

**City of Farmington Hills
Sustainability Study
Executive Summary**

November, 2006

Introduction

Farmington Hills engaged Hooker | De Jong architects & engineers for a sustainability study in April, 2006. Hooker | De Jong is pleased to report findings and recommendations.

Farmington Hills, Michigan is a prosperous, thriving community that wants to remain so. Census and other demographic data reveal a community with higher than average income, home values and educational achievement. The data further reveals a City that is likely to grow, while becoming more multiracial, multicultural and older.

Currently, however, Farmington Hills is experiencing financial pressures similar to most Michigan cities. State revenues are declining, the housing market is in a slump, office vacancy rates are higher than usual, the automobile industry continues to have its challenges, land for new development is cheaper elsewhere and unemployment has increased. Facing these challenges, Farmington Hills has engaged this study to develop strategies for sustainability.

During this economically challenging time, Farmington Hills wants to sustain or improve City services, a high level of business activity and increasing residential property values. To determine the best strategies for achieving sustainability, City Council, community leaders, business leaders and staff were interviewed. Community forums were held to solicit input. Multiple reports, records and operations procedures were reviewed. Financial statements, annual budgets and previous studies were examined. Census data was reviewed and an analysis of property tax records was performed.

Sustainability Overview

Sustainability for Farmington Hills is recommended to be approached in three dimensions—financially, socially and environmentally. To remain financially sustainable, the City has to employ sustainability strategies that will reduce cost, increase revenues or both. To have social sustainability, the City has to be sensitive and reactive to the multiracial, multicultural and aging changes, delivering City services in a fair and impartial manner. To be environmentally sustainable, the City needs to think of the environment globally while acting locally. A three dimensional approach to sustainability has overlapping issues and strategies. The three dimensions are intertwined and the more they integrate, the stronger the strategy.

Financial Sustainability

Financial sustainability for Farmington Hills can be achieved by employing internal operating strategies and external economic development strategies.

Internally, the City is resolving under funded pension liability and retiree's hospitalization liability issues by allocating more resources to the arrears and by developing prospective policies that carry less risk of unfunded liability. This effort should continue.

Externally, the pursuit of economic development strategies that encourage reinvestment and redevelopment will be important to the financial sustainability of Farmington Hills. A focus on City assets will enable "brand" development as the best City in which to invest, personally and professionally. Becoming more development friendly will reinforce the effort. Most importantly, a new approach to zoning that permits more flexibility and mixed use within existing business zones will be a catalyst for new growth. Mingling commercial, residential and light industrial should encourage growth, redevelopment and new investment. Allowing higher buildings in the economic corridors should, likewise, encourage even more new investment, adding additional value to the tax base.

Social Sustainability

Essential to social sustainability are good schools and public safety. Farmington Hills enjoys both.

Continuing Farmington Hill's multicultural, multiracial sensitivity efforts will support social sustainability in Farmington Hills. Further, efforts to diversify the City's workforce and to develop workshops and programs that focus on understanding racial and cultural differences will enhance social justice. Sensitivity to increases in the senior population will allow Farmington Hills to adjust programming and develop housing accommodations policy accordingly.

A continued emphasis on responsive cultural and recreational programming will allow Farmington Hills to continue to enjoy a very strong social justice environment that continues to be welcoming to multiracial, multicultural residents and businesses.

Environmental Sustainability

The citizens of Farmington Hills express concern for the environment. The impact that Farmington Hills can make on the global environment is minimal. A community guideline for environmental progress, however, is to think globally and act locally. New infrastructure projects, capital improvement pursuits and programming should be environmentally sensitive.

Development of the Costick Center, street and highway improvements, additions to City Hall and the development of a new "Farmington Hills Forest" can all contribute to sustaining or improving the local environment.

The Relationships of the Sustainability Recommendations

The recommendations all relate. For example the economic development recommendations of establishing business corridors, high rise corridors, bicycle paths, culturally sensitive programming and intensive retention efforts have in common a strong return on investment in terms of increase in the tax base—directly or indirectly.

A Special Note on the Merger Recommendation

A strong recommendation is for Farmington Hills to pursue a merger with Farmington. Interviewees and encounter groups strongly favored a merger. Analysis reveals that a merger

would have benefits to both cities. Importantly, a merger would benefit the sustainability of Farmington Hills, providing additional tax base and population. Attached is an evaluation of the benefits of merger for each city as well as a summary of current cooperative efforts.

This effort may begin by engaging a facilitator to work with both entities.

Summary of Recommendations

Attached is a summary of the significant recommendations and a mapping illustration that shows the relationship of the recommendations to the development of the City of Farmington Hills as an entire entity.

Quality Design for Future Developments

Farmington Hills is distinguished as a quality place to live and do business. To sustain this distinction, with ever increasing competition and aging infrastructure, Farmington Hills should continue to further distinguish itself. It is suggested that Farmington Hills embrace an emphasis on quality design that becomes the standard for the community. Such a commitment would be incorporated into all future public projects. For example, as streets are being improved, the City Hall is being expanded, a new streetscape is being considered, a roundabout is being installed, a “splash park” is being created, or the Costick Center is being expanded, it is suggested that this be done to the very highest aesthetic design standards. The City might even consider a design “superstar” to assist with establishing the first few projects to establish a flair or identity that would be uniquely Farmington Hills’.

The Ultimate Benefit of the Sustainability Recommendations—Maintaining or Increasing Residential Property Values

For Farmington Hills, 65% of local tax income is derived from residential property values. Maintaining or increasing residential property values in the City is a most significant sustainability issue. Without increasing residential value, sustainability of the City is compromised. All of the sustainability recommendations relate to a strategy of increasing residential property values. For example:

- ✦ Increase in cultural programming = better community image = appeal to educated citizens = citizen satisfaction = desirability of living in Farmington Hills = sustained or increased residential property value.
- ✦ Increase of jobs in high rise district = more need for residential property = more likelihood of workers selecting Farmington Hills neighborhoods in which to live = sustained or increased residential property values.
- ✦ Continued good public safety services = low crime rate = safe community = desirability of living in Farmington Hills = sustained or increased residential property value.
- ✦ Upgrading central business district = better services to community residents = citizen satisfaction = desirability of living in Farmington Hills = sustained or increased residential property value.

Each recommendation has an ultimate outcome of sustaining or increasing residential property value.

Using the Sustainability Study and Recommendations

The study and recommendations should be useful to Farmington Hills in policy and program development. The recommendations are intended to guide the City's various boards and commissions and the City Council as policy is developed and decisions are made. Implementation will require that City Council, staff and others impacting policy put flesh on the recommendations to make them effective. For example, the recommendation to increase the density of the existing business and commercial development corridors needs to be implemented. It will take thoughtful work by the staff, the Planning Commission and the City Council to put in place the necessary zoning and procedural changes for implementation.

Most recommendations have a mid to longer term horizon. Future decision making at all levels in the City should be made in the context of sustainability, both as a guide and objective.

City of Farmington Hills, Michigan

Summary of Significant Sustainability Study Recommendations—Financial, Social and Environmental \November, 2006

Financial Sustainability/External and Internal

- ✦ Become even more proactive in encouraging reinvestment and redevelopment in the City, which will expand and grow the taxable value.
- ✦ Expand and intensify existing business retention efforts.
- ✦ Become proactive in pursuing merger with the City of Farmington. (See Appendix for a summary of advantages to both Cities.)
- ✦ Establish and designate a Central Business District located on Orchard Lake Road from 11 Mile to 14 Mile Roads and extending west on 12 Mile Road to the District Library and east to the High School, with appropriate zoning changes to allow for easier, more flexible and denser development.
- ✦ Establish and designate a South Business District located on 8 Mile Road from the eastern border to Farmington Road and including the triangle on Grand River that includes Botsford Hospital, with appropriate zoning changes to allow for easier, more flexible and denser development.
- ✦ Establish two High Rise Districts. One on the south side of 12 Mile Road along the I-696 corridor from Orchard Lake Road west to the boundary. The other on Haggerty Road from Grand River west of the I-275 Expressway, with appropriate zoning changes to allow for easier, more flexible and denser development.
- ✦ Modify zoning in the City of Farmington Hills industrial parks to encourage more mixed development, accommodating light industrial, warehousing and general offices. Allow building up to five stories.
- ✦ Orient economic development efforts to be knowledge based, capitalizing on existing research and development operations as well as the resources of the Oakland Community College, Wayne State University and the University of Michigan.
- ✦ Become more “development friendly” in this rapidly changing economy.
- ✦ Cease sending the message of “All Filled Up!” Developers and investors need to know that residential and commercial projects can still be built in the City.
- ✦ Redevelop Orchard Lake Road between Twelve and Fourteen Mile Roads as a six lane boulevard.
- ✦ Develop a strategy for upgrade of the roads, lighting and side walks in its older industrial parks making them more attractive and competitive.

- ✦ Continue with plans to fully fund the pension and retirees hospitalization programs as well as continuing efforts to reduce this liability for the future.
- ✦ Consider a Headlee override initiative if finances do not improve by 2010.
- ✦ Continue to emphasize improvements to residential areas in the southeastern quadrant.
- ✦ Continue to vigorously enforce building codes throughout the City.
- ✦ Develop a well-designed signage program to be installed at entries that establishes an identity for the community— with outstanding design.
- ✦ Develop a uniquely designed street lighting system that will enhance the image and look of the community—with outstanding design.

Social Sustainability

- ✦ Recruit and outreach to minorities and people of different cultural backgrounds so that the work force will more closely reflect the population.
- ✦ Establish a cultural and diversity training program for city staff, which may later be expanded to the entire community, perhaps through the offices of the Chamber of Commerce or another community based entity.
- ✦ Enhance and expand the multi-racial, multi cultural programming that has begun in the recreational and cultural services of the City.
- ✦ Expand, upgrade and rehabilitate the existing Costick Center.
- ✦ Ultimately develop the Costick Center as a cultural training center for youth to emulate such places located on the West side of the state such as Interlochen in Traverse City or the Blue Lake Fine Arts Camp in Whitehall.
- ✦ Consider additional senior housing developments in the City to accommodate growing senior housing needs.
- ✦ Continue policy of meeting annually with the Farmington Hills Board of Education to discuss issues and trends facing the Schools and the City.
- ✦ Work closely with the existing community foundation to increase the endowment and encourage the focus on the support of the cultural and arts programming of Farmington Hills.

Environmental Sustainability

- ✦ Continue to make all infrastructure improvements and additions with regard to the best practices toward preserving the environment.

- ✦ Formally develop a bicycle path program with the first path connecting the Costick Center, City Hall, Heritage Park, the Skating and Soccer Center and the South Business District.
- ✦ Pursue with the Federal and State Governments (and perhaps the City of Novi) the establishment of a forest on the publicly owned land that is located at the intersections of Routes 5, I-96, I-275 and I-696.
- ✦ Pursue all developments in the City with the highest design quality and environmental sensitivity, resulting in an enhanced identity for the City as being a community that is environmentally sensitive with outstanding design.

November, 2006

Advantages of Merger Between the Cities of Farmington and Farmington Hills

Advantages to Farmington Hills

- Adds value to tax base (approximately \$4.5 million based on the City of Farmington's 2006 budget).
- Adds 10,423 people to the population (2000 census).
- Adds 4,991 housing units (2000 census).
- Gives Farmington Hills a downtown and a focal point for the community.
- Improves Farmington Hills' image.
- Adds income to general fund operations.
- Simplifies jurisdictional lines for public safety and other services.
- Has the potential to reduce costs/allow for more efficient public services.

Advantages to Farmington

- Lowers tax burden.
- Improves image.
- Provides more resources for economic and downtown development.
- Simplifies jurisdictional lines for public safety and other services.
- Has the potential to reduce costs/allow for more efficient public services.
- Offers additional recreational and cultural programs for its citizens.

Summary of Current Shared Services/Cooperative Efforts

- Multicultural/Multiracial (MCMR) Community Council.
- Farmington Schools.
- Police and Fire Back-up.
- Recreational Programming.
- Cultural Programming.
- 47th District Court.
- Library District.
- Chamber of Commerce.

