

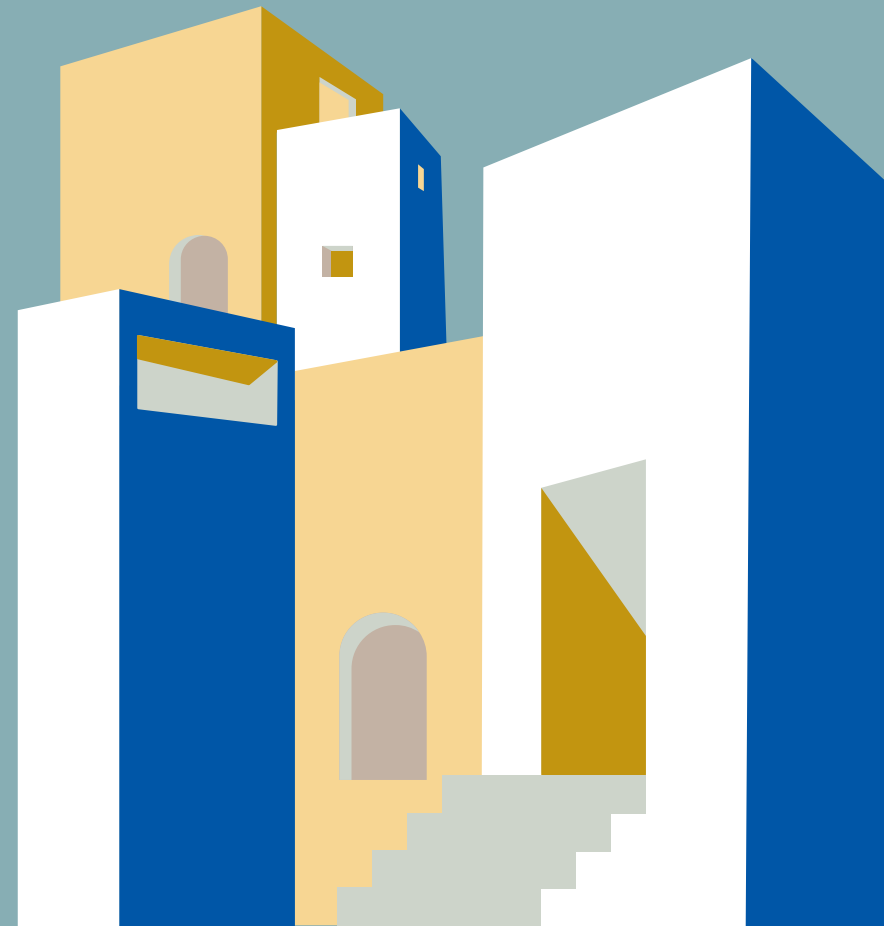
INITIAL CONCEPTS FOR MASTER PLAN:

A. POWER POINT PRESENTATION

B. LAND USE FRAMEWORK

MASTER PLAN FOR LAND USE

City of Novi



1993 MASTER PLAN

COMMERCIAL LAND USE OBJECTIVES

- Review and revise (if necessary) the Commercial Areas Plan to determine how much, what types, and where commercial uses are needed in the City in light of the economic benefits to the City, the convenience and needs of Novi's citizenry, traffic flows, infrastructure requirements (e.g., police and fire protection), existing conditions, and other land uses, especially to the end of reducing negative impacts on the residential areas of the City.
- Discourage the proliferation of strip commercial uses by enforcing land use planning and zoning policies and prevent development of unplanned isolated retail businesses.
- Discourage the overdevelopment of commercial uses.
- Encourage design of commercial areas to reflect primary function of shopping centers and trade area characteristics.

1993 MASTER PLAN

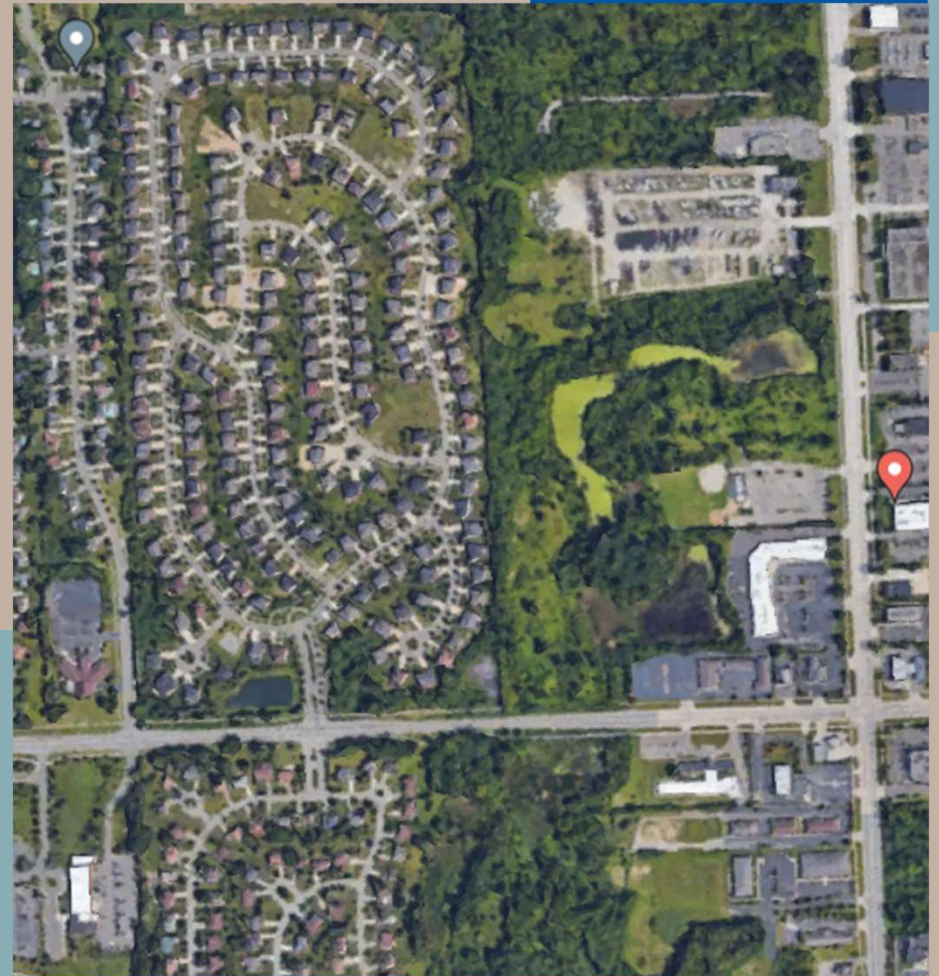
TOWN CENTER LAND USE OBJECTIVES

- Identify and locate public and private areas of concern and responsibilities.
- Create and encourage the sense of image that is presented by special streetscape amenities. Provide alternative means of access through the Town Center Area's quadrants.
- Delineate and detail the special districts within the Town Center Area.
- Encourage multi-seasonal and day /night use of activities.
- Promote joint use of parking areas by mixed use buildings, centralized parking facilities and alternative modes of transportation to the area.
- Create a traditional neighborhood downtown area with a "Main Street" within the Town Center Area.
- Provide pedestrian access to and throughout the Area.
- Encourage a mixture of residential, commercial and civic uses.

1993 MASTER PLAN

Exact opposite of a walkable, pedestrian oriented community....

To minimize any possible harm to the integrity of our residential neighborhoods, we propose to centralize nonresidential uses in specific sections of the City. **Where distance between residential and nonresidential uses cannot be achieved, our intention is to soften the effect on the residential uses through barriers, buffering, or beautification requirements.** In rare instances where it is necessary for the convenience of residents to have commercial services integrated with residential uses, **the utmost care must be taken in the placement and intensity of the foreign use."**



1986 TOWN CENTER DESIGN STUDY

The Town Center Design and Development Study was initiated to provide recommendations that form a set of design principles and guidelines for improvements related to the public and private street environment. The goals of the study were to:

1. Reflect the City of Novi's long-term commitment to establishing a quality Town Center District.
2. Create an image for the district.
3. Provide for multi-access from Novi Road and Grand River Avenue.
4. Enhance the environment by encouraging multi-seasonal and day/night use and activities; and development of parks, open green space and plazas throughout the District.
5. Promote continuity and compatibility among public and private development.

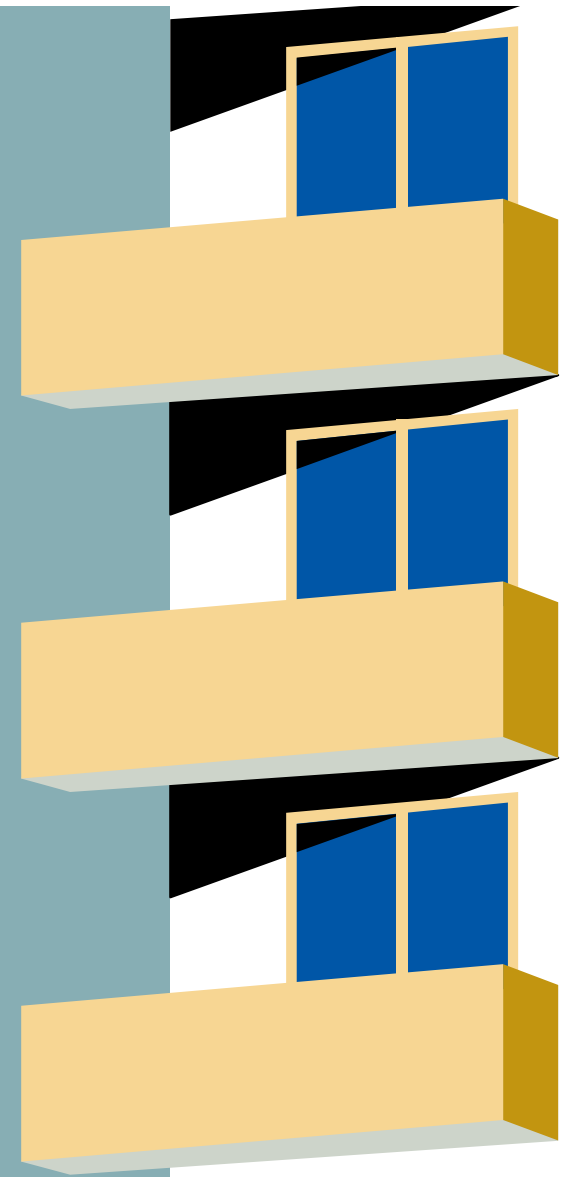
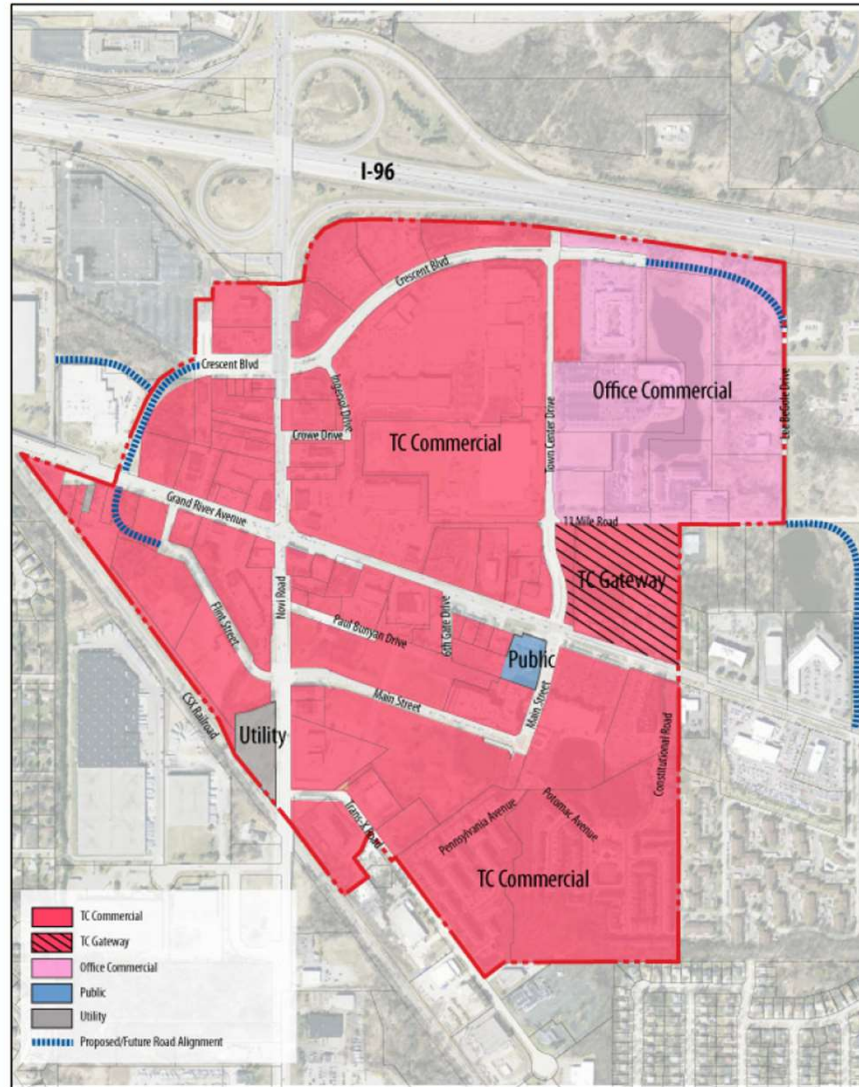


FIGURE 6. FUTURE LAND USE PLAN 2010



2014 TOWN CENTER AREA PLAN

Zoning

1. Zoning districts should allow mixed uses, but be flexible enough to accommodate uses that are economically feasible and market based.
2. Zoning should establish guiding design principles or form-based standards to ensure quality design.
3. Zoning should continue to require development of pedestrian-scaled site amenities that are logically placed and provide functionality for the use.

FIGURE 1. STUDY SUBAREAS



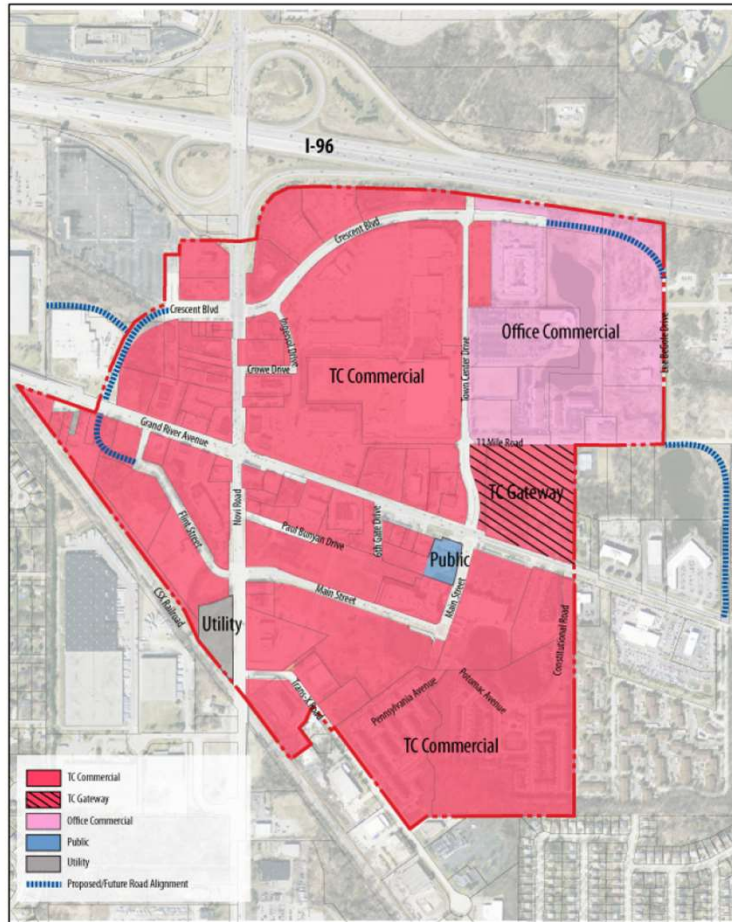
TABLE 1. RECOMMENDED LAND USE AND MASTER PLAN UPDATES

Subarea	Intent	Preferred Land Uses*	Form/Design
North West Area	<ul style="list-style-type: none"> • Transition to Grand River/Novi Road Business Area • Gateway into Town Center • Use Middle Rouge in site design 	<ul style="list-style-type: none"> • Restaurants, coffee shops, retail/office 	<ul style="list-style-type: none"> • Pedestrian-oriented with small front/side setbacks. • Shared parking located at rear or side of building.
Flint Street Area	<ul style="list-style-type: none"> • Provide mix of office and commercial • Use Middle Rouge as site amenity 	<ul style="list-style-type: none"> • Office/research/technology abutting railroad • Abutting Grand River/Novi: <ul style="list-style-type: none"> - Restaurants - Outdoor cafes (near river) - Retail & office uses 	<ul style="list-style-type: none"> • Maintain attractive architecture with reduced front/side setbacks. • Shared parking located at rear or side of building. • Integrate Middle Rouge as focal point with walkways or pedestrian plazas.
Trans X Area	<ul style="list-style-type: none"> • Transitional to Main Street and Grand River/Novi Business areas • Existing industrial uses transformed into office and retail • Retail uses along Novi Road 	<ul style="list-style-type: none"> • Public market with specialty foods, produce and gift items • Restaurants 	<ul style="list-style-type: none"> • Buildings fronting Novi Road with high-quality architecture and reduced setbacks.
Main Street Area	<ul style="list-style-type: none"> • Mixed-use and City Center-style development • Commercial and residential uses that include open spaces and pedestrian amenities 	<ul style="list-style-type: none"> • Residential uses on the south side of Main St. • Mixed-use developments at corners (Main St./Novi Rd.; Main St./Grand River Ave.) 	<ul style="list-style-type: none"> • Dense, multi-family housing as loft-style condominiums, townhouses, or mixed-use commercial/office/residential buildings. • Allow first floor residential • Taller buildings (3-5 stories) at corners • Outdoor events space
Grand River/Novi Business Area	<ul style="list-style-type: none"> • Serves as "spine" of overall Town Center area • Dense, walkable, retail/office/restaurant area • Easily accessible from other subareas with ample pedestrian facilities 	<ul style="list-style-type: none"> • Retail uses • Restaurants • Outdoor cafes 	<ul style="list-style-type: none"> • Pedestrian-oriented with small front/side setbacks • Landscaping used to screen parking lots • Consistent lighting • Pedestrian refuge islands at Grand River/Main St. intersection • Reduced vehicle speeds • Connections between existing screen walls and businesses.

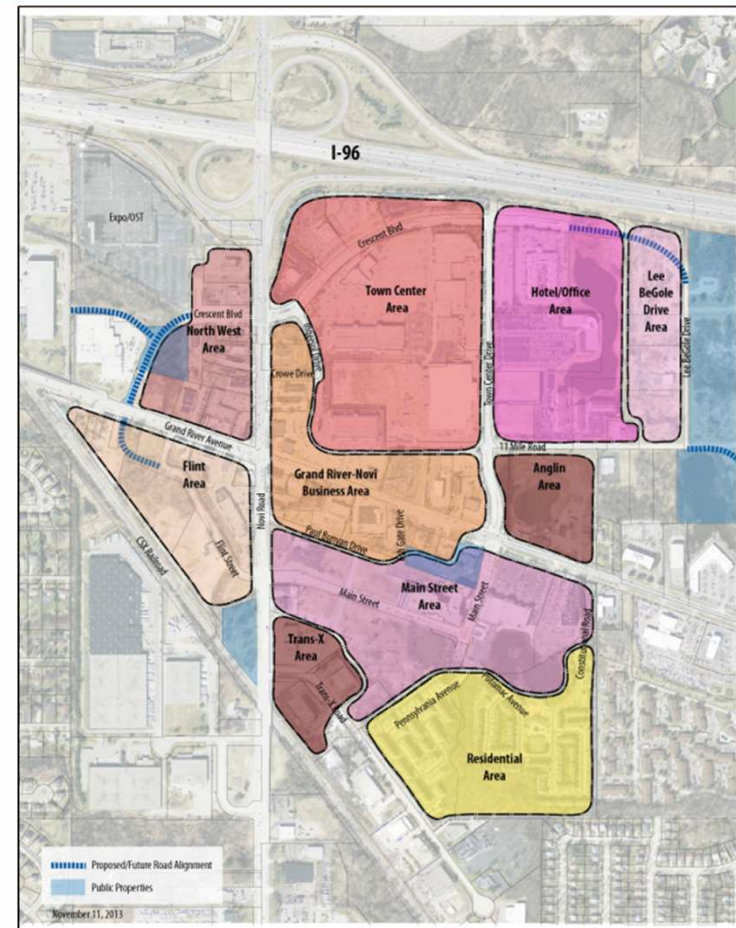
*These preferred land uses are *in addition* to the current mix of land uses included in the TC Commercial, TC Gateway, and Office Commercial land use categories.

2010

FIGURE 6. FUTURE LAND USE PLAN 2010

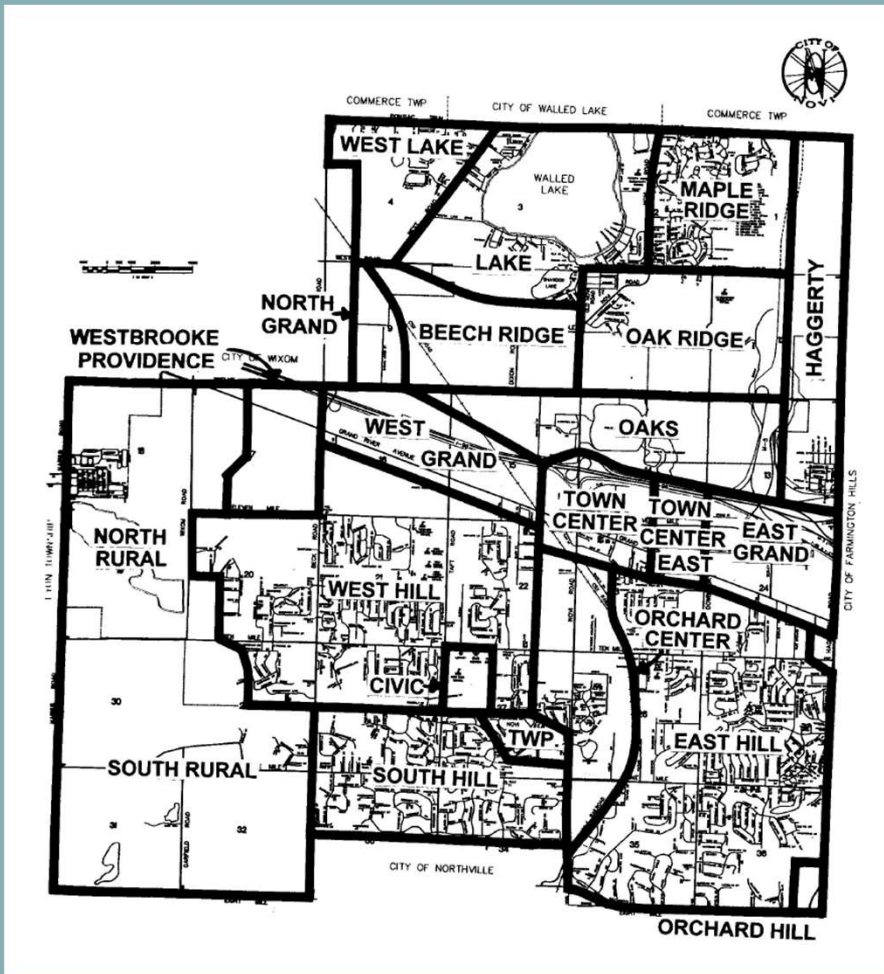


2014

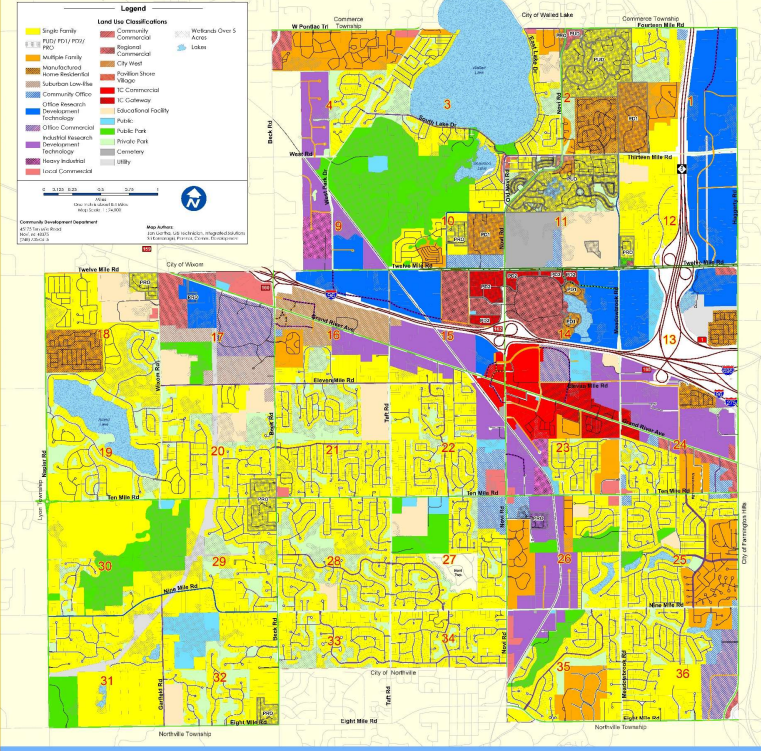


2000 (NOVI 2020) MASTER PLAN

- Mixed use recommended in the TC, TC1, TC2, and NCC districts
- City of Novi contains over four times as many developed acres of retail use than the current population can support.
- Master Plan for Land Use includes new local retail sites for possible grocery store and similar related development at the southeast corner of Novi Road and Ten Mile Road, the northwest corner of Beck Road and Grand River Avenue, and the southwest corner of Wixom Road and Grand River Avenue.
- The growth of new office development has slowed significantly since the mid to late 1980's.
- Additional high-tech growth is expected along the M-5, I-96, and Grand River corridors.



CITY OF NOVI FUTURE LAND USE MAP
2016 Edition



THOROUGHFARE CLASSIFICATION

- Interway
- Major Arterial
- Arterial
- Minor Arterial
- Non-Residential Collector
- Residential Collector
- Local Street
- Scenic Drive Road
- Proposed Non-Residential
- Proposed Residential Collector
- Proposed local street
- Roadway

CITY OF NOVI 2016 MASTER PLAN UPDATE

We hereby certify that on July 26, 2017 the City of Novi Planning Commission formally accepted the updated master plan accompanying text, maps and charts, which are attached to this document as the City of Novi 2016 Master Plan Update pursuant to the requirements of the Michigan Planning Enabling Act, Public Act 33 of 2006.

Mark A. Blawie
Chairperson

[Signature]
Secretary

NOTES

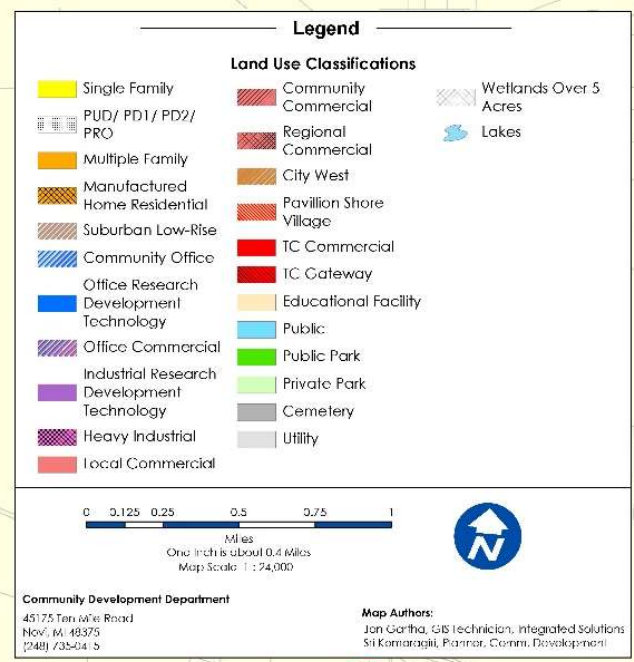
- This map is intended to show generalized land use and is not intended to indicate parcel size, shape or dimension. Those users of this future land use map who require more detailed information should refer to the City of Novi's Comprehensive Zoning Ordinance and the City of Novi's Comprehensive Future Land Use Map.
- The "Environmental Area" category includes regulated wetlands of 5 acres or more. Small regulated wetlands were not shown due to the scale of this map. Other existing wetlands are more fully depicted in the Master Plan Update.
- The document entitled "City of Novi 2016 Master Plan Update" can be accessed online at www.cityofnovi.org/masterplan.
- Please refer to chapter 6, Future Land Use Map to learn more about future land use categories and descriptions.

CITY OF NOVI PLANNING COMMISSION

Novi Civic Center
45175 Ten Mile Rd
Novi, MI 48375
cityofnovi.org

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LAND USE CATEGORIES

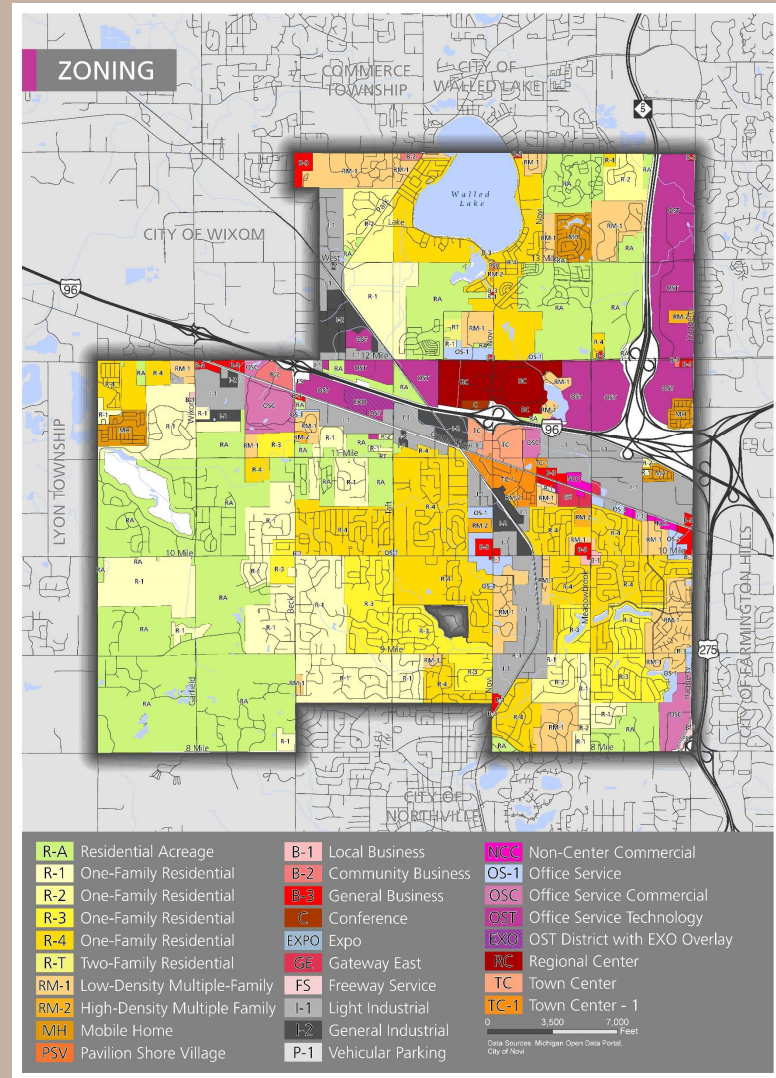


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ZONING DISTRICTS

R-A Residential Acreage	B-1 Local Business	NCC Non-Center Commercial
R-1 One-Family Residential	B-2 Community Business	OS-1 Office Service
R-2 One-Family Residential	B-3 General Business	OSC Office Service Commercial
R-3 One-Family Residential	C Conference	OST Office Service Technology
R-4 One-Family Residential	EXPO Expo	EXO OST District with EXO Overlay
R-T Two-Family Residential	GE Gateway East	RC Regional Center
RM-1 Low-Density Multiple-Family	FS Freeway Service	TC Town Center
RM-2 High-Density Multiple Family	I-1 Light Industrial	TC-1 Town Center - 1
MH Mobile Home	I-2 General Industrial	
PSV Pavilion Shore Village	P-1 Vehicular Parking	

0 3,500 7,000 Feet
Data Sources: Michigan Open Data Portal, City of Now



NOVI ZONING DISTRICT MAP

Residential-Single Family

- R-A
- R-1
- R-2
- R-3
- R-4
- RT

Residential-Two Family

- RT

Residential-Multiple Family

- RM-1
- RM-2

Commercial

- B-1
- B-2
- B-3
- C
- EXPO
- GE
- FS
- RC
- NCC
- PSV
- TC
- TC-1

Office

- OS-1
- OSC
- OST
- EXO

Industrial

- I-1
- I-2

NOVI LAND USE MAP

Residential

- Single Family
- PUD
- PD1

Residential-Multiple

- Multiple Family

Commercial

- Local Commercial
- Community Commercial
- Regional Commercial
- City West
- Pavilion Shore Village
- TC Commercial
- TC Gateway
- PD2

Office

- Community Office
- Office Research
- Office Commercial
- Suburban Low Rise
- Industrial Research Development Technology;

Industrial

- Heavy Industrial

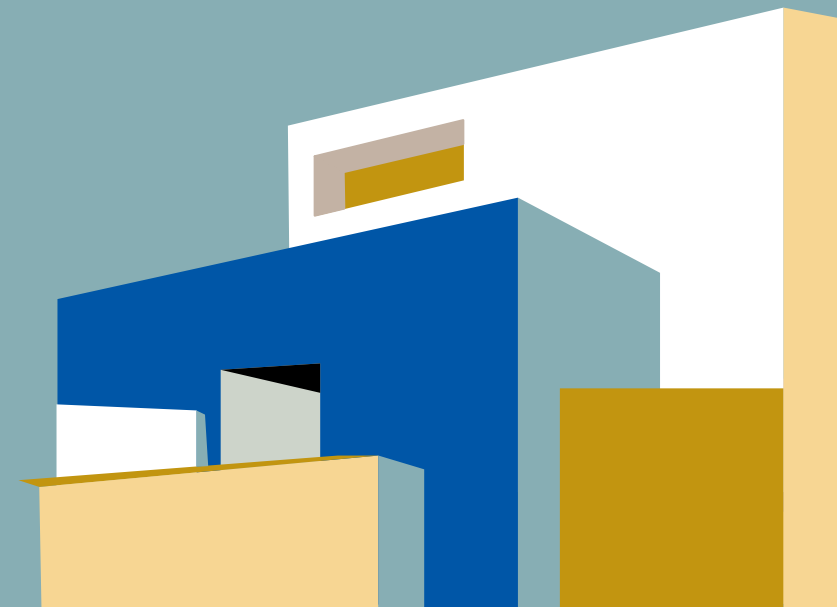
Institutional

- Educational Facility
- Public
- Public Park
- Private Park
- Cemetery
- Utility

Other

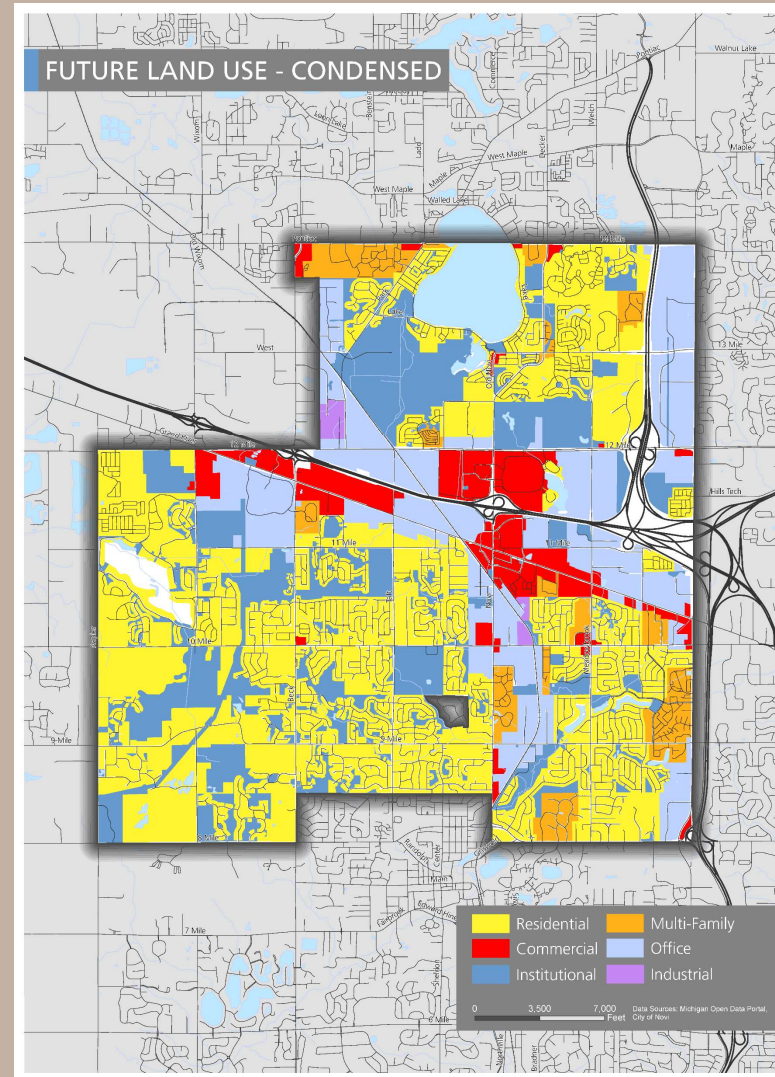
- PRO

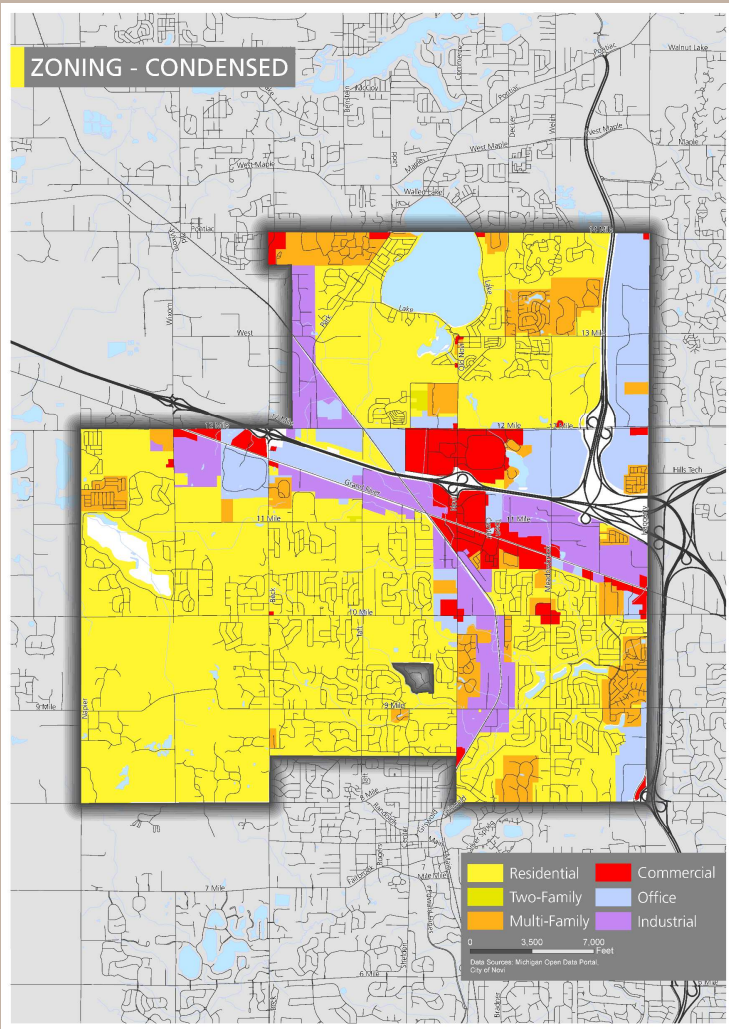
Consolidating categories to uncover the framework of land use and zoning



6

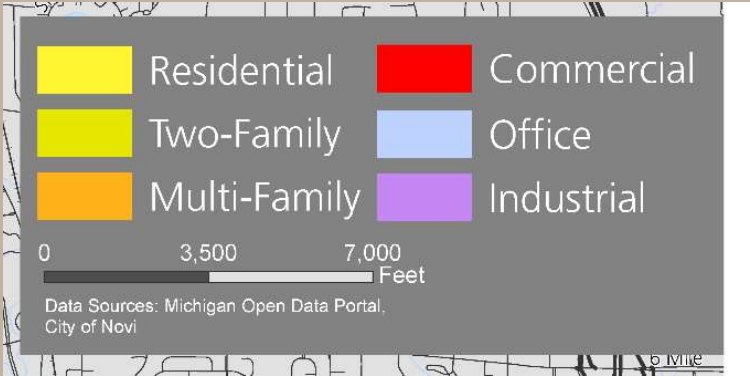
LAND USE CATEGORIES

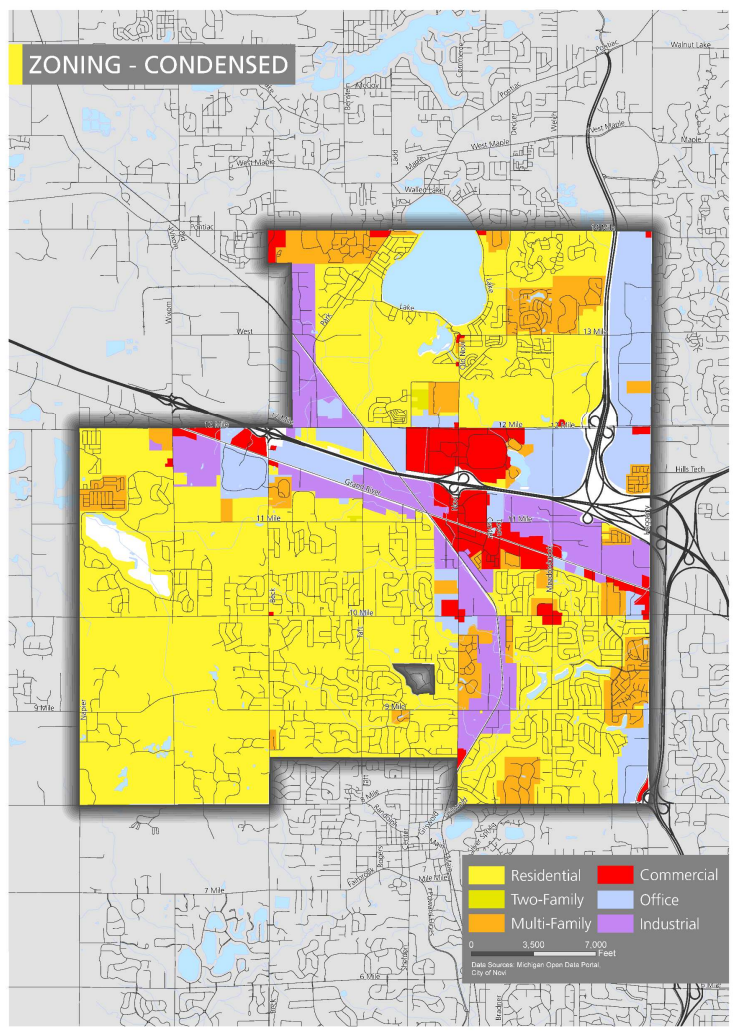
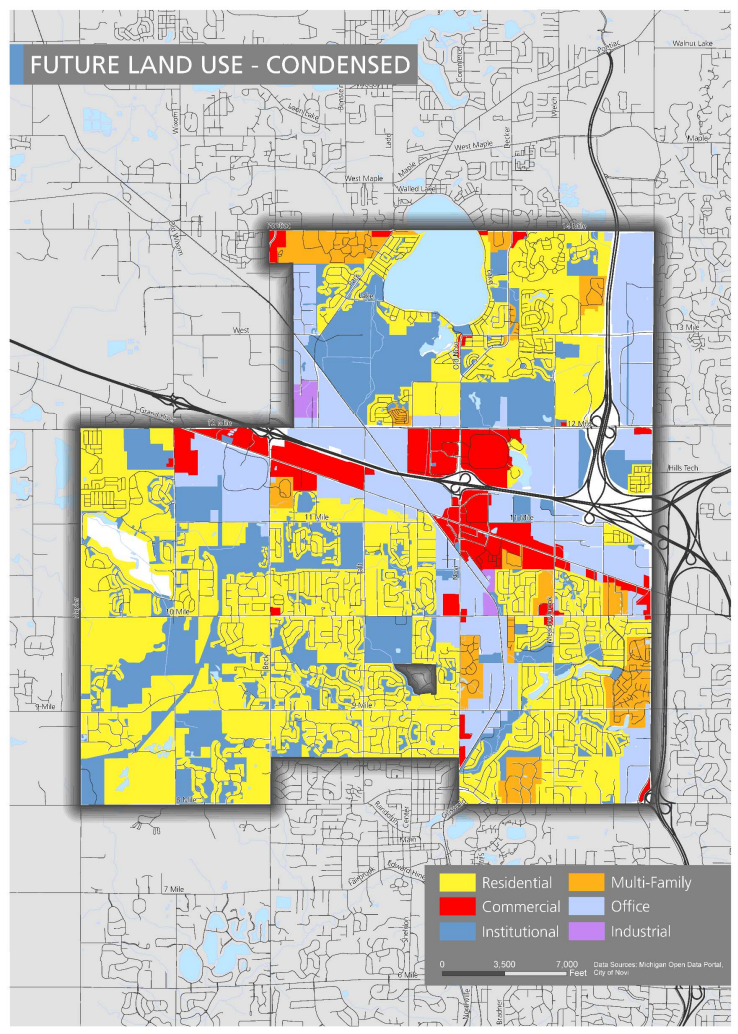




6

ZONING CATEGORIES





RESIDENTIAL REAL ESTATE TRENDS

- Residential market relatively strong. Rising mortgage interest rates have tapered the pace of sales.
- There is a market for age targeted housing for 55+ households with a focus on single level living
- Movement to higher density (3-5 units/acre) to accommodate 1,700 – 2,100 sq ft homes and the ability to “age in place” is seen as desirable to a variety of home purchasers
- Housing as a component of horizontal mixed-use developments
- Opportunity to introduce and encourage residential development along Grand River

COMMERCIAL REAL ESTATE TRENDS

- Retail is close to being over built
- Concern about Twelve Oaks Mall and recent closure. Other regional malls, Lakeside (Macomb County) and Oakland Mall are in the process of redevelopment to other mixed-use. Great Lakes Crossing is morphing into an entertainment district.
- Novi Road and I-96 still the retail hub of the City, and a regional destination.
- Introduction of non-retail uses, (i.e. Aspen Dental, urgent care) into traditional retail locations
- National franchises desire exposure on Novi Road.
- Hotels are becoming overbuilt.
- Fountain Walk is anticipated to be fully occupied soon. Fords Garage and Kpot are in the process of build out.



OFFICE REAL ESTATE TRENDS

- Office occupancy was significantly impacted by COVID-19.
- Work from home (WFH) is now an option that will impact the size and functionality of future office space.
- Trend toward R&D and technology tenants, and hybrid office space with multi-tenants with shared common facilities.
- Increased demand for “flex” space which overlaps into the industrial sector.
- Lack of large vacant acreages for e-commerce fulfillment centers or large distribution facilities although interstate access is very desirable.
- Opportunity for “Flex” warehousing which accommodates a variety of uses, including indoor vehicular parking options for service vehicles
- Build to suit industrial opportunities have cooled due to construction costs, low demand, and higher lease rates. There is a shift toward finding space in existing, vacant facilities in the Livonia and Detroit sub-markets
- Too much general storage facilities in Novi.

National Property Type Cycle Locations

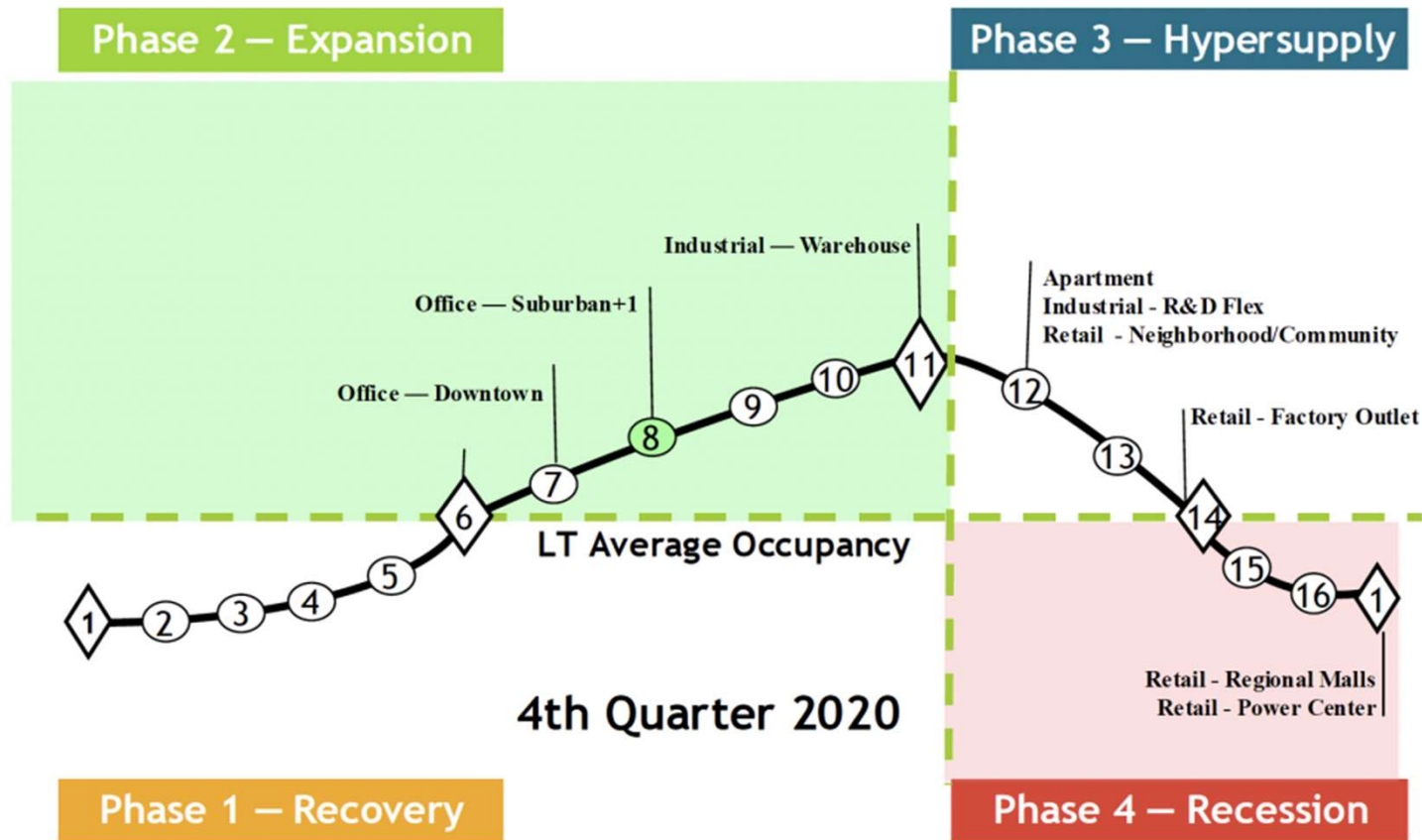




Photo: Simon Property Group 2021 Annual Report

SIMON PROPERTY GROUP

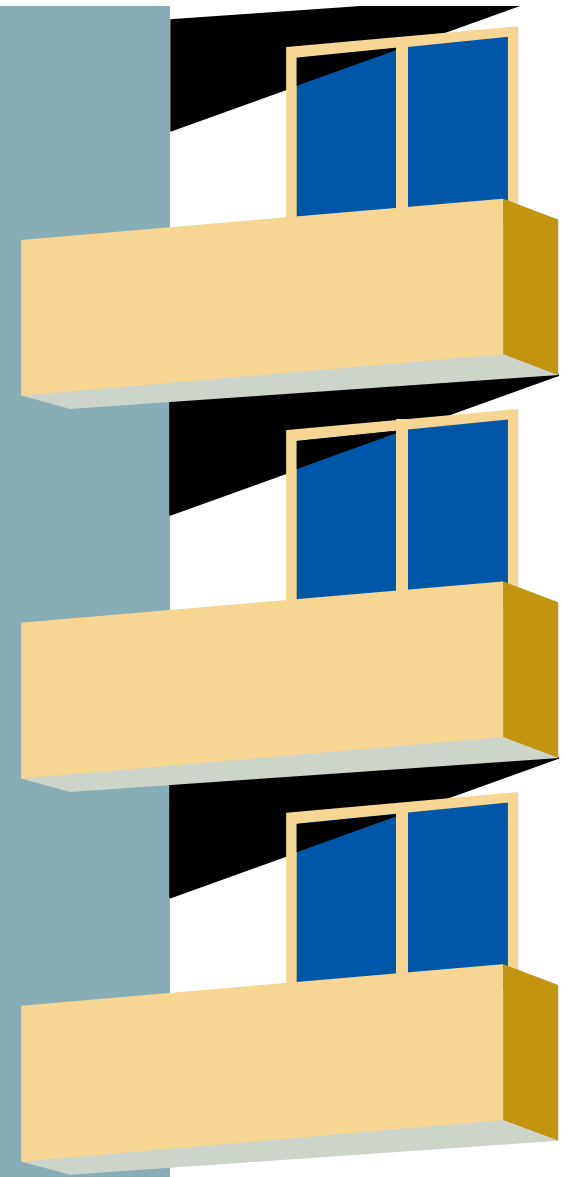
Form 10-k Annual Report Pursuant To Section 13 or 15 (D) Of The Securities Exchange Act Of 1934 For the fiscal year ended December 31, 2021

From the Forward-Looking Statement. . .

Such factors include, but are not limited to: uncertainties regarding the impact of the COVID-19 pandemic and governmental restrictions intended to prevent its spread on our business, financial condition, results of operations, cash flow and liquidity and our ability to access the capital markets, satisfy our debt service obligations and make distributions to our stockholders; changes in economic and market conditions that may adversely affect the general retail environment; **the potential loss of anchor stores or major tenants; the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise; the intensely competitive market environment in the retail industry, including e-commerce; an increase in vacant space at our properties;** the inability to lease newly developed properties and renew leases and relet space at existing properties on favorable terms

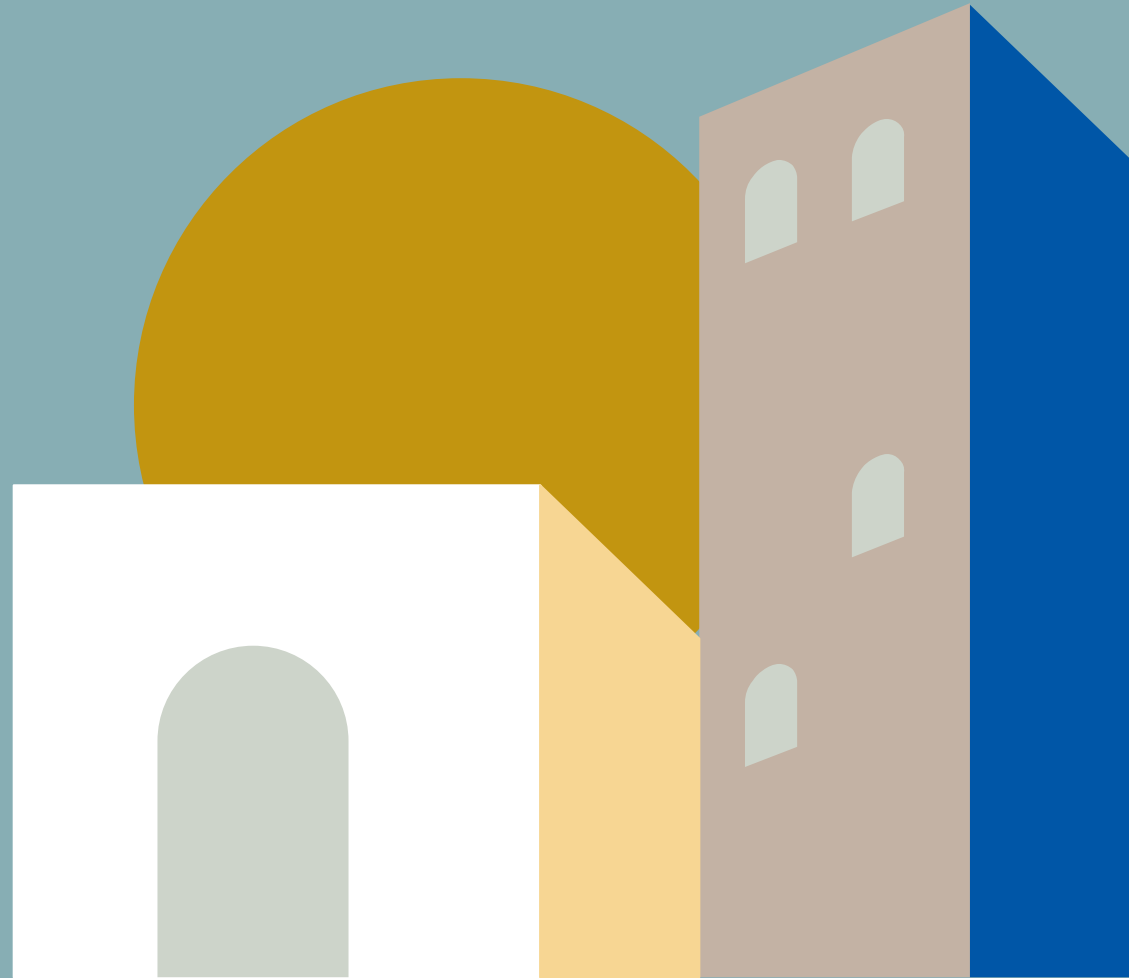
SIMON PROPERTY GROUP '21 REPORT

- We completed more than 20 redevelopment projects across all our platforms in the U.S. and internationally during the year.
- Our total investment in redevelopment projects completed was more than \$425 million, with an average cash-on-cash yield of approximately 8%.
- We also continued to add mixed-use components to our market-leading centers with the openings of two AC Hotels by Marriott at Dadeland Mall in Miami, Florida, and Sawgrass Mills in Sunrise (Miami), Florida.
- At Phipps Plaza in Buckhead (Atlanta), Georgia, we will open a transformative redevelopment that redefines the future of modern, mixed-use luxury. This redevelopment, opening fall 2022, will feature a 150-room Nobu Hotel and Nobu Restaurant; One Phipps Plaza, a 13-story Class A LEED Gold certified office building; a Life Time Athletic and Life Time Work; and CITIZENS Culinary Market. *In the center of these new additions will be a lavish greenspace for outdoor events, dining, and entertainment.* The transformed Phipps Plaza represents placemaking at its finest. A perfect example of a former department store space redeveloped that will fuel growth for the overall asset.

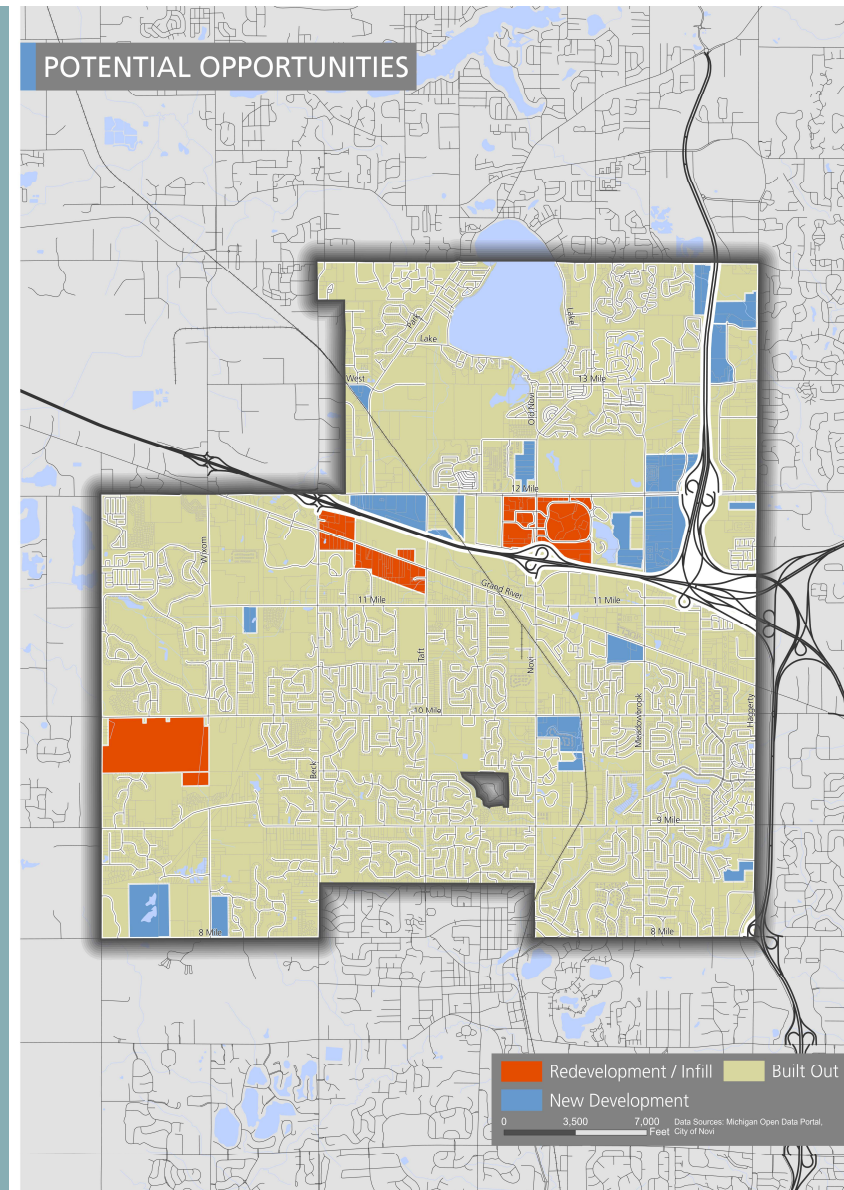




PROPOSED REORGANIZATION



- City is close to built-out
- Limited availability for residential development in southwest corner of City
- Handful of sites that could accommodate new development
- Position Twelve Oaks Mall, West Oaks Shopping Center, and West Grand River for redevelopment



COMMERCIAL MIXED-USE (CMX)					
Condensed Districts	Regional Commercial, PD-2, PD-1 (adjacent to Regional Commercial)				
Purpose	The CMX land use category allows for a combination of commercial, office, lodging, office and residential within an integrated development. Parks, plazas and pedestrian areas are encouraged to provide a high degree of connectivity between uses. These areas would be primarily commercial/retail in nature with ancillary uses that create opportunities for shopping, dining, living and play.				
Regulated Uses	<table border="1"> <thead> <tr> <th>Non-Residential</th> <th>Residential</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> » Retail; Regional and National Franchises » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Open Space and Plazas » Parking Structures </td> <td> <ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family </td> </tr> </tbody> </table>	Non-Residential	Residential	<ul style="list-style-type: none"> » Retail; Regional and National Franchises » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Open Space and Plazas » Parking Structures 	<ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family
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Distinguishing Characteristics	Dense, vehicular-dependent mixed use development accessible from an Interstate or major thoroughfare. Preference to utilize land for buildings instead of surface parking lots. Allowance for higher buildings with a limitation on 6 stories.				



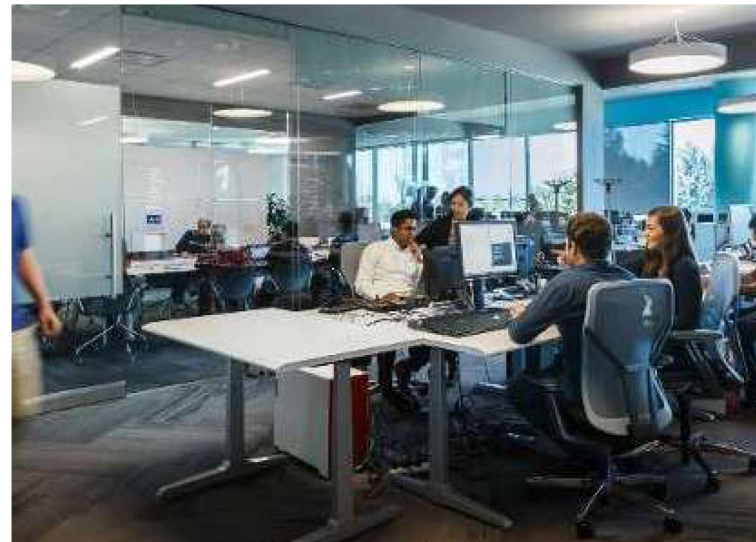
GENERAL MIXED-USE (GMX)			
Condensed Districts	City West, Community Commercial and Office, Research & Development		
Purpose	The GMX land use category provides the highest flexibility of the categories. It recognizes that certain properties will be developed based on prevailing market trends utilizing a site-specific master plan to guide development reserving certain portions of the subject property for different land use typologies.		
Regulated Uses	<table border="0"> <tr> <td style="vertical-align: top;"> Non-Residential <ul style="list-style-type: none"> » Retail; General » Exhibition and Conference Facilities » Research and Development » Healthcare Facilities » Professional Offices » Restaurants; Dine-in with Outdoor Seating » Open Space and Plazas </td> <td style="vertical-align: top;"> Residential <ul style="list-style-type: none"> » Single Family Attached » Multiple Family » Upper Story Apartments and Lofts </td> </tr> </table>	Non-Residential <ul style="list-style-type: none"> » Retail; General » Exhibition and Conference Facilities » Research and Development » Healthcare Facilities » Professional Offices » Restaurants; Dine-in with Outdoor Seating » Open Space and Plazas 	Residential <ul style="list-style-type: none"> » Single Family Attached » Multiple Family » Upper Story Apartments and Lofts
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Distinguishing Characteristics	Unique properties that may have environmental limitations (wetlands, brownfields, etc.) Development is focused on maximize the site while creating a unique and integrated development. Pedestrian walkability and connectivity would be desirable and encouraged components.		



TOWN CENTER (TC)		
Condensed Districts	TC-Commercial, TC-Gateway, Office Commercial and Multiple Family	
Purpose	The TC, Town Center district is designed and intended to promote the development of a pedestrian oriented, neighborhood-scaled commercial service district in which a variety of retail, commercial, office, civic, residential uses and open space are permitted. Based on existing development patterns pedestrian circulation is internal within the respective properties.	
Regulated Uses	Non-Residential <ul style="list-style-type: none"> » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Public and Quasi Public » Financial, Insurance and Real Estate » Hotels » Parks, Plazas and Open Spaces 	Residential <ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family
Distinguishing Characteristics	Retail, workplace and civic activities mixed with attached housing types such as lofts and apartments all developed at a community scale. Commercial and office uses are allowed on the first floor and upper stories of the structure. Designed to increase walkability and create a intimate urban space where pedestrian traffic is favorable over vehicular traffic.	



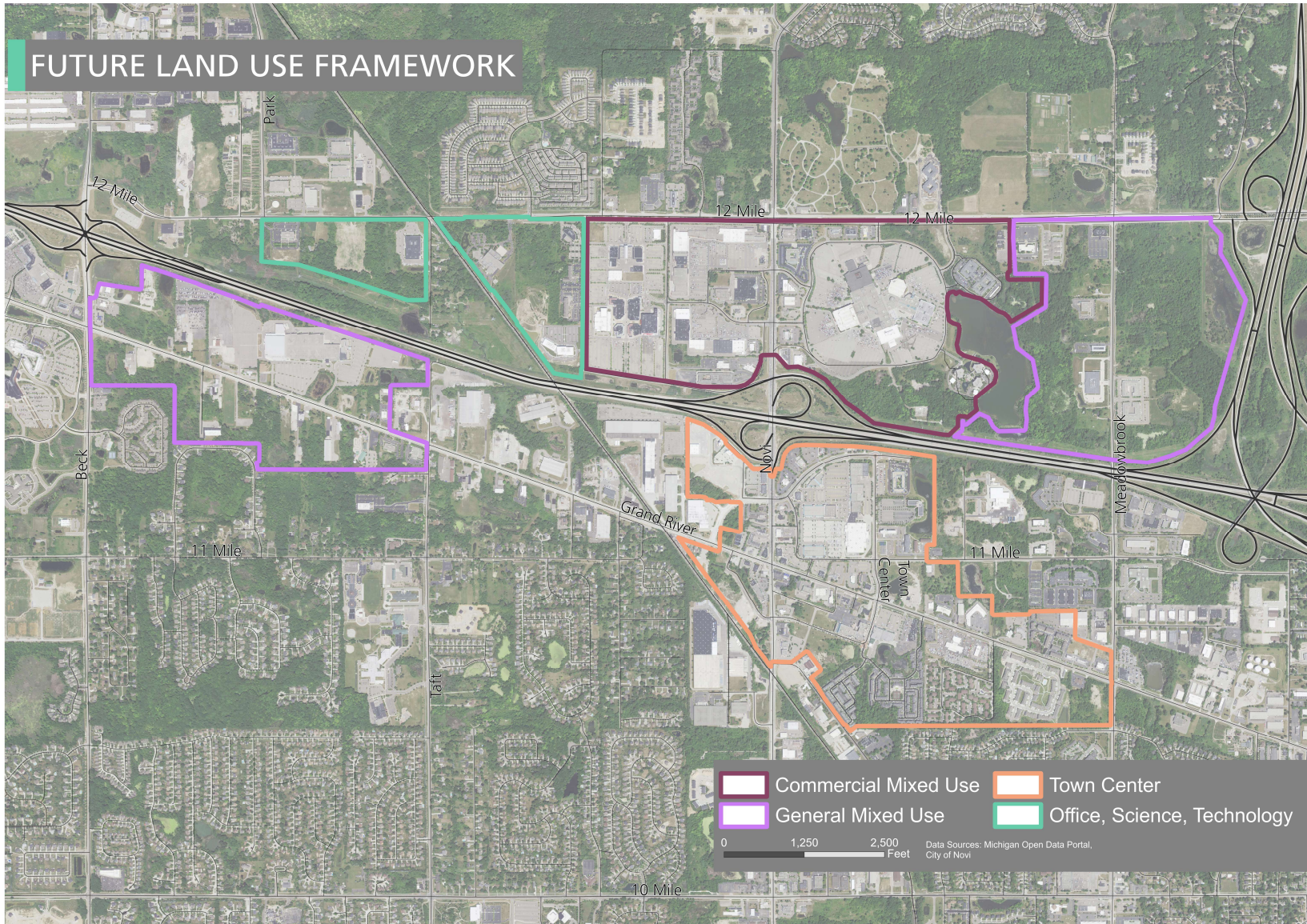
OFFICE, SCIENCE & TECHNOLOGY (OST)					
Condensed Districts	Office Research Development Technology Industrial Research Development Technology				
Purpose	The OST land use classification positions the City to accommodate existing office, research and development enterprises and forecasted growth and emerging market sectors.				
Regulated Uses	<table border="1"> <thead> <tr> <th>Non-Residential</th> <th>Residential</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> » Professional Offices » Research and Development » Scientific and Technical Services » Healthcare » Information Technology » Automotive-related Research » Light Industrial without assembly » E-commerce distribution » Pharmaceutical research </td> <td> <ul style="list-style-type: none"> » None </td> </tr> </tbody> </table>	Non-Residential	Residential	<ul style="list-style-type: none"> » Professional Offices » Research and Development » Scientific and Technical Services » Healthcare » Information Technology » Automotive-related Research » Light Industrial without assembly » E-commerce distribution » Pharmaceutical research 	<ul style="list-style-type: none"> » None
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<ul style="list-style-type: none"> » Professional Offices » Research and Development » Scientific and Technical Services » Healthcare » Information Technology » Automotive-related Research » Light Industrial without assembly » E-commerce distribution » Pharmaceutical research 	<ul style="list-style-type: none"> » None 				
Distinguishing Characteristics	Primarily office environments dedicated to research, development and technology businesses.				



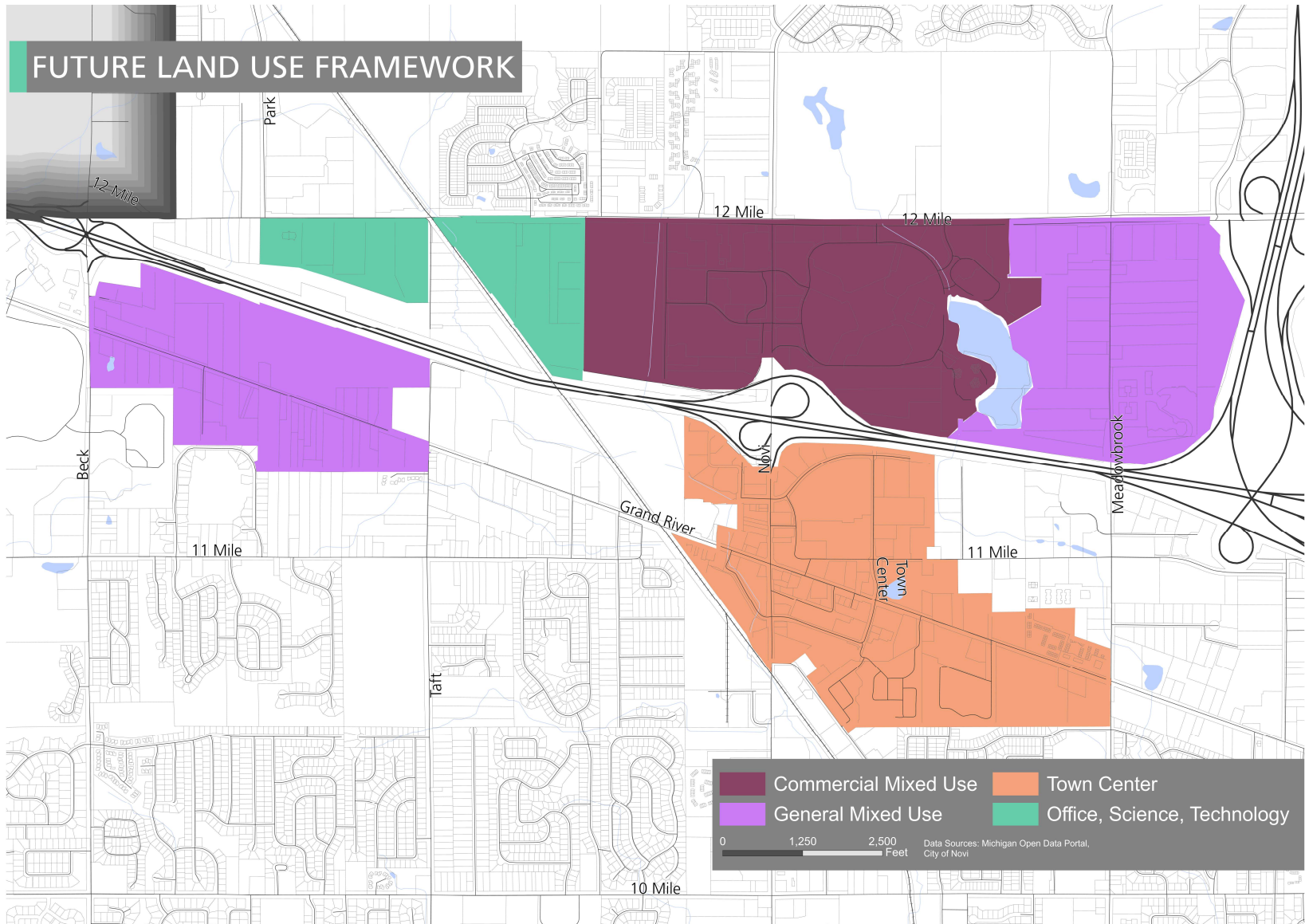
PUBLIC & QUASI-PUBLIC					
Condensed Districts	Educational Facilities Public Public Park Private Park Cemetery Utility				
Purpose	Properties that support public and quasi-public facilities and operations such as municipal buildings and operations, public parks, trails, public and private education, cemeteries, and critical and essential services.				
Regulated Uses	<table border="1"> <thead> <tr> <th>Non-Residential</th> <th>Residential</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> » Federal, State, County and City Offices and Operations » Public and Private Parks » Public and Private Educational Facilities » Cemeteries » Utility Right-of-Way, substations, and associated facilities. » Facilities associated with the delivery of water, sanitary, electric, gas, cable, and Internet. </td> <td> <ul style="list-style-type: none"> » None </td> </tr> </tbody> </table>	Non-Residential	Residential	<ul style="list-style-type: none"> » Federal, State, County and City Offices and Operations » Public and Private Parks » Public and Private Educational Facilities » Cemeteries » Utility Right-of-Way, substations, and associated facilities. » Facilities associated with the delivery of water, sanitary, electric, gas, cable, and Internet. 	<ul style="list-style-type: none"> » None
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Distinguishing Characteristics	Facilities dedicated to providing services to the public. Some properties such as parks and educational facilities are located on large parcels with significant open space. Other facilities may include site-specific uses such as a post office, fire station, pump station, or utility equipment.				



FUTURE LAND USE FRAMEWORK



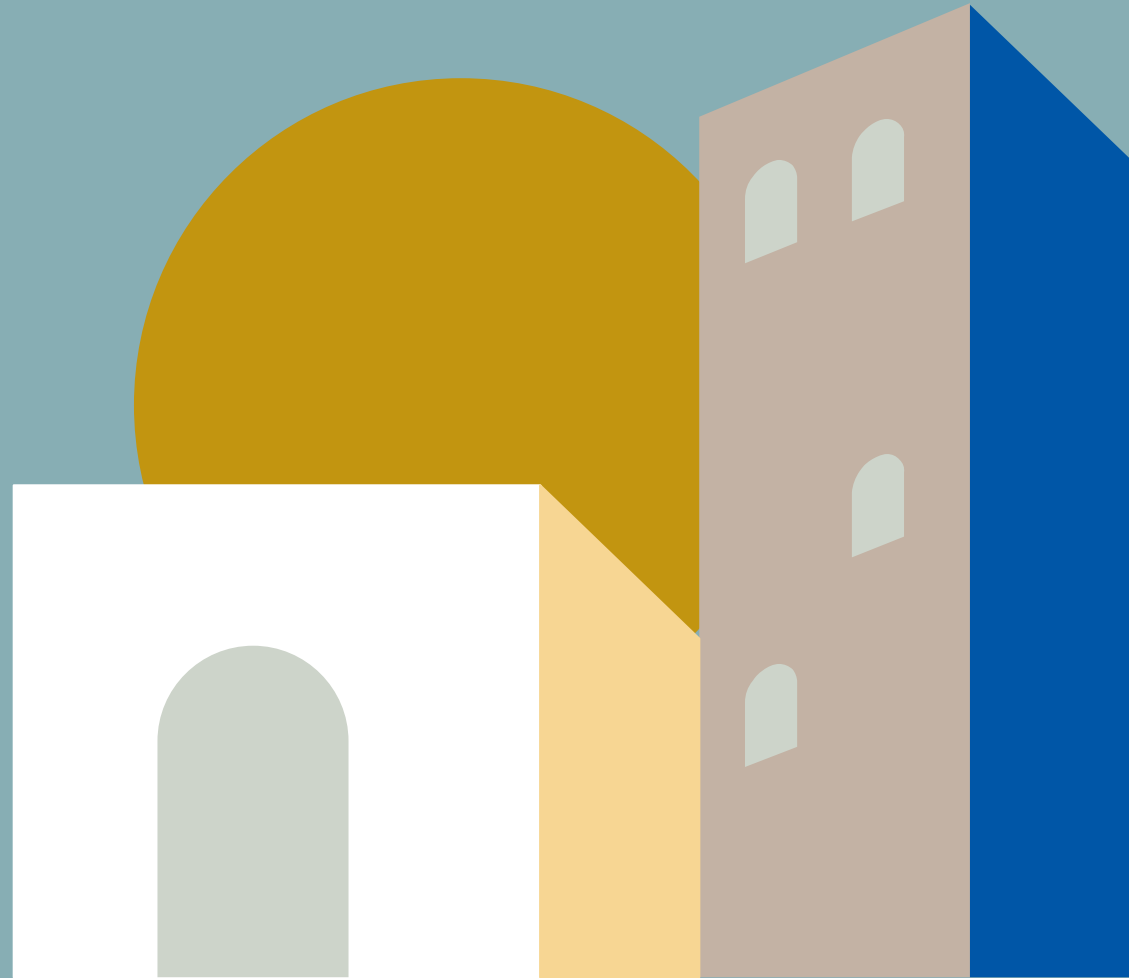
FUTURE LAND USE FRAMEWORK



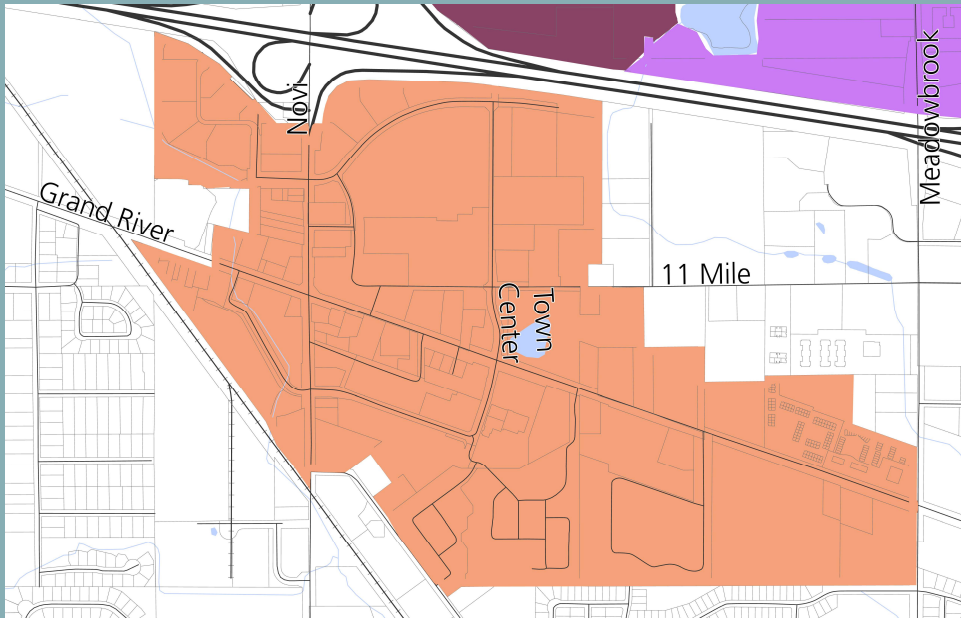
0 1,250 2,500 Feet

Data Sources: Michigan Open Data Portal, City of Novi

**CASE
STUDY
“TOWN CENTER”**



TOWN CENTER LAND USE CATEGORY



- This revised land use category aggregates eight land use classifications into one district.
- Mixed use in character.
- Combination of commercial, office, and residential uses.

TOWN CENTER LAND USE CATEGORY

Zoning Districts	TC	TC-1	B-3	GE	NCC	OSC	RM-1	RM-2		TC	TC-1	B-3	GE	NCC	OSC	RM-1	RM-2	
Stories	5/65'	5/65'	30'	2/35'	2/25'	5/65'	2/35'	5/65'		5/65'	5/65'	30'	2/35'	2/25'	5/65'	2/35'	5/65'	
RESIDENTIAL USES																		
One-Family Detached				S			P	P										
Two-Family				S			P	P										
Multiple Family				S			P	P										
Shared-Elderly Housing				S			P	P										
Convalescent Homes, Hospice, Child Care Centers								S										
Transient residential uses ²	P	P																
Residential dwellings §4.82	P	P			S													
RETAIL USES																		
Retail businesses use ² §4.78.3	P	P	P	P	P			S										
Retail business service uses ²	P	P	P	P	P													
Retail commercial services								S										
Dry cleaning establishments, or pick-up	P	P	P															
Business establishments which perform	P	P	P	P														
Retail business ² §4.27	P	P																
Service establishments of an office showroom	P	P																
Restaurants (sit-down), banquet facilities or	P	P				P		S										
Restaurants (drive-in)			S															
Theaters, assembly halls, concert halls,	P	P																
Microbreweries ² §4.35	S	S	P														P	P
Brewpubs ² §4.35	S	P																P
Fast food drive-through restaurants ² §4.40	S	S																
Indoor commercial recreation facilities	P	P						S										
Open air business uses §4.80.1	S	S																
Open air business uses §4.36								S										
Sale of produce and seasonal plant materials	S	S																
Hotels ²	P	P																
Motels								S										
Auto Services § 4.39			S															
OFFICE / SERVICE																		
Professional services ²	P	P	P											P				
Post office and similar governmental office	P	P																
Off-street parking lots ²	P	P																
Private clubs ² , fraternal organizations and	P	P												S				
Business schools and colleges or private	P	P																
Offices and office buildings	P	P	P													P		
Medical Office with Labs			P	P	P										P			
Municipal uses	P																	
Inpatient bed facility																	P	
Financial institutions §4.81	P	P			P	P												
Public and Quasi-public		P	P	P	P													
Instructional centers	P	P																
OTHER																		
Outdoor theaters, plazas, parks, public	P	P																
Places of worship §4.10	P	P												S	P			
Keeping of Horses & Ponies														S		P	P	
Farms and Greenhouses																		P
Funeral Homes													P					
Day care centers ² and adult day care centers	P	P	P											S	S			
Accessory structures and uses ² §4.19	P	P																
Veterinary hospitals ² or clinics ² §4.31	S	S																

Common Grouping of Land Uses

PROPOSED STRUCTURE

- Zoning ordinance would be revised to include a new Town Center Zoning District.
- A new group of “permitted” and “special land use” would merge from the eight (8) current districts.
- Public realm improvement standards would be referenced in Article 5: Site Standards.
- Two levels of review
 - Administrative
 - PC Review
- Use of the Planned Unit Development (PUD) or Planned Development (PD) to manage multi-parcel and/or larger projects.
- Dissolve PD-1 and PD-2 options within the District.
- Revise the nonconforming provisions in the zoning ordinance that allow continuation and expansion with standards.

PROPOSITION

Rethink districts; look at broad and inclusive land use categories

Consolidate uses to create mixed use development categories

Connect developments by calming traffic through designated zones

Districts that encourage internal walkability and connectivity between uses

Uniform public realm standards in Article 5

Utilization of PUD Agreements to increase innovation

Position Twelve Oaks Mall and Twelve Oaks Shopping Center for a mix of retail, residential, and entertainment venues with outdoor activities including recreation.

Recognition that transformation will occur between 12 Mile and Grand River Avenue from Meadowbrook to Beck.

DISCUSSION

11

Land Use Framework



OVERVIEW

For the past several decades the City of Novi has diligently reviewed, revised and updated their community master plan and future land use map (referred to as the “FLUM”). Each of these respective master plans outlined various visions for how land within the city should be developed and recommended specific land use categories for implementation. The 1980’s and 90’s witnessed significant growth in all major land use categories, i.e. residential, commercial, office, and industrial. The core of non-residential development occurred between 12 Mile Road on the north side of the City and Grand River Road on the south side. Lands north and south of this core area were primarily developed as residential.

The 1993 Master Plan for Land Use updated the 1988 plan. The 1993 plan noted that the city was approximately 37 percent developed, mentioning that since 1988 there had been 963 acres of new development in the city with 653 of those acres accommodating residential development. Interestingly, the plan also enumerated that over 11,000 acres of vacant land zoned for single family uses was still available in the city. In turn, it was estimated that this available acreage could accommodate upwards of 8,700 housing units, resulting in an ultimate holding capacity of 27,600 housing units. Commercial development concentrated around the I-96 and Novi intersection and Grand River Avenue. Nearly, 40 percent of commercial zoned property (654 acres) was dedicated to Twelve Oaks, West Oaks I and II, and Novi Town Center. Although the plan objectives outlined the desire within the Novi Town Center area to encourage a mix of land uses, the housing and density portion of the plan suggested the separation of these uses where possible. The plan stated, “in rare instances where it is necessary for the convenience of residents to have commercial services integrated with residential uses, the utmost care must be taken in the placement and intensity of the foreign use.” Thirty years later, that 1993 policy to encourage the separation of land uses is in direct conflict with policies focused on combining land uses to create connectivity, walkability, and sense of place.

The Novi 2020 Master Plan for Land Use adopted in 1999 revealed the continued growth in the retail sector noting that the availability of retail square footage exceeded four times the amount needed by the resident population while serving as a regional destination. The plan discussed the proposed Town Center Gateway, a mixed use district, between Meadowbrook and the Town Center District, and rezoning of 1,200 acres for office, service and technology.

The 2016 Master Update noted that the amount of vacant land in the City was decreasing. In 1993, the City had 12,176 acres of vacant and agricultural lands. In 1999, vacant land dropped to 9,384 acres and by 2013 it further decreased to 2,371. In 2022, vacant land accounted for 2,279 areas, cautioning that not all vacant land had the potential for development due to wetlands, woodlands, topography, and other concerns.

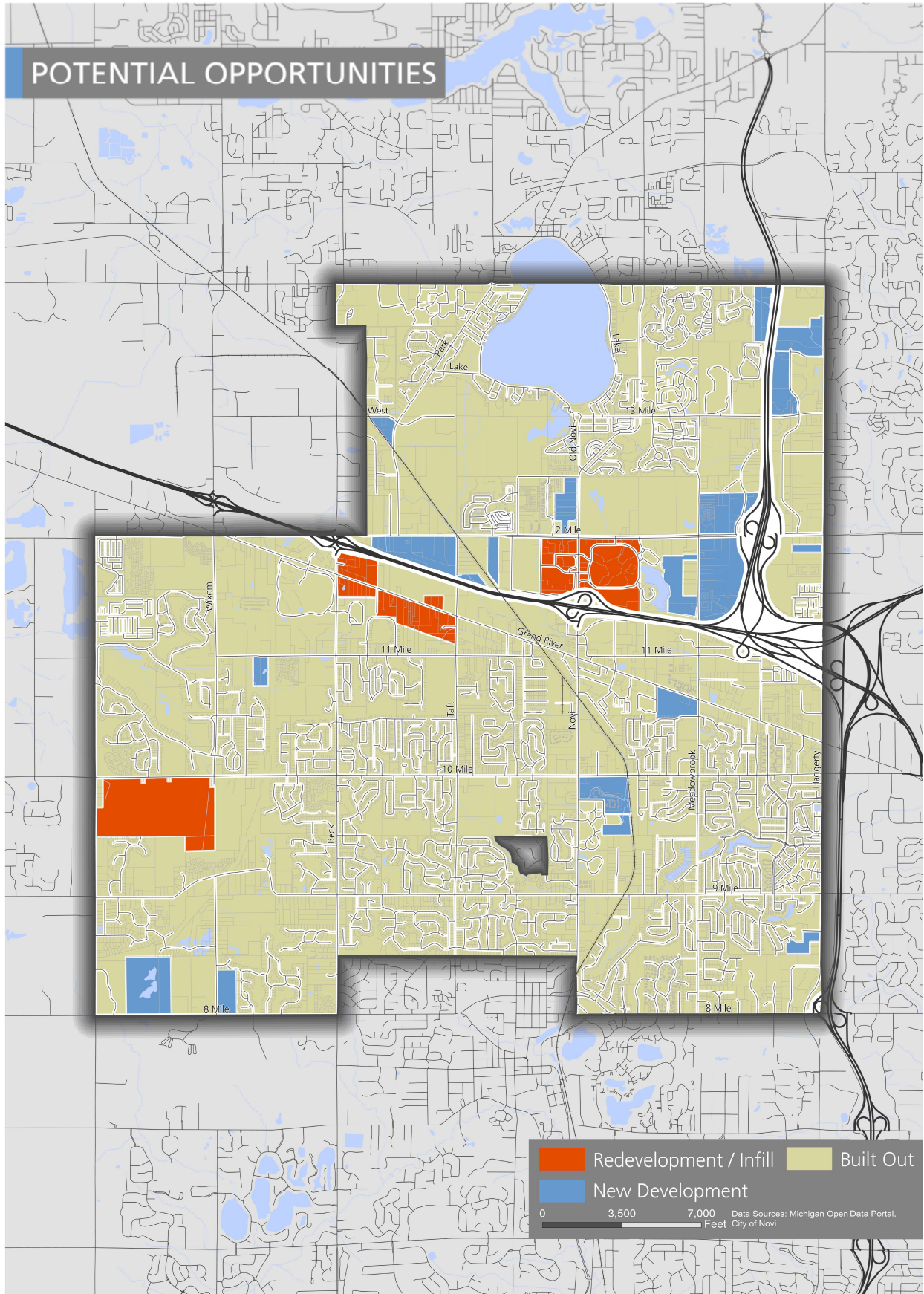
CURRENT STATUS

Today the City of Novi is 88% built out except for several properties. The map entitled, “Potential Opportunities” notes what areas generally ten acres or larger that could accommodate new development, and those areas that built out or available for redevelopment. One of the remaining largest remaining properties for new development are the “Trinity” property located east side of the M-5 and Twelve Mile Road interchange, and properties on the south side of Twelve Mile Road between Taft and Beck Road. Properties designated for redevelopment or reconfiguration include Twelve Oaks Mall, West Oaks I and II, and parcels along West Grand River between Taft and Beck.

Table XX: Current Build-Out Status

Total City Acreage	20,027	100%
Built Out Acreage	17,149	86%
Redevelopment Acreage	1,830	9%
New Development Acreage	1,048	5%

Map XX: Potential Opportunities



MARKET

The Novi market is almost fully built out. Discussions with Novi market developers coupled with a review of real estate trends establish a baseline for future land use considerations. Unlike the past several decades where new construction was mainstream, niche development on several remaining sites, and more importantly redevelopment will take center stage in the next decade. These trends are focused on the near-term, five to ten years, and do not consider major real estate shifts that are contemplated to occur once autonomous vehicles (AV's) are fully functional and part of the urban landscape. Outlined below is a summary of these Novi near-term real estate trends.

Overall Real Estate Market Trends

Residential

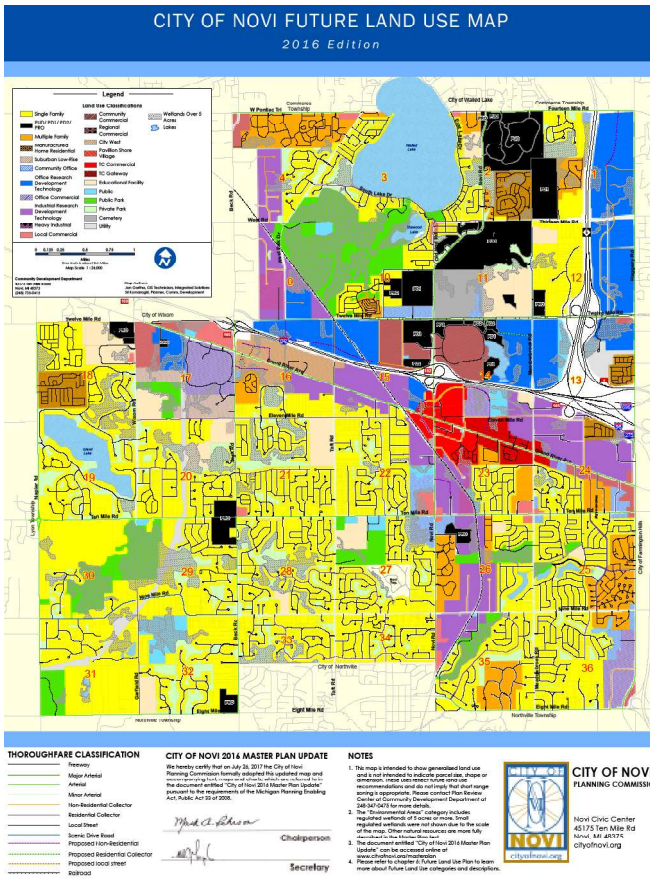
- » Residential market will remain relatively strong. Rising mortgage interest rates will taper the pace of sales.
- » There is a market for age-targeted housing for 55+ households with a focus on single level living.
- » There is a movement to higher density residential (3-5 units/acre) to accommodate 1,700 – 2,100 square foot homes with the ability to “age in place” as desirable to a variety of home purchasers.
- » Housing will likely become a component of horizontal mixed-use developments.
- » There is an opportunity to introduce and encourage residential development along Grand River between Beck Road and Novi Road.

Retail

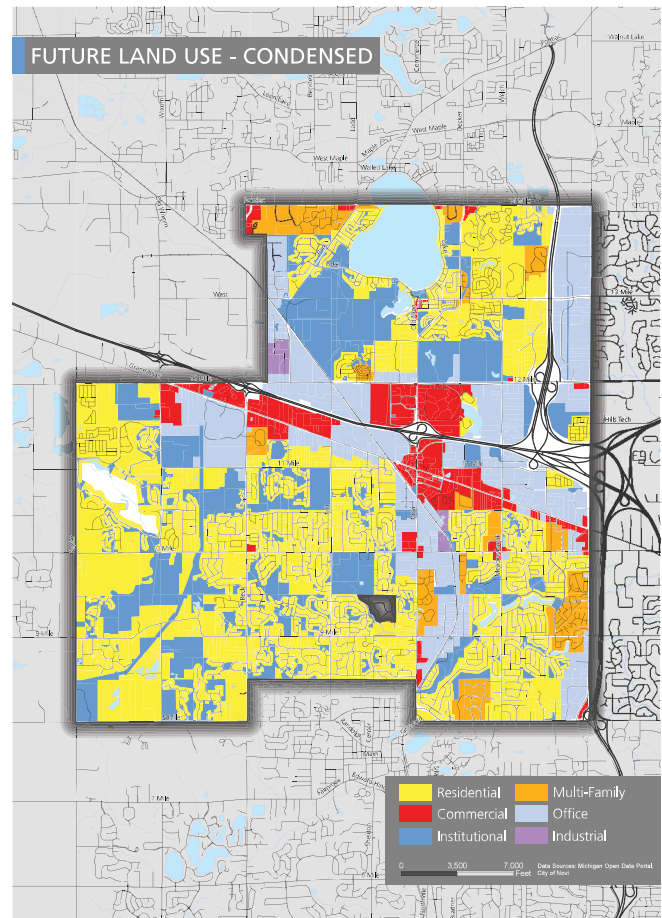
- » Retail is close to being overbuilt.
- » Concern about Twelve Oaks Mall and recent closures. Other regional malls, Lakeside (Macomb County) and Oakland Mall are in the process of redevelopment to other mixed use. Great Lakes Crossing is morphing into an entertainment district.
- » Novi Road and I-96 are still the retail hub of the City, and a regional destination.

- » The introduction of non-retail uses, personal services (i.e. Aspen Dental, urgent care, etc.) into traditional retail locations will likely continue.
- » National franchises will desire exposure on Novi Road.
- » According to Novi developers, hotels are reaching market capacity.
- » Fountain Walk is substantially built out. Fords Garage and Kpot are in the process of opening occupying former tenant spaces.
- » **Office**
- » Office occupancy was significantly impacted by COVID-19.
- » Work from Home (WFH) is now an option that will impact the size and functionality of future office space.
- » Trend toward R&D and technology tenants, and hybrid office space with multi-tenants with shared common facilities. The IMPLAN model supports this shift and emergence in this market sectors. The IMPLAN (Impact for planning) Base Sector Analysis noted that 85% of 413 identified market sectors in Oakland County were either classified as growth or emerging. Growth sectors include real estate, architecture, engineering and technical services, information, insurance, and motor vehicle electrical equipment and manufacturing. Emerging sectors include hospitals (health care), scientific research & development and other motor vehicles parts manufacturing.
- » “Flex” space which overlaps into the industrial sector will increase.
- » There is a lack of large vacant acreages in the City for e-commerce fulfillment centers or large distribution facilities.
- » There will likely be a demand for relatively smaller, multi-tenant office space in the range of 30,000-50,000 square feet. It is likely that only “pre-leased” office space, not speculative, will be built over the next few years.

Map XX: Future Land Use (Current)



Map XX: Future Land Use (Condensed)



Industrial

- » Opportunity for “Flex” warehousing which accommodates a variety of uses, including indoor vehicular parking options for service vehicles.
- » Build to suit industrial opportunities have cooled due to construction costs, low demand and higher lease rates. There is a shift toward finding space in existing, vacant facilities in the Livonia and Detroit sub-markets.
- » An increase in general storage facilities in Novi.

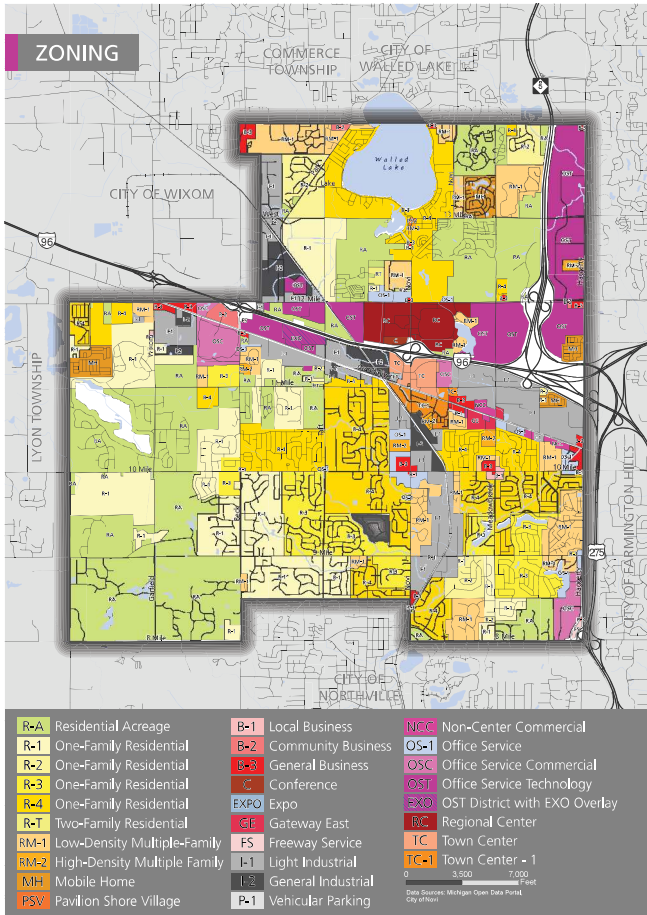
Health Care

- » Move toward outpatient facilities and private medical office buildings (MOB’s).
- » Ascension Providence not fully built out with several parcels within the ring road are available.

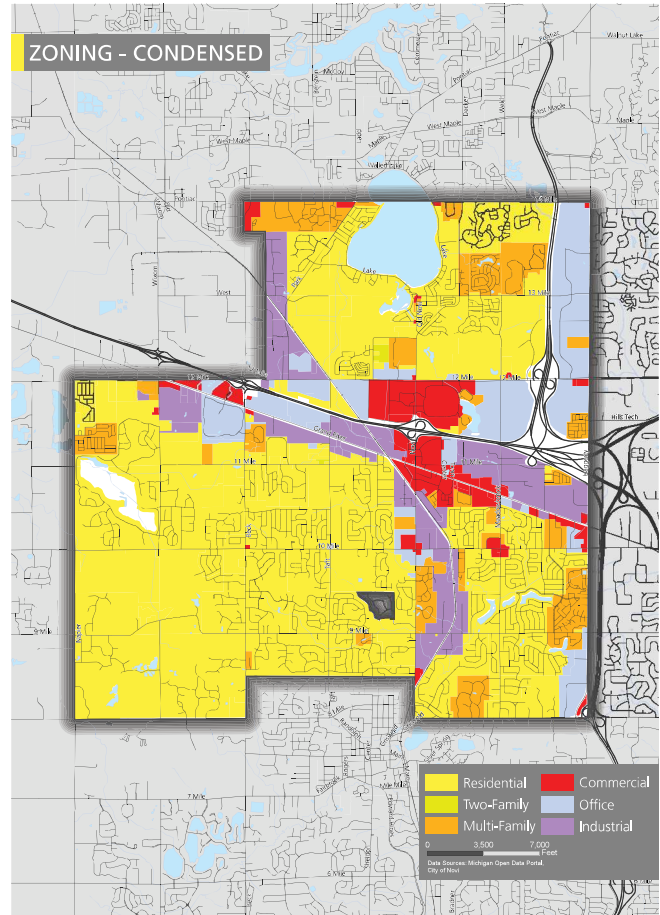
VISUALIZING LAND USE

The real estate market is responding to post-COVID impacts, supply and demand within the respective market segments, interest rates, and consumer preferences. IMPLAN modeling notes the continuation of growth and emerging markets focused on science, technology, information, and research and development. As a result, future land use and zoning recommendations need to include some degree of elasticity and flexibility to respond to these changes. Currently the City’s Future Land Use map has 24 land use categories and the zoning code has 28 zoning districts. Fundamentally, the future land use map can be consolidated into 6 land use categories; residential, commercial, institutional, multi-family, office and industrial. Similarly, the zoning map can be consolidated into 6 districts; single family residential, two-family residential, commercial, office and industrial. These consolidated maps present the basic land use and zoning framework for the City.

Map XX: Zoning (Current)



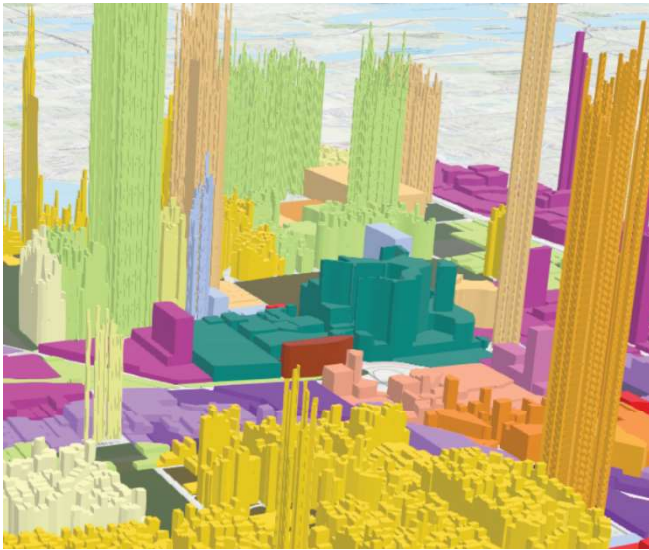
Map XX: Zoning (Condensed)



The Twelve Oaks Mall contributes significantly to the City's tax base.

The condensed future land use map graphically illustrates that residential development primarily occurring north of Twelve Mile Road and south of Grand River. The interior core between Twelve Mile Road and Grand River Avenue is comprised of commercial and office related uses. The area between Novi Road and the railroad right-of-way south of Grand River is comprised of a combination residential, commercial, office, and industrial uses. The condensed zoning map reflects a similar pattern with the exception that much of the office in the future land use map is classified as industrial on the zoning map.

The core area of the city sandwiched between Twelve Mile and Grand River will likely see the most transformation in the near-term. The outlier is Twelve Oaks Mall and what changes will occur with the closing of several anchors. The majority owner of the mall is Simon Property Group out of Indianapolis. In their 2021 **Forward Looking Statement** found in the K-10 disclosure, they cautioned investors that "changes in economic



Taxable value per acre. (Data: City of Novi, Graphic B&R)

and market conditions that may adversely affect the general retail environment; the potential loss of anchor stores or major tenants; the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise; the intensely competitive market environment in the retail industry, including e-commerce; an increase in vacant space at our properties.” In their 2021 Annual Report they noted the completion of 20 redevelopment projects in their portfolio with the addition of mixed-use components to their market leading centers. A recent redevelopment at Phipps Plaza in Buckhead Georgia (a suburb of Atlanta) will include a 150-room Nobu Hotel and Restaurant, 13-story LEED gold office building, athletic facilities, and greenspaces for outdoor events, dining and entertaining. The tag line for the 2021 Annual Report was “Live, Work, Play, Stay and Shop” an obvious harbinger for mixed-uses.

The Twelve Oaks Mall contributes significantly to the City’s tax base. The dark green object in the center of the graphic depicts the taxable valuation per acre of the regional commercial properties. Based on this analysis, Twelve Oaks value per acre (\$1,700,000) exceeds West Oaks I and II and Fountain Walk by four times.

OPTIONS FOR THE FUTURE

The next decade will likely bring transformative change within the central core area of the City. The retail environment is different post-COVID as noted by area developers and retail market trends. Other southeast Michigan malls are in flux. The Mall at Partridge Creek in Clinton Township and Fairlane Mall in Dearborn are struggling. Eastland Center in Harper Woods and Northland Center in Southfield have closed. Lakeside Mall in Sterling Heights is poised for redevelopment by a Florida developer. Mall and strip suburban commercial retrofit is not a new concept. Many former malls and regional shopping centers have been redeveloped into vibrant, pedestrian-oriented mixed-use districts. Some examples include, The Street at SouthGleen in Centennial, CO., Mizner Park in Boca Raton, FL, Mashpee Commons, MA, and North Hills in Raleigh, NC.

Novi’s residential neighborhoods will still be sought after due to the City’s high quality of municipal services and public safety, parks, and public / private schools. According to Niche.com Novi High School is rated 3rd best out of 790 Michigan high schools.

Flexibility is the key to future redevelopment. To address the anticipated changes in the real estate market and provide the flexibility needed to create indoor-outdoor mixed-use developments the following land use designations are suggested. These designations involve the consolidation of current categories which are comparatively similar groups into the creation of new categories that encourage horizontal and vertical mixed-use developments.

The future land use framework proposes five categories: TC-Towns Center, CMX-Commercial Mixed-Use, GMX-General Mixed-Use, OST-Office, Science and Technology, and Public / Quasi Public. A description of each new land use group, their regulated land uses, and distinguishing characteristics can be found on the following pages.

TOWN CENTER (TC)					
Condensed Districts	TC-Commercial, TC-Gateway, Office Commercial and Multiple Family				
Purpose	The TC, Town Center district is designed and intended to promote the development of a pedestrian oriented, neighborhood-scaled commercial service district in which a variety of retail, commercial, office, civic, residential uses and open space are permitted. Based on existing development patterns pedestrian circulation is internal within the respective properties.				
Regulated Uses	<table border="1"> <thead> <tr> <th>Non-Residential</th> <th>Residential</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Public and Quasi Public » Financial, Insurance and Real Estate » Hotels » Parks, Plazas and Open Spaces </td> <td> <ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family </td> </tr> </tbody> </table>	Non-Residential	Residential	<ul style="list-style-type: none"> » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Public and Quasi Public » Financial, Insurance and Real Estate » Hotels » Parks, Plazas and Open Spaces 	<ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family
Non-Residential	Residential				
<ul style="list-style-type: none"> » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Public and Quasi Public » Financial, Insurance and Real Estate » Hotels » Parks, Plazas and Open Spaces 	<ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family 				
Distinguishing Characteristics	Retail, workplace and civic activities mixed with attached housing types such as lofts and apartments all developed at a community scale. Commercial and office uses are allowed on the first floor and upper stories of the structure. Designed to increase walkability and create a intimate urban space where pedestrian traffic is favorable over vehicular traffic.				



COMMERCIAL MIXED-USE (CMX)			
Condensed Districts	Regional Commercial, PD-2, PD-1 (adjacent to Regional Commercial)		
Purpose	The CMX land use category allows for a combination of commercial, office, lodging, office and residential within an integrated development. Parks, plazas and pedestrian areas are encouraged to provide a high degree of connectivity between uses. These areas would be primarily commercial/retail in nature with ancillary uses that create opportunities for shopping, dining, living and play.		
Regulated Uses	<table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <p>Non-Residential</p> <ul style="list-style-type: none"> » Retail; Regional and National Franchises » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Open Space and Plazas » Parking Structures </td> <td style="vertical-align: top; width: 50%;"> <p>Residential</p> <ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family </td> </tr> </table>	<p>Non-Residential</p> <ul style="list-style-type: none"> » Retail; Regional and National Franchises » Retail; General » Restaurants; Dine-in with Outdoor Seating » Professional Offices » Hotels » Open Space and Plazas » Parking Structures 	<p>Residential</p> <ul style="list-style-type: none"> » Upper Story Apartments and Lofts » Attached Single Family » Multiple Family
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Distinguishing Characteristics	Dense, vehicular-dependent mixed use development accessible from an Interstate or major thoroughfare. Preference to utilize land for buildings instead of surface parking lots. Allowance for higher buildings with a limitation on 6 stories.		



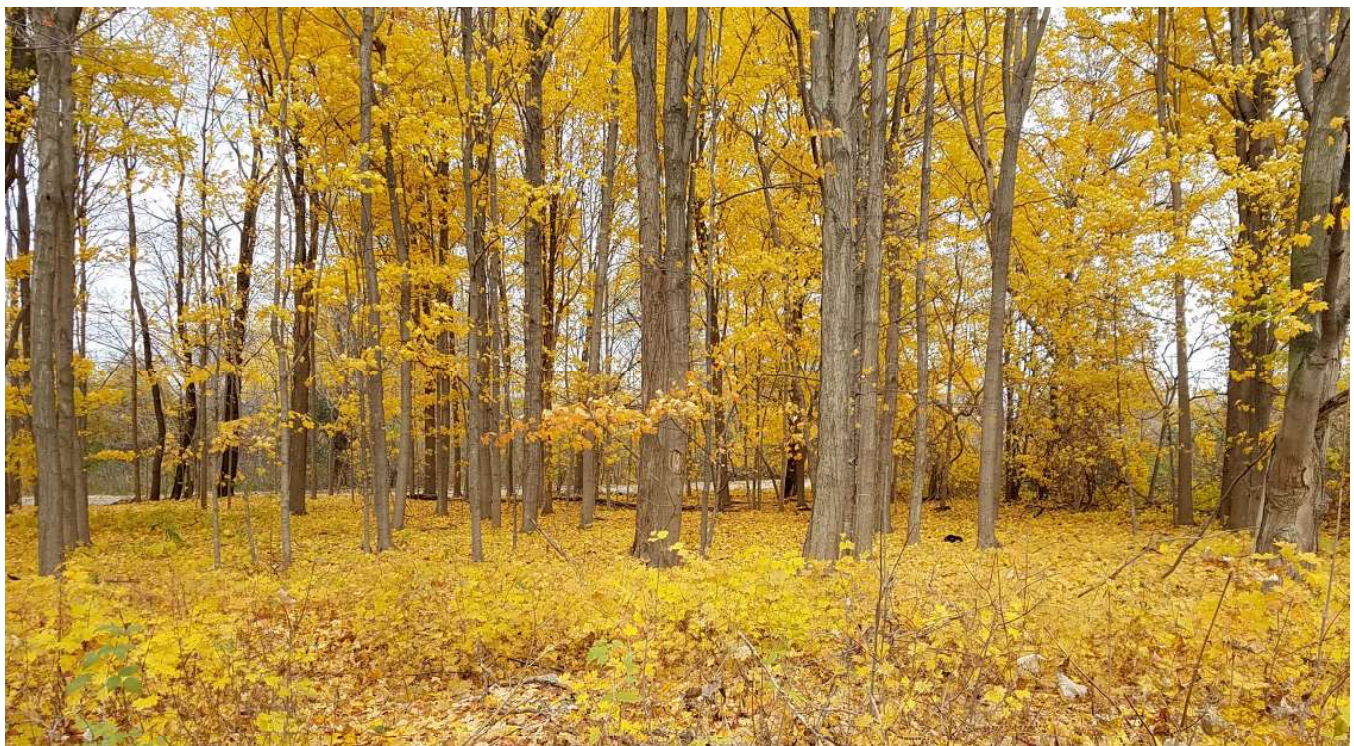
GENERAL MIXED-USE (GMX)			
Condensed Districts	City West, Community Commercial and Office, Research & Development		
Purpose	The GMX land use category provides the highest flexibility of the categories. It recognizes that certain properties will be developed based on prevailing market trends utilizing a site-specific master plan to guide development reserving certain portions of the subject property for different land use typologies.		
Regulated Uses	<table border="0"> <tr> <td style="vertical-align: top;"> <p>Non-Residential</p> <ul style="list-style-type: none"> » Retail; General » Exhibition and Conference Facilities » Research and Development » Healthcare Facilities » Professional Offices » Restaurants; Dine-in with Outdoor Seating » Open Space and Plazas </td> <td style="vertical-align: top;"> <p>Residential</p> <ul style="list-style-type: none"> » Single Family Attached » Multiple Family » Upper Story Apartments and Lofts </td> </tr> </table>	<p>Non-Residential</p> <ul style="list-style-type: none"> » Retail; General » Exhibition and Conference Facilities » Research and Development » Healthcare Facilities » Professional Offices » Restaurants; Dine-in with Outdoor Seating » Open Space and Plazas 	<p>Residential</p> <ul style="list-style-type: none"> » Single Family Attached » Multiple Family » Upper Story Apartments and Lofts
<p>Non-Residential</p> <ul style="list-style-type: none"> » Retail; General » Exhibition and Conference Facilities » Research and Development » Healthcare Facilities » Professional Offices » Restaurants; Dine-in with Outdoor Seating » Open Space and Plazas 	<p>Residential</p> <ul style="list-style-type: none"> » Single Family Attached » Multiple Family » Upper Story Apartments and Lofts 		
Distinguishing Characteristics	Unique properties that may have environmental limitations (wetlands, brownfields, etc.) Development is focused on maximize the site while creating a unique and integrated development. Pedestrian walkability and connectivity would be desirable and encouraged components.		



OFFICE, SCIENCE & TECHNOLOGY (OST)		
Condensed Districts	Office Research Development Technology Industrial Research Development Technology	
Purpose	The OST land use classification positions the City to accommodate existing office, research and development enterprises and forecasted growth and emerging market sectors.	
Regulated Uses	Non-Residential <ul style="list-style-type: none"> » Professional Offices » Research and Development » Scientific and Technical Services » Healthcare » Information Technology » Automotive-related Research » Light Industrial without assembly » E-commerce distribution » Pharmaceutical research 	Residential <ul style="list-style-type: none"> » None
Distinguishing Characteristics	Primarily office environments dedicated to research, development and technology businesses.	



PUBLIC & QUASI-PUBLIC		
Condensed Districts	Educational Facilities Public Public Park Private Park Cemetery Utility	
Purpose	Properties that support public and quasi-public facilities and operations such as municipal buildings and operations, public parks, trails, public and private education, cemeteries, and critical and essential services.	
Regulated Uses	Non-Residential <ul style="list-style-type: none"> » Federal, State, County and City Offices and Operations » Public and Private Parks » Public and Private Educational Facilities » Cemeteries » Utility Right-of-Way, substations, and associated facilities. » Facilities associated with the delivery of water, sanitary, electric, gas, cable, and Internet. 	Residential <ul style="list-style-type: none"> » None
Distinguishing Characteristics	Facilities dedicated to providing services to the public. Some properties such as parks and educational facilities are located on large parcels with significant open space. Other facilities may include site-specific uses such as a post office, fire station, pump station, or utility equipment.	



IMPLICATIONS FOR PLANNING AND ZONING

Execution of the proposed land categories will require some retooling of how the city implements the zoning ordinance. Currently, there are provisions within the zoning ordinance that provide some restricted flexibility on how a property may develop.

The Planned Development Option (PDO) found in Section 3.31 of the zoning ordinance allows the applicant to propose a rezoning with a site plan and conditions.

The PD-1 option allows a property owner within the RM-1 (Multiple Family Residential) to permit higher density mid-rise development in a district which normally requires low rise structures. Similarly, the PD-2 option is “intended to encourage development of intensive major nonresidential land use types and transitional mixed-use buildings with residential components land use types not otherwise permitted in the RC district.”¹ The PD-2 was further amended (Ordinance 18.295) to allow for stand alone residential development without a commercial component with certain exceptions.

The Planned Rezoning Overlay (PRO) provision allows a property owner seeking rezoning “if a site plan, along with conditions and limitations that may be relied upon by the City, could be proposed as part of a petition for rezoning.”² The proposed land use categories would be converted into zoning districts replacing the current zoning of the properties within the new districts. Each of the new zoning districts would have a listing of regulated uses (permitted and those requiring special approval), building form and site development standards. Public realm (space between the front building façade and street rights of way) design standards would be uniform regardless of corridor frontage and articulated in a specific section of the ordinance. The PD-1 and PD-2 provisions may no longer be required in these new zoning districts because they would be replaced through the planned unit development process.

The development of single purpose uses, i.e., professional office building, would adhere to the requirements of the site plan review process under Section 6.1 of the Zoning Ordinance. Mixed-use

developments (horizontal or vertical) would be managed through a planned unit development (PUD or PD) process which relies on a master plan for the site and an approved and executed development agreement between the city and developer regarding the development and its phasing.

The planned unit development (PUD), or planned development (PD) provisions would be new provisions to the zoning ordinance.

It is likely that some properties will become nonconforming under the conversion. It is proposed that Section 7.1; Nonconforming Uses, under the Zoning Ordinance be revised to allow for the continuation and extension of these uses pursuant to MCL 125.3208 (2), of the Michigan Zoning Enabling Act. Ordinance modifications may be needed to further clarify nonconforming use standards.

These land use and zoning modifications within the core portion of the city will provide maximum flexibility for property owners to develop and redevelop their properties while ensuring the sustainability of the city’s tax base with consistent and uniform improvements to its public realm.

The Zoning Plan which will be included in the Future Land Use chapter will outline which zoning districts will be included in the proposed land use categories. Essentially, the zoning plan is the bridge connecting the future land use categories to the zoning ordinance, outlining which zoning districts will need to be revised to implement the future land use map.

1. City of Novi Zoning Ordinance, Section 3.31 (6), page 3-146.

2. City of Novi Zoning Ordinance, Section 7.13 (2)(A), page 7-17