**Madison Heights City Hall**
**300 West 13 Mile Rd**
**Madison Heights, MI 48071**

MH 26-XX



# 27025 JOHN R. ROAD

Parcel # 44-25-14-483-037

## DEVELOPMENT REQUEST FOR PROPOSALS

For the purchase and redevelopment of City-owned property in Madison Heights' Downtown District.

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# WELCOME TO DOWNTOWN MADISON HEIGHTS

The City of Madison Heights, Michigan, invites real estate developers to submit proposals for a city-owned catalyst site at the center of our emerging downtown district.

The City seeks a working relationship with a qualified developer best positioned to meet the goals of this project, ultimately making a mixed-use destination that supports a walkable and inviting downtown.



11 Mile Streetscape Project

# THE DEVELOPMENT OPPORTUNITY

**Prime Location**

Highly visible gateway at John R Road (15,450 AADT) & 11 Mile Road (13,250 AADT)

**Public Ownership**

City-owned property creates an opportunity for a coordinated public-private partnership.

**Public Investment**

The City of Madison Heights and DDA have been supporting capital investments and programs to strengthen walkability and corridor identity.

**Incentives**

Eligible financial incentives may be available to support redevelopment.

# A PRIME OPPORTUNITY TO SHAPE MADISON HEIGHTS' DOWNTOWN

27025 John R. Road offers developers the opportunity to help shape the future of downtown Madison Heights. Positioned within the DDA district, this strategic site will anchor new investment, capitalize on a growing small-business community, and bring the city's vision for a vibrant, walkable downtown to life. For the right development partner, it's a chance to create a destination that drives activity, attracts new businesses, and delivers lasting value to the community.

## Recent Initiatives

- **New City Center Zoning District** Adoption of a form-based zoning district to guide a more walkable, mixed-use downtown.
- **Strategic Site Acquisition** City acquisition of this key corner property to help advance downtown revitalization.
- **Façade & Signage Grant Program** Matching grants help downtown businesses invest in high-quality building exteriors and signage, with funding opportunities available to future commercial tenants.
- **11 Mile Streetscape Improvements** First phase completed, including on-street parking, expanded pedestrian areas, a 10-foot-wide multi-use pathway, landscaping, bike racks, benches, trash receptacles, pocket parks, and public art.



The Custard Company and 11 Mile Amenities



Downtown Touchdown Event on 11 Mile



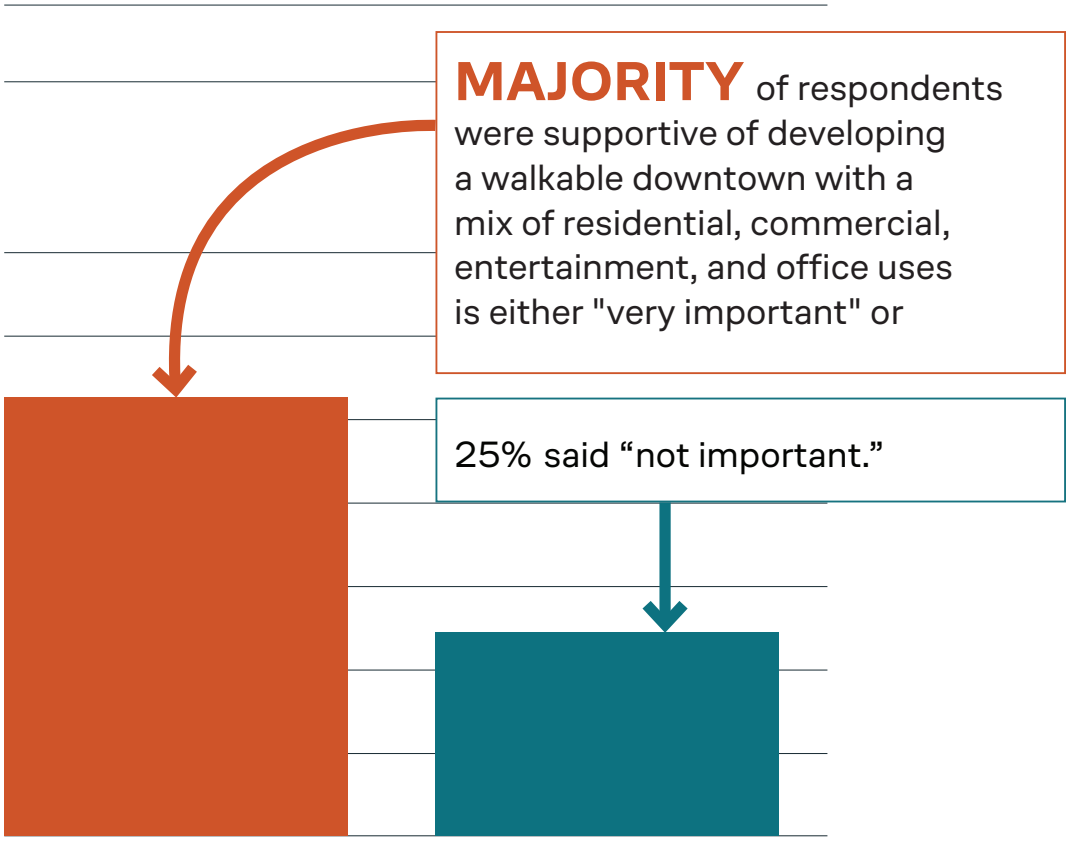
Telway Hamburgers at 11 Mile and John R.

# SUPPORTING A WALKABLE DOWNTOWN

A walkable downtown has long been a community priority in Madison Heights. The City's recently adopted master plan reinforces this vision, calling for a vibrant, connected destination that brings together residential, commercial, entertainment, and office uses.

**Results from the 2021 Masterplan**

**How important is it for the City of Madison Heights to focus on the development of a walkable downtown area with a mix of residential, commercial, entertainment, and office uses?**



# MARKET SCAN

A preliminary market scan has been completed to identify potential highest and best uses for the site, exploring development opportunities that align with market demand, complement the surrounding downtown context, and advance Madison Heights' vision for a vibrant, walkable destination.

## TAKE-AWAYS

An increased number of households, a 74.8% small-household majority, and rising incomes point to strong potential for well-designed, small-format rental housing in downtown Madison Heights.

Combined with a stock-to-household mismatch, slower retail absorption, and high-end rental demand in peer cities, the site presents an opportunity to deliver housing that responds to market needs while catalyzing downtown investment.

PRIMARY USE

**Residential-led**

UNIT MIX

**Studio & 1BR weighted**

POSITIONING

**Top-of-market finish**

### Allow flexibility on retail

Leverage the site to increase foot traffic and support existing businesses, with limited need for additional retail.

### Fewer people, but more households.

60-75% small units to match the 74.8% of households that are 1-2 person; limit 3 bedroom family product.

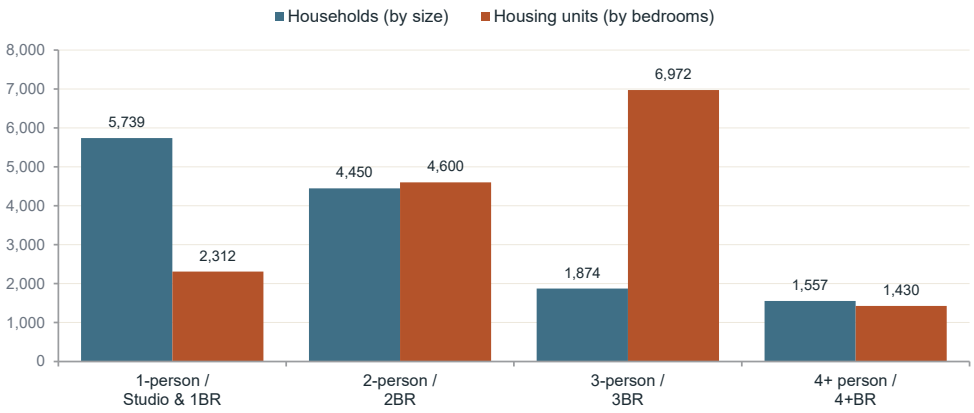
### Peer cities prove demand for top-of-market rent.

Neighboring cities capture a greater share of high-end rentals, signaling untapped demand. Target rents of $1,500+/month to position new housing above Madison Heights' existing market.

# MARKET SCAN

## *Existing housing stock is built for a disappearing household.*

Small households are in a market of large homes.




**-3,427**

fewer studios and 1-bedroom homes than 1-person households, showing unmet demand for small units.

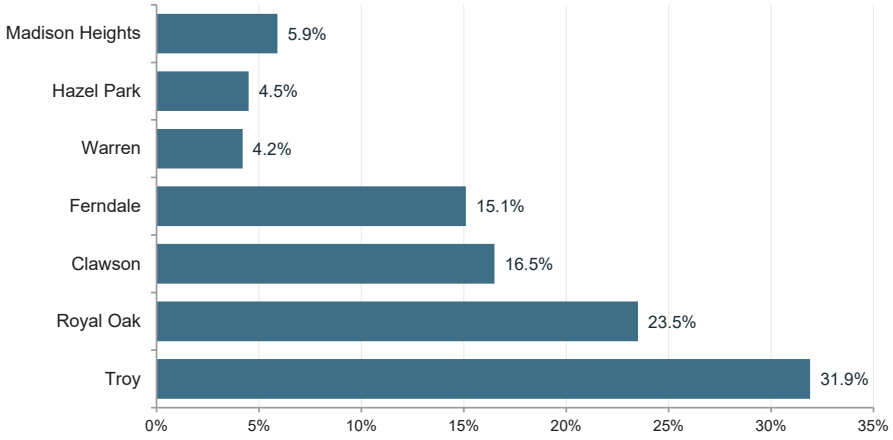
**+5,098**

more 3-bedroom homes than 3-person households, meaning larger homes are occupied by smaller households.

## *Peer cities prove demand for top-of-market rent.*

Even modest neighbors capture more high-end rental share than Madison Heights, which is a signal of untapped demand.

**Share of rental units at $1,500+ /mo**




Madison Heights sits near the bottom, but with a higher-income base than Warren or Hazel Park.

**Median rent, peer set**

| | |
|---|---|
| Troy | $1,332 |
| Royal Oak | $1,178 |
| Ferndale | $1,140 |
| Clawson | $1,070 |
| **Madison Heights** | **$1,031** |
| Hazel Park | $940 |
| Warren | $920 |

**The opportunity:**
Only 5.9% of Madison Heights rentals reach $1,500+, vs. 15–32% in Ferndale, Royal Oak and Troy. With incomes now at $69.5k, the city can support new top-of-market product it doesn't yet offer.

*Source: ACS 5-Year Estimates, 2024. $1,500+ share = sum of $1,500–1,999 and $2,000+ rent bands.*

# CITY CENTER ZONING

The property is within the “City Center” form-based zoning district, which was adopted as part of Madison Heights’ recent comprehensive Zoning Ordinance rewrite. The City Center designation is intended to promote a mix of residential, office, retail, restaurant, entertainment, and gathering spaces in a vibrant, pedestrian-friendly district.




Mixed-Use Building Types are subject to the following design standards:

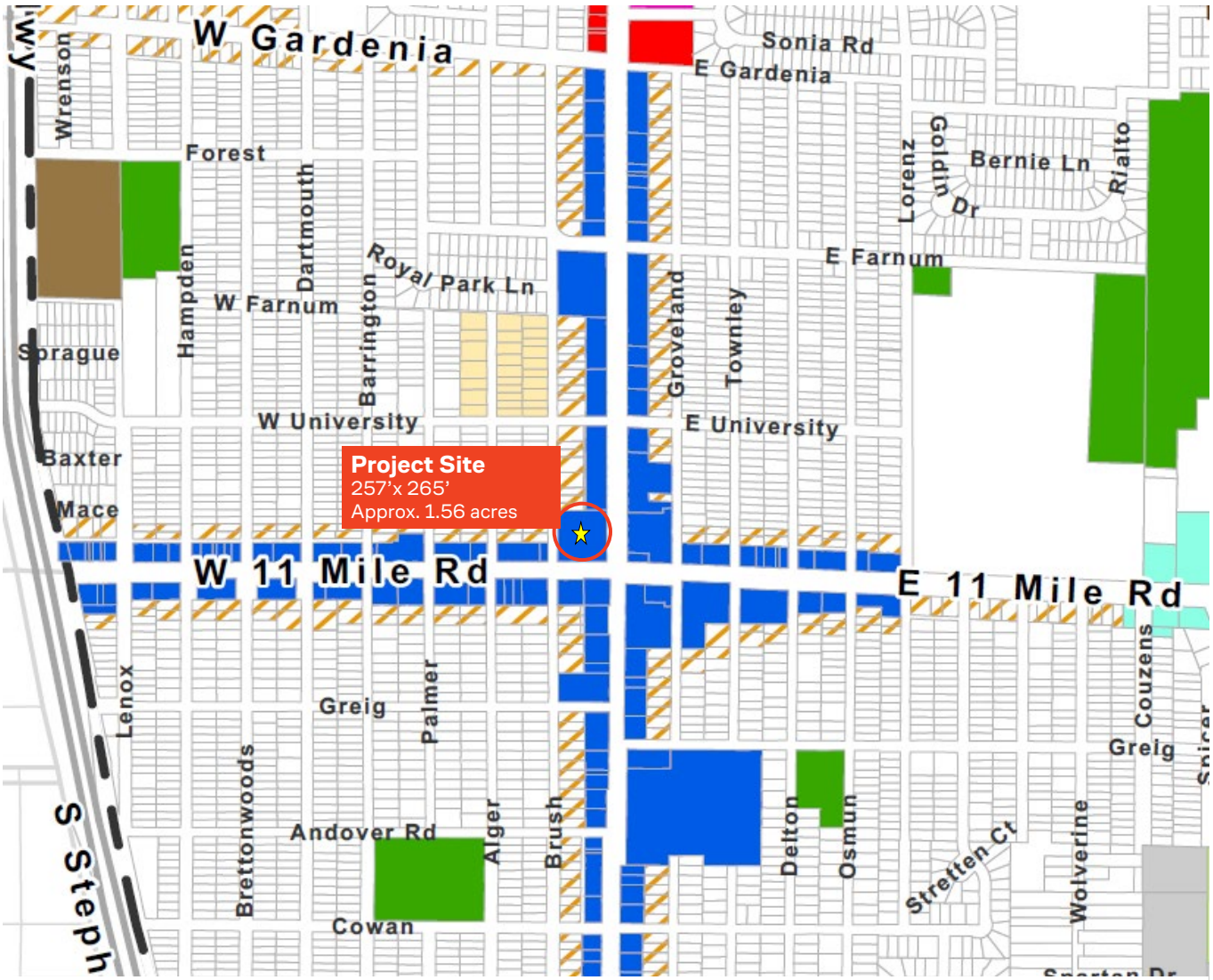
The following are conceptual renderings and building type examples found in the City Center District within our Zoning Ordinance, as well as images from mixed-use developments  These graphics are not necessarily a depiction of what a developer ought to propose but do serve as examples of what may be a good fit for this prominent downtown corner.








# CITY CENTER ZONING




Legend

- B-1 Neighborhood Business District
- B-2 Community Business District
- B-3 Regional Business District
- CC City Center
- H-M Manufactured Home District
- M-1 Light Industrial District
- M-2 Heavy Industrial District
- MUI-1 Mixed Use Innovation
- MUI-2 Mixed Use Innovation
- N-P Natural Preservation and Recreation District
- O-1 Office Building District
- R-1 One-Family Residential District
- R-2 One-Family Residential District
- R-3 One-Family Residential District
- R-MF Residential Multiple-Family
- R-MN Residential Mixed Neighborhood
- City Boundary
- Other Municipal Boundaries
- Roads




# THE SITE

### COMMERCIAL CORRIDOR

The 1.54-acre site occupies a prominent location along John R. Road at 11 Mile Road, within an established commercial corridor with strong visibility and access.

### RESIDENTIAL NEIGHBORHOOD

The surrounding context transitions to an established single-family residential neighborhood along Brush Street, near the northwest corner of the site. This adjacency presents an opportunity to thoughtfully integrate new development with the surrounding residential fabric.

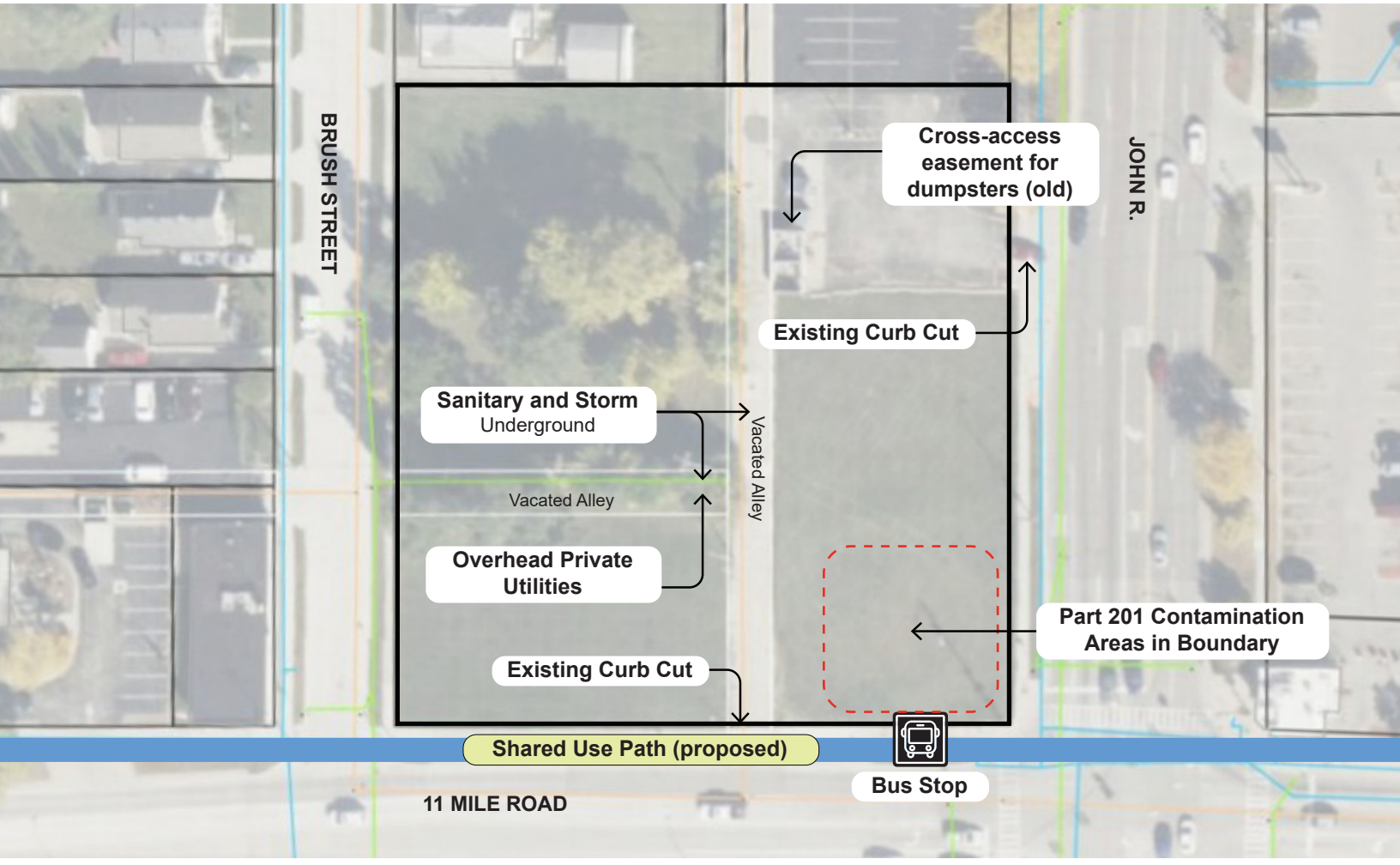
# SITE EXISTING CONDITIONS

### STRUCTURES
The parcel is currently vacant with no existing structures.

### EASEMENTS & AGREEMENTS
A cross-access agreement with Beyond Home provides dumpster access at the northeast corner of the site but does not need to be maintained.

### UTILITIES
Two vacated alleys contain existing utilities. The north-south alley connecting to 11 Mile Road contains underground sanitary and storm sewer infrastructure. The east-west alley connecting to Brush Street contains overhead private utilities.

Water: City of Madison Heights
Sanitary Sewer: City of Madison Heights
Storm Sewer: City of Madison Heights
Electric : DTE
Natural Gas : Consumers



# ENVIRONMENTAL CONDITIONS

This property is designated as a Part 201 facility under Michigan environmental regulations, with an associated leaking underground storage tank (LUST) designation under Part 213 (EGLE Facility ID 00040328). The site's history includes former gasoline station and automotive repair operations from the 1960s through the 1990s, resulting in petroleum-related contamination in soil and groundwater. The underground storage tank was removed in 2000, followed by multiple environmental investigations, including Phase I and limited Phase II Environmental Site Assessments, and Baseline Environmental Assessments (BEAs).

The most recent environmental reports, completed in September 2025, include a Phase I ESA, BEA, and Due Care Compliance documentation.

***Copies of these reports are available upon request. Developers will need to complete their own Phase I and coordinate due diligence related to their proposed development.***

## Date Milestones and Findings

**1979** Historical document indicates intent to install 8,000- and 10,000-gallon gasoline USTs. Establishes former petroleum-use history.

**1980** Five former gasoline/service-station USTs removed.

**1999** Techna Limited Phase II ESA: four borings and soil/groundwater testing; contamination identified in former pump-island area. CVS BEA also referenced.

**2000** 550-gallon waste-oil UST; verification samples showed contamination and release was reported.

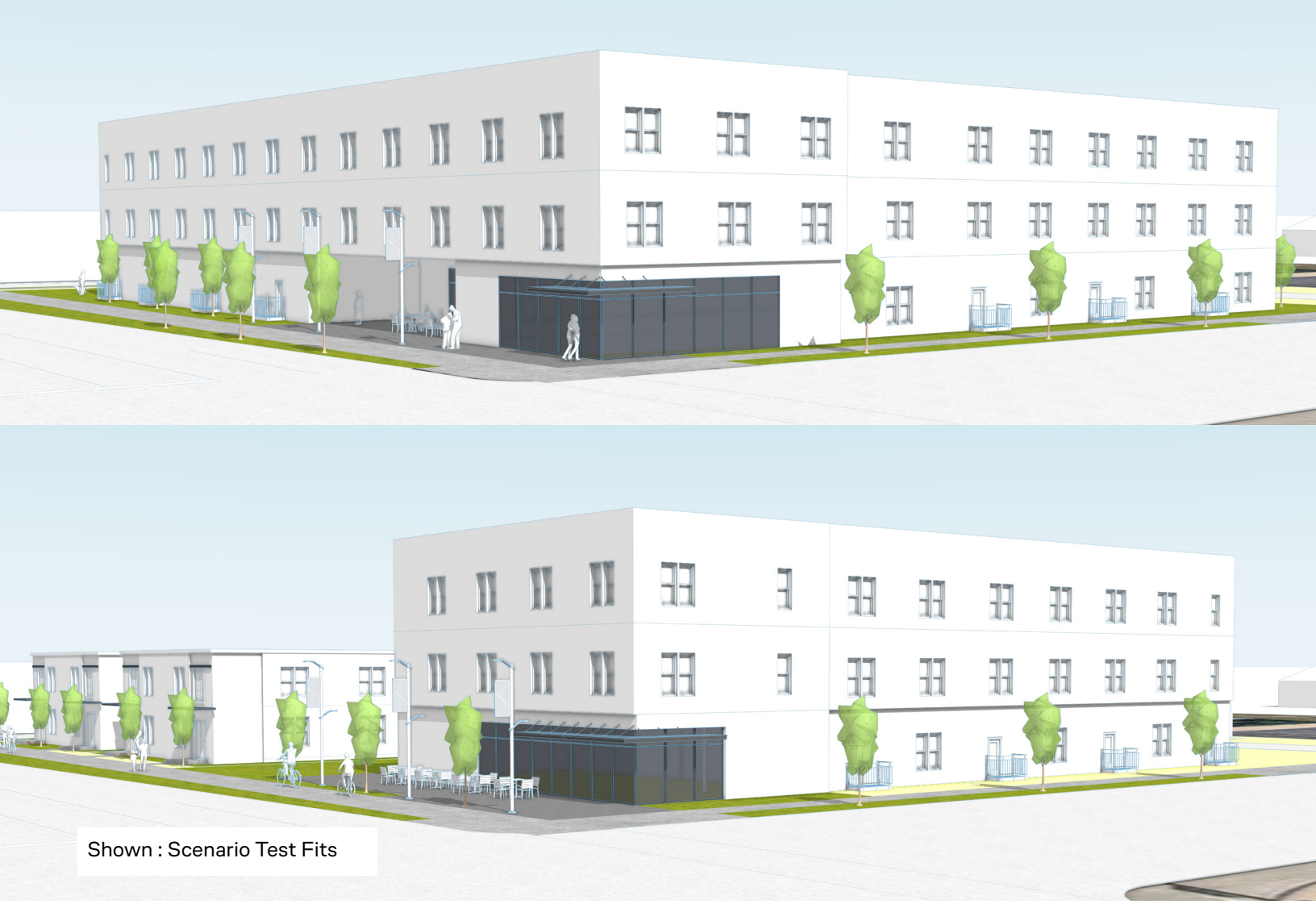
**2003** AHI Phase I/Phase II work, including nine borings. Continued investigation of former gas station impacts.

**2004** AHI Phase I ESA for Lot 67 / area north of 11 Mile and Brush.

**2011** AES Phase I ESA, Limited Phase II ESA, and Due Care Plan. The due care plan assumes commercial use.

**2024** Historical environmental reports assembled for the current Applied EcoSystems assessment.

**2025** Applied EcoSystems Phase I ESA (Sept. 17), BEA (Sept. 18), and DDCC (Sept. 18). Current documents confirm Part 201 facility status and continue the due-care framework.



Shown : Scenario Test Fits

# THE DESIRED PROJECT

The scenarios provided illustrate development options for discussion and **are not intended to prescribe a specific design or preferred approach.** Developers are encouraged to present their vision for the site that meet the Design Criteria in this section.

# DESIGN CRITERIA

The proposed use and design should consider the vision for the downtown area within the City's Master Plan and DDA area. The development should aim to achieve the following:

### MIX OF USES & BUILDING DESIGN

The development should serve as a downtown anchor, incorporating a mix of uses such as residential, retail, and restaurant spaces. Non-residential uses should activate the corner of 11 Mile Road and John R. Road through defined entrances, transparent storefronts, and pedestrian-oriented design.

Buildings should feature high-quality materials and architectural articulation consistent with City Center zoning standards. Permitted building types are identified in Appendix 2 and Sections 6.01(3) and 6.01(4) of the Zoning Ordinance.

Building heights should be context-sensitive toward Brush Street, transitioning to the adjacent residential neighborhood through stepped-down heights or reduced development intensity.

### SITE DESIGN & ACTIVE GROUND FLOOR

Site design should prioritize pedestrians and complement the DDA's 11 Mile Streetscape Plan. Building placement should establish a strong street wall while accommodating outdoor dining, patios, landscaping, and pedestrian amenities.

### ZONING

The development should comply with applicable requirements of the City of Madison Heights Code of Ordinances, including City Center zoning standards.

The City is willing to work with the selected developer to identify an approach that supports a residential-led development, recognizing that ground-floor residential use is not currently permitted in the district.

### PARKING & SITE CIRCULATION

Parking, loading, and access should comply with Article 10 of the Zoning Ordinance. Parking should be located primarily to the side and rear of buildings and screened from the public right-of-way. Site circulation should prioritize pedestrian safety and minimize conflicts with vehicles.

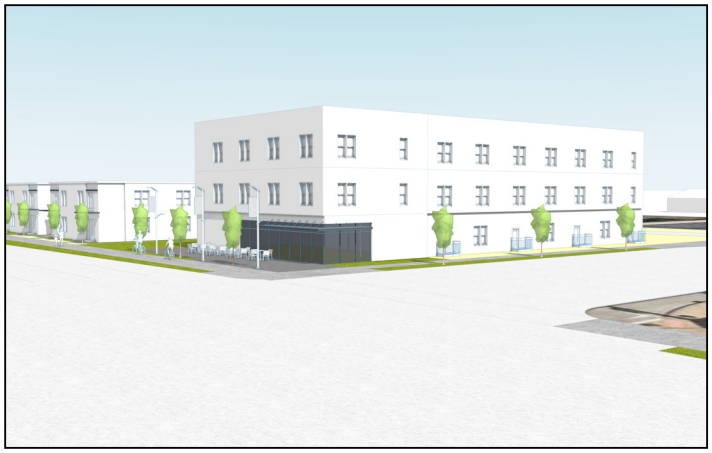
The proposed development should meet minimum parking requirements for all on-site uses. However, the City may consider parking waivers where a proposal demonstrates that reduced parking can

# SCENARIOS

The two scenarios were developed to explore different approaches to the design criteria including density, building form, and site amenities.

## SCENARIO A

### 2-3 STORIES

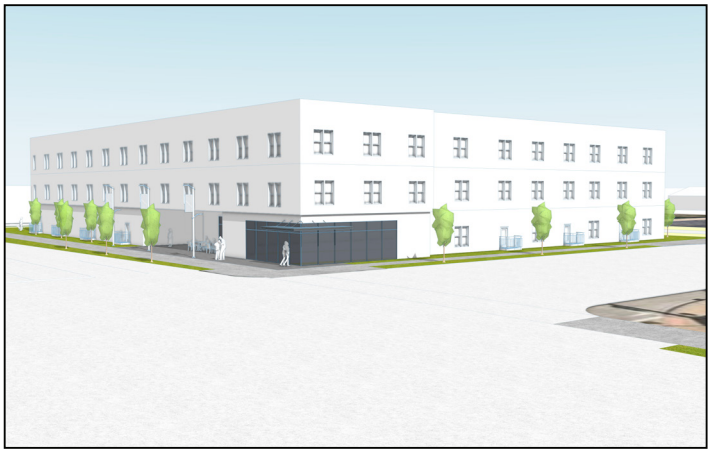


| 2,2500 GSF of Commercial | 36 Units | 60 Parking Spaces |
|---|---|---|

- Lower density housing types (townhomes, duplexes, quads) near existing homes along Brush Street
- Prioritize commercial uses along John R, potentially exceeding market demand
- Requires zoning changes, current layout supports a parcel split and rezoning.

## SCENARIO B

### 3 STORIES



| 2,500 GSF of Commercial | 44 Units | 52 Parking Spaces |
|---|---|---|

- Commercial focus at the John R. and Brush Street corner
- Residential setback along John R. with a small plaza separating uses on 11 Mile
- Requires zoning changes, current layout supports a parcel split and rezoning.

# SCENARIO A

## MASSING & SCALE

Scenario A explores smaller-scale residential units that complement the adjacent neighborhood, with a mixed-use building anchoring the corner of John R. Road and 11 Mile Road.

Ground-floor residential use would require zoning modifications, which the City is willing to explore in support of the proposed development.

Site access utilizes existing curb cuts along both roadways, with shared parking located behind the buildings.



# SCENARIO A

## MASSING & SCALE

Visuals are to show massing and scale and are not indicative of final design.




View at the corner of 11 Mile Rd. and John R. Rd.




View along Brush St. showing existing residential homes

# SCENARIO A

## CASE STUDIES

Case studies illustrate projects with similar scales, site designs, or uses on parcels of comparable size.

## Livernois Lofts

Ferndale, MI

| | |
|---|---|
| Parcel Size | .1 |
| Stories/Height | 2 stories |
| Building Program | 8 units each, 16 Total |



## Eastown Flats

Grand Rapids, MI

| | |
|---|---|
| Parcel Size | .7 Acres |
| Building Size | Two buildings<br>45,000–50,000 SF |
| Stories/Height | 3 Stories<br>No elevator |
| Building Program | ~1,000 SF of retail in each building<br>35 market-rate apartments (over 2 buildings) |



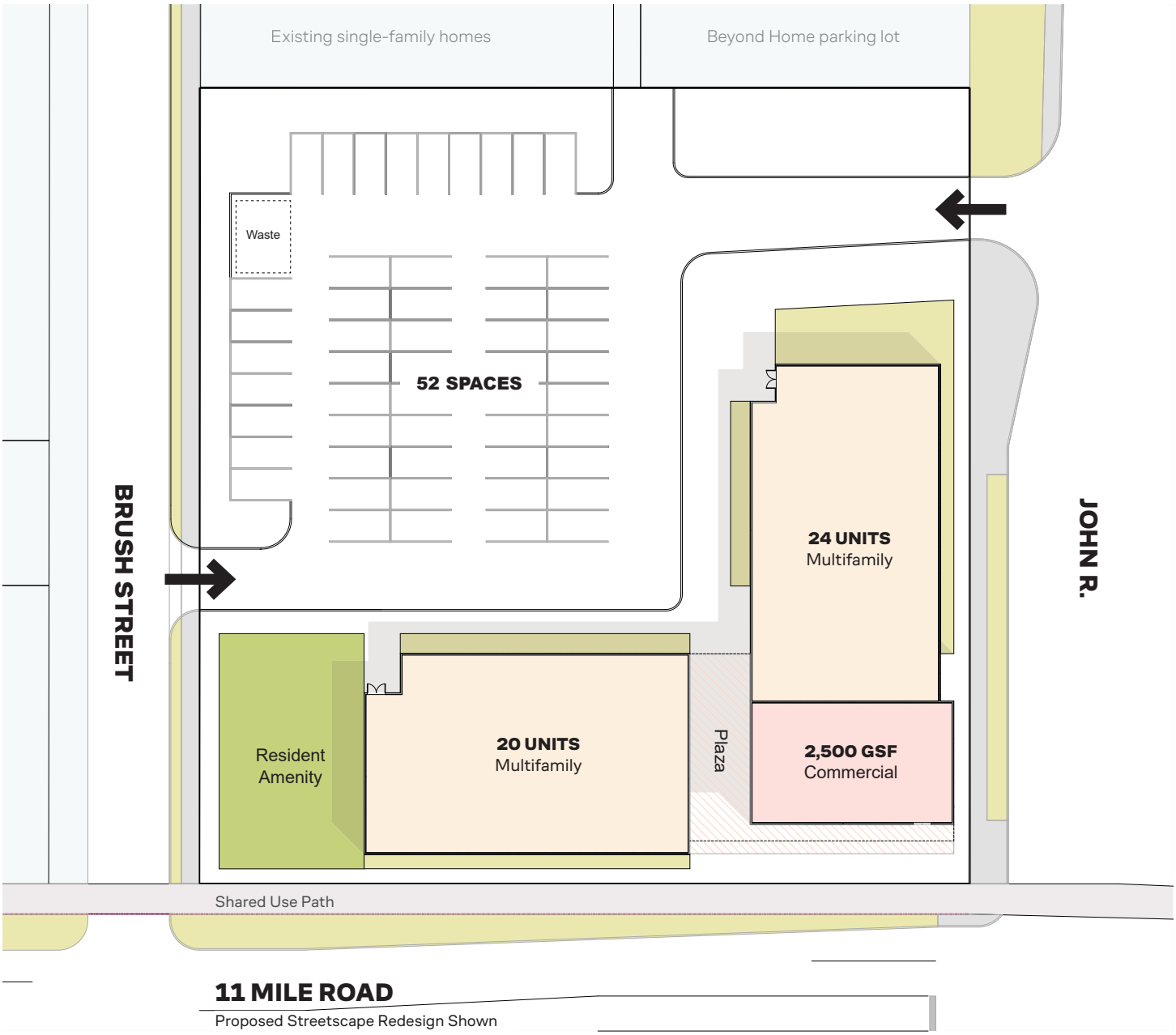
# SCENARIO B

**MASSING & SCALE**

Scenario B explores a larger mixed-use building, with ground-floor commercial space anchoring the corner of 11 Mile Road and John R. Road.

The ground-floor residential use would require zoning modifications, which the City is willing to explore in support of the proposed development.

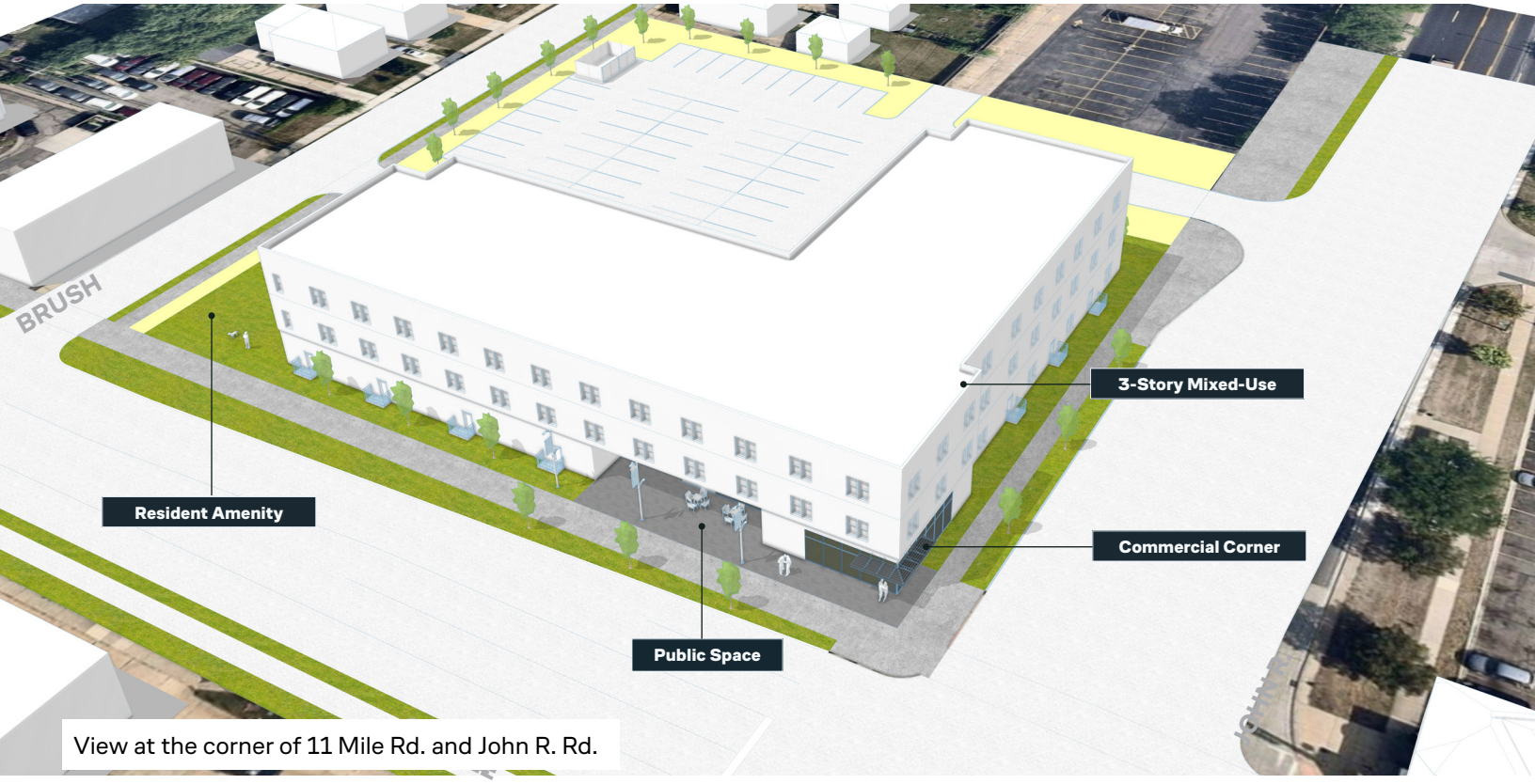
Site access utilizes existing curb cuts along both roadways, with shared parking located at the rear of the site along Brush Street.



# SCENARIO B

## MASSING & SCALE

Visuals are to show massing and scale and are not indicative of final design.




View at the corner of 11 Mile Rd. and John R. Rd.




View along Brush St. showing existing residential homes

# SCENARIO B

**CASE STUDIES**

Case studies illustrate projects with similar scales, site designs, or uses on parcels of comparable size.

## Flats at Iron Ridge

Ferndale, MI

| | |
|---|---|
| Parcel Size | .1 |
| Stories/Height | 2 stories |
| Building Program | 8 units each, 16 Total |




## Broadway Lofts

Mt. Pleasant

| | |
|---|---|
| Parcel Size | 1.4 Acres |
| Building Size | 51,010 SF |
| Stories/Height | 4 Stories |
| Building Program | 48 multiple-family dwelling units, and a 64 space parking lot<br><br>1,100 square foot community room, mailroom, mechanical room, lobby,<br><br>10,000 SF co-op grocery |



# INCENTIVES

The City is open to considering financial incentives for development projects that generate long-term community and economic benefits. Potential incentives may include Brownfield Tax Increment Financing (TIF) and Housing Tax Increment Financing (TIF).

The minimum sales price is negotiable. Respondents should include their proposed purchase price in their proposals. The property is being offered by the City in its existing condition, "as-is," without representations or guarantees regarding environmental conditions.

# SUBMITTAL REQUIREMENTS

All Developers shall submit one digital PDF formatted as 8.5"x11.5". The Developer may also submit board mounted graphics not to exceed 24 x 36 as well as eight (8) copies of the graphics reduced to 11x17 size.

**DEVELOPMENT TEAM**

- Team organization chart with roles
- Short bios for key members, including relevant Michigan project experience
- 2–3 comparable project examples (location, size, use)

**DESIGN PROPOSAL**

- Project narrative including vision, proposed uses and square footages, unit count and mix
- Site plan showing building placement, parking, access, and streetscape interface with 11 Mile
- Building elevations for 11 Mile Rd. John R. Rd and Brush St.
- Materials and precedent imagery
- Zoning compliance summary with a descprition of any requested modifications

**VALUE TO THE CITY**

- Projected tax revenue
- Project number of new jobs and residents
- Community benefits summary

**FINANCIAL VIABILITY**

- Development budget, including sources and uses
- Proposed purchase price
- Incentives requested, if applicable
- Development schedule from award through CO
- Evidence of capacity, including lender/equity references and/or balance sheet summary

# SCORING CRITERIA

**Qualifications of Development Team (25%)**
The overall qualifications and experience of the Project Team, including past performance. This includes experience with design and development of similar projects, particularly in Michigan.

**Quality of the Design Proposal (25%)**
Adherence to City's Code of Ordinances including the Zoning Ordinance and all design standards set forth within the City Center Zoning District and compatibility with the City's Master Plan.

- The aesthetic of the building architecture.
- The building designs maximization of residential, retail, entertainment, office, and/or other compatible uses potential of the property.
- The design includes inviting outdoor spaces and is compatible with and contributes to the DDA's 11 Mile Streetscape Plan.
- Safe and attractive parking areas that consider the circulation of vehicles, pedestrian, and non-motorized vehicles.

**Value to the City (15%)**
The anticipated value of the proposed development to the City of Madison Heights, including direct financial benefits, incentives required, anticipated tax revenue, jobs created, new residents added, and other community benefits.

Preference will be given to proposals that maximize public benefits while requiring fewer financial incentives and offering shorter development timelines.

**Financial Viability (35%)**
Developer and Project Team's ability to fulfill the commitments stated in the proposal. This includes the Developers capacity to meet financial and logistical development obligations.

# SELECTION PROCESS

**Part I: Proposal Review and Developer Interviews**
Upon receipt of proposals, the Selection Committee will evaluate submissions and identify a shortlist of developers whose proposals best align with the qualifications, evaluation criteria, and objectives outlined in this RFP. The City may conduct interviews to further evaluate qualifications, development concepts, and financial capacity, and to discuss environmental due diligence and potential incentives.

The City reserves the right to reject any or all proposals if doing so is determined to be in the best interest of the City.

**Part II: Developer Selection and Approval**
Following developer interviews, the Selection Committee will recommend a preferred development team to City Council for consideration and final approval. Subject to City Council approval, the City will enter into negotiations with the selected developer to establish mutually acceptable terms and conditions for the proposed development.

The final selection will consider the responsiveness and qualifications of the proposer, proposed purchase price, development concept, financial capacity, and other relevant evaluation criteria outlined in this RFP. Upon the successful negotiation of an agreement, a formal contract will be prepared and submitted to the City Council for approval and executed by both parties.

# SUBMITTAL INSTRUCTIONS

**DEADLINE: MONTH XX before 11:00 am**

Proposals will be accepted by the City Clerk's Office at 300 West 13 Mile Road, Madison Heights, Michigan, 48071 until
**MONTH XX at 11:00 a.m**. (EST).

Proposals will be opened at 11:05 am (EST).
The City of Madison Heights is a Participating Agency in the Michigan Inter-Governmental Trade Network (MITN). Interested vendors are encouraged to register with MITN at www.MITN.info to view specifications for this and all our open bids.

Contact Information:
Tracee Miller
HR Director/Purchasing Coordinator
City of Madison Heights
(248) 583-0828