

memorandum

DATE: January 26, 2022
TO: Rochester Hills Planning Commission
FROM: Jill Bahm & Joe Tangari, Giffels Webster
SUBJECT: Zoning Issue Discussion – Non-Residential Districts and Use Evaluation

Introduction

Over the past decade, the city has worked to establish the M-59 corridor as an engine for economic development. This goal is illustrated in the M-59 Corridor Plan and in the Master Plan. Zoning districts have been created to advance that goal through land use development. Several of these districts have been implemented on the zoning map, but two of them remain “paper districts” that are in the ordinance but not on the map.

Part of the reasoning behind the lists of permitted uses in these districts was the long-term decline in the space needed for manufacturing and industrial-type businesses. Other uses, and in particular indoor recreation uses, were permitted in these districts; these additional uses helped keep occupancy rates high as industrial uses sank to new lows.

Today, we are experiencing a rise in specialized manufacturing and industrial uses that has reversed the decline in demand for this type of space, and these businesses now have to compete with indoor recreation uses and other non-industrial uses for space. Meanwhile, vacancy rates are rising in commercial districts as the retail landscape changes.

Taken together, these changes in the economic and land use pictures have created a need to study the lists of permitted uses the City’s non-residential districts, and in the REC, ORT and I districts in particular to ensure sufficient availability of space for all uses. This discussion also considers whether all the districts in question are necessary, or whether some consolidation is called for. In conversations with staff, our analysis of the uses in these districts expanded to include a comparison to the B districts and the O-1 district.

Discussion

The Planning Commission will take the lead on evaluating specific uses and determining how these districts are to be regulated. At the joint meeting of City Council and the Planning Commission, we anticipate a high-level discussion that focuses on setting a policy direction for the Planning Commission to follow. This discussion is followed by background from the Master Plan and Zoning Ordinance.

Issues to Consider

ORT and REC districts

The ORT and REC districts are all built around providing places of employment, primarily of an industrial, research, or large office character. To varying degrees, these districts all permit a range of non-industrial uses, including commercial and recreational uses, and public facing office uses such as medical practices. In our discussion this evening, we should consider the economic development goals of these districts and whether it is appropriate to continue permitting non-industrial uses throughout the districts. Consideration should also be given to the possibility of consolidating some of these districts.

B-1 and O-1 districts

These districts are both on the map in limited, scattered locations. They have partially overlapping lists of permitted uses, and could potentially be consolidated into one district, perhaps with locational or screening standards to account for the fact that many of these parcels neighbor residential properties. Some consideration should be given to the O-1-zoned area between South Blvd and M-59—would this area be better served and more likely to develop with something more similar to ORT zoning?

B-5 District

This district is essentially for gas stations and car washes, and is mapped onto the location of those existing uses. This district could be merged with the B-3 district, with locational standards for the uses that are now exclusively permitted in B-5.

Consolidation and Definition of Use Terminology

Any changes made to these districts provide an opportunity to define and consolidate the use terminology in the ordinance. For instance, we have numerous similar uses, such as health clubs, dance studios, and private indoor recreation facilities; these could be combined as “indoor health, recreation, and instructional spaces” and permitted by district according to size, with facilities under 5,000 square feet permitted in the B-1 and B-2 districts and facilities 5,000 square feet and above permitted in B-3 and ORT.

Setting a Policy Direction: Principal Questions to Consider:

1. Should the industrial districts be re-focused on industrial uses, with fewer other uses permitted?
2. Which uses currently permitted in REC districts are appropriate?
3. Do we think merging the B-1 and O-1 districts would be beneficial?
4. Are you supportive of regulating indoor health, recreational, and instructional uses and perhaps other uses by size?
5. The face of retailing is changing. How important is flexibility in commercial districts?
6. Which uses, if any, are inconsistent with commercial districts?

Background

Master Plan

The 2018 Master Plan provides for several land use designations related to industrial and job creating uses. It references the M-59 Corridor Plan with a description of the overall intent and land use designations. The intent of the REC district is summarized below:

- The Regional Employment Center (REC) district is recognized as the economic engine of the city due to its proximity to M-59 and the current mix of office, research, technology, light industrial, commercial, and regional retail uses.
- The area will continue to provide opportunities for light manufacturing, research and development, office, and retail uses in evolving mixed-use districts.
- A variety of additional modern office and mixed-use developments will be incorporated into the district’s existing residential neighborhoods, industrial/office parks, and auto-centric commercial and retail uses.
- High quality building design and materials
- Attractive signage that includes context-sensitive wall and monument signs and excludes billboards
- Ample landscaping that provides year-round benefits and encourages the use of native vegetation.

Future Land Use descriptions – REC & Industrial

The Master Plan includes the following land use descriptions:

Interchange:

- The Interchange development area is located near the M-59/Crooks Road interchange
- Currently categorized by underutilized strip malls and older or underused industrial properties
- Future development should have a street presence featuring high quality design to create a memorable first impression for visitors to the area.
- Appropriate uses for this area include office, research, retail, and multiple-family residential on the upper floors of mixed-use buildings.

Technology and Office:

- The Technology and Office Image corridor is envisioned adjacent to M-59 and Adams Road.
- This high visibility corridor is physically separated from existing residential development and offers an opportunity for more intense non-residential uses.
- Future development in this area should establish a presence along the M-59 corridor, featuring taller buildings, up to six stories, with reduced street setbacks.

Workplace:

- Employment development areas, or workplace areas, are generally located where single-family residential development currently exists south of M-59.
- These areas are envisioned to evolve over time, with land transitioning from traditional single family uses to more office and research park type uses as land is acquired and rezoned appropriately.

Regional Commercial:

- Much of the recent commercial development in this area has taken place west of Adams Road and south of M-59 in the Adams Marketplace development.
- The recently constructed large-footprint and strip-mall style developments are not planned to change and future land use considerations should focus on the stability, visibility and connectivity of the area.

Industrial

- Light manufacturing operations that are not of sufficient size or scale to negatively impact surrounding non-industrial use areas.
- Bump and paint shops, warehousing and wholesaling, and light assembly operations.
- In the Hamlin/Avon Landfill area, light industrial is envisioned to be developed consistent with low-impact design features and/or be businesses that focused on or support sustainability, energy generation and/or recreation.

The Master Plan did not include the Corridor Mixed Use category from the M-59 Corridor Plan. This designation was intended to be:

- Located along major roads at the perimeter of the study area. These development areas are intended to upgrade the image of the study area along these perimeter streets, while accommodating mixed uses.
- Locations for office, service, retail and residential.

Zoning Plan

The Master Plan includes a Zoning Plan that illustrates how the land use designations (vision for the future) correspond with zoning districts (the legal framework for development). The Plan does not call for the creation of any new districts, nor does it include two of the REC districts that are not applied to any property in the city.

Zoning Plan (from 2018 Master Plan)	
Future Land Use Designation	Intended Zoning District
Workplace	REC-W Regional Employment Center Workplace District
Technology and Office Image Corridor	ORT Office - Research - Technology
Interchange	REC-I Regional Employment Center Interchange District
Regional Commercial	ORT Office - Research - Technology
Industrial	I Industrial
Commercial Residential Flex 3	B-3 Shopping Center Business with FB-3 FB Overlay

The table below includes the land use description and all the applicable zoning districts, including those not applied. It is helpful to review the intent of a district when considering its list of uses.

FLU / M59 Corridor Plan	Corresponding Zoning District & District Intent Statement	
Technology and Office Image Corridor	ORT	Combination of complementary uses; Avoid short term/speculative investments; Highest and best use of the area; Optimize tax base and economic development; Tool for redeveloping and revitalizing areas with existing buildings and infrastructure; Transitions
Workplace	REC-W	Perimeter of REC area; Existing industrial and tech parks developed in 1980's and 90's; Intent to allow continued evolution while maintaining compatibility with residential abutting perimeter
Technology and Office Image Corridor	REC-C (paper)	Adjacent to and visible from M-59; Ranch of industrial and office uses that benefit from visibility; Existing industrial and tech parks developed in 1980's and 90's; Intent to allow continued evolution and intensification; Not adjacent to residential uses, supporting higher maximum height limits Note: these parcels are currently generally zoned ORT.
Interchange	REC-I	City gateway at Crooks and M-59; Appropriate for higher intensity development, potentially with mixed uses
Corridor Mixed Use (M-59)	REC-M (paper)	Along major roads at perimeter of REC; Intended to upgrade image of the area and provide services and residential to support businesses Note: these parcels are currently zoned a mix of ORT, REC-W, I, and R-2

Corridor Plan)¹		
Commercial Residential Flex-3	B-3	Cater to the needs of the larger consumer population; located typically in shopping center locations characterized by establishments so grouped as to generate larger volumes of vehicular and pedestrian traffic.
Industrial	I	Primarily wholesale, warehouse, and industrial operations not detrimental to surrounding districts; Permits manufacturing, compounding, processing, packaging, assembly, and/or treatment of products; Intent to prohibit processing of raw materials in bulk form

Zoning Districts & Permitted Uses

The following use matrix shows what is permitted in the ORT, I, and REC districts. The B-1, B-2, B-3, B-5, and O-1 districts are also included for reference; a review of the table shows that many of the non-industrial uses permitted in the districts under study are also permitted elsewhere. The highlighted parts of the matrix could be opportunities for discussion as to whether they are appropriate/needed in their respective districts. The “paper” districts are proposed to be removed. See the footnotes for questions and recommendations.

Uses/Zoning District	ORT	REC-W (paper)	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Animal and Agriculture	ORT	REC-W (paper)	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Kennels ²		C		C		C					
Pet Boarding Facilities ²		P		P		P	P	P	P		
Raising and Keeping of Animals ³		P	P	P	P	P	P	P	P	P	P
Veterinary Hospitals or Clinics ⁴							P	P	P		C
Residential	ORT	REC-W (paper)	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Attached Dwelling Units				P	P ⁵						
Nursing Homes, Convalescent Homes and Assisted Living Facilities					C			C	C		

¹ REC-M land use designation not included in 2018 Master Plan.

² The definitions of “kennels” and “pet boarding facilities” should be refined to better clarify the distinction between the two uses.

³ This use is not appropriate for most of these districts.

⁴ These are similar to medical offices and could be permitted in the same locations. Use standards could deal with any outdoor components.

⁵ There does not appear to be a need to include residential units in these districts.

Uses/Zoning District	ORT	REC-W (paper)	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Community, Public, and Recreation	ORT	REC-W (paper)	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Colleges, Universities, or Other Institutions of Higher Learning Offering Courses in General, Technical, or Religious Education	P		C	C							
Libraries and Museums	P	P	P	P	P	P ⁶					
Nursery Schools, Day Nurseries, Child Care Centers, Adult Foster Care Large Group Homes, and Adult Foster Care Congregate Facilities				C	P		P	P	P		P
Places of Worship		P	P	P	P	P ⁷					
Private Clubs, Fraternal Organizations and Lodge Halls					P ⁷			P	P		
Privately Operated Recreational Facilities Located on Publicly Owned Parkland		P	P	P	P	P	P	P	P	P	P
Utilities and Publicly Owned Buildings and Uses	P	P	P	P	P	P	P	P	P	P	P
Transit Passenger Stations				P		P	P	P	P	P	P
Commercial and Retail	ORT	REC-W (paper)	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Alcoholic Beverage Sales (for on-premises consumption) Accessory to a Permitted Use	C	C	C	C	C	C	C	C	C		C
Automotive Gasoline Service Stations and Associated Retail Uses				C						P	
Automotive Service Centers		C	C	C		C			C	C	
Banks, Credit Unions and Similar Uses				P	P		P	P	P		P
Banquet Halls and Conference Centers	P			P				P	P		C
Car Washes				C						C	

⁶ This use is not needed in districts with an industrial character.

⁷ Assembly uses are not necessary to include in districts with an industrial character.

Uses/Zoning District	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Drive-Through Accessory to a Permitted Use				C	C		C	C	C	C	C
Dry Cleaners				P	P		P	P	P		
Health or Exercise Clubs ⁸	C			P ⁹	P		P	P	P		
Offices/Showrooms or Workshop Establishments				P	P		P	P	P		
Outdoor Display and Sales of Goods				P	P		P	P	P		
Outdoor Sales of Used Cars, Recreational Vehicles, Travel Trailers and Manufactured Homes					C			C	C		
Private Indoor Recreational Facilities		P	P	P		P ¹⁰		P	P		
Restaurants, Drive-In or Drive-Through				C	C			C	C		
Restaurants, Sit Down	P			P	P			P	P		
Retail Establishments	P			P	P		P	P	P		
Sales and Service of Food Outdoors	¹¹			P	P			P	P	P	
Office and Service	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Dry Cleaners				P	P		P	P	P		
Hotels, Motels and Residential Inns	C	P	P						C		
Medical Offices and Clinics ¹²	P	P	P	P	P	P ¹³	P	P	P		P
Personal Service Establishments				P	P		P	P	P		P
Professional Offices	P	P	P	P	P	P	P	P	P		P

⁸ Should be better-defined to distinguish it from indoor recreation; entertainment uses such as laser tag should be kept in commercial districts. Smaller uses could be permitted in more districts, larger in fewer.

⁹ Is this a use needed at the Interchange area? It is likely that such uses are more community-oriented and less regionally-oriented.

¹⁰ These uses appear to be provided for elsewhere and may not be needed in industrial areas if more industrial-type properties are needed.

¹¹ This could be permitted along with restaurants to reflect a growing demand for outdoor dining.

¹² A locational standard should keep this use on the periphery of industrial districts—it is meant to be accessed by the public, and has a different use profile from typical industrial uses, which do not bring in the public.

¹³ This is a heavy industrial district—these uses are not best located here.

Uses/Zoning District	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Research and Development and/or Technical Training, including Data Processing and Computer Centers	P	P	P	P		P					P
Studios or Instruction Centers for Music, Art, Dance, Crafts, Martial Arts, etc.				P ¹⁴	P		P	P	P		

Uses/Zoning District	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Industrial, Research, and Technology	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Assembly and Machining Operations when adjunct to Research and Development Activities occurring at the same Location	C	P	P	P		P					
Auto Racetracks, including Midget, Carting, and Snow-Manufactured Tracks						C					
Automobile and Machinery Assembly Plants		P	P	P		P					
Building Material Storage and Sales		P	P	P		P					
Caretaker's or Manager's Residence						P					
Commercial Communication Towers, including Commercial Television, Radio, and Public Utility Transmitting and/or Receiving Towers and Receiving Microwave Antennas						C					
Contractor's or Builder's Office including a Storage Equipment Yard if related to the Contracting or Building Business						P					
Dry Cleaning Plants		C	C			C					
Equipment and Trailer Rental Facilities		P	P	C		P					
Freight Yards and Terminals		C	C			C					
Gun Clubs (for-profit or not-for-profit)		P	C			C					

¹⁴ It is likely that such uses are more community-oriented and less regionally oriented.

Uses/Zoning District	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Heating and Electric Power Generating Plants						P					
Junkyards		C				C					
Laboratories (experimental, film, or testing)	C ₁₅	P	P	P		P					P
Lumber and Planing Mills						C					
Manufacture, Compounding, Processing, Packaging or Treatment of finished or semi-finished Products, Articles, or Merchandise where the External and Physical Effects are Restricted to the Site and will not Impact Neighboring Land Uses.	16	P	P	P		P					
Manufacture, Compounding, Processing, Or Packaging of Raw Materials into finished or semi-finished Products, or Manufacturing, Compounding, Packaging or Recycling Operations that will Generate External Physical Effects that will be Felt to some Degree by Neighboring Land Uses		C	C	C		C					
Manufacture of Scientific Instruments, Electrical or Electronic Prototypes, and Specialized Display and Exhibit Materials	C	P	P	P		P					
Metal Plating, Buffing and Polishing		C	C	C		C					
Media and Entertainment Production Facilities	P	P	P	P		P		P	P		P
Oil or Gas Wells						P					
Painting and Varnishing Shops		P	P			P					
Recreational Vehicle Storage Yards		C	C	C		P					
Tool, Die, Gauge and Machine Shops		P	P	P		P					
Tractor and Trucking Facilities, including Storage and Repair		C	C	C		C					
Vehicle Collision Repair and Undercoating		P	P	P		P					
Warehousing and Wholesale Establishments		P	P	P		P					
Waste Lagoon Ponds						C					

¹⁵ This seems like a low-impact use that could be permitted by right in this district.

¹⁶ Are these uses that could be permitted in the ORT with conditions to mitigate any off-site impacts?

Uses/Zoning District	ORT	REC-W	REC-C (paper)	REC-I	REC-M (paper)	I	B-1	B-2	B-3	B-5	O-1
Water Supply and Sewage Disposal Plants						P					
Water and Gas Tank Holders						P					