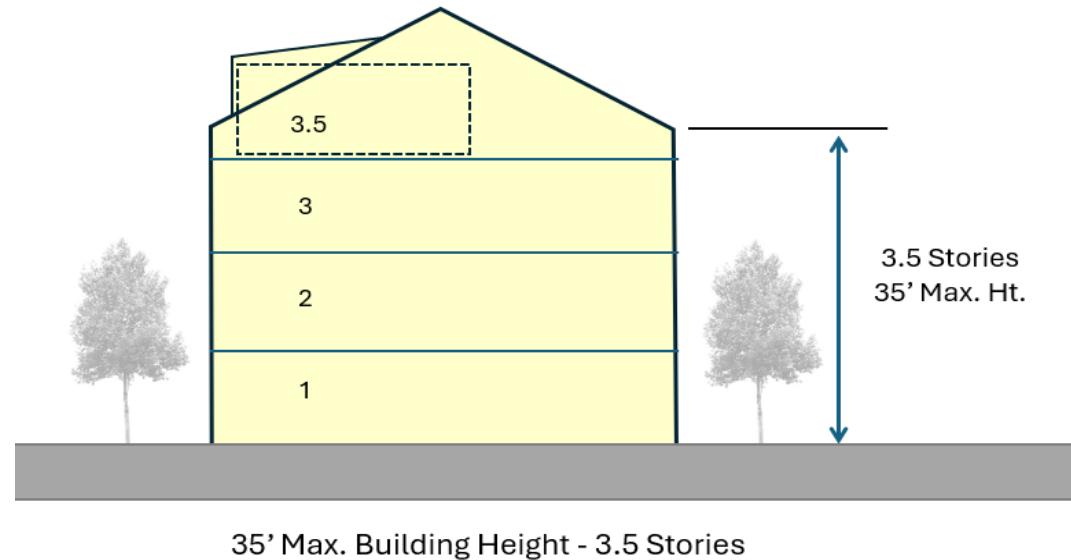


Grand River Corridor Growth Plan

Scale



Gibbs Group



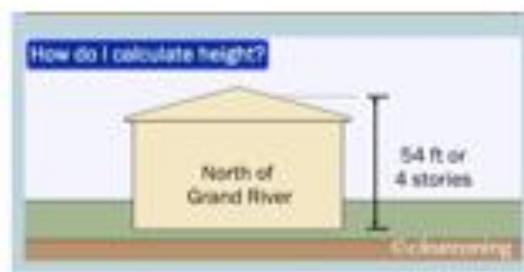


Proposed GR-2 Overlay - 35'

North of GR - 54'

West of Whittington South of GR - 65'

East of Whittington South of GR - 87'



The above drawings are not to scale.

