

Approved

MEETING MINUTES
REGULAR MEETING
MARCH 6, 2025
GRAND RIVER CORRIDOR IMPROVEMENT AUTHORITY
JON GRANT COMMUNITY CENTER
29260 GRAND RIVER AVENUE
FARMINGTON HILLS, MI 48336

CALLED TO ORDER BY: MARY NEWLIN AT 8:05 AM

MEMBERS PRESENT: RICH, SMITH, MANN, ALKHAFI, PATROS, PRICE, NEWLIN

MEMBERS ABSENT: MANN

OTHERS PRESENT: Gary Mekjian, City Manager, Cristia Brockway, Economic Development Director, Karen Mondora, Assistant City Manager, John Trafelet, Planning Commission Chair, Steve Stimson, Planning Commission Member, Bob Gibbs, Gibbs Planning Group,

APPROVAL OF AGENDA:

Motion by Rich, supported by Smith to approve the agenda as submitted.
Unanimously approved.

APPROVAL OF MINUTES:

Motion by Smith, supported by Price to approve the December 17, 2024, meeting minutes as submitted.
Unanimously approved.

APPROVAL OF 2025-2026 BUDGET:

Motion by Price, supported by Petros to approve the budget as presented.

Yes: 6

Abstained: Rich

Absent: Mann

BUDGET:

Cristia Brockway presented the budget for Tom Skrobola, Finance Director. The requested 2025-2026 balance is \$930,261 with a projected 2026-2027 of \$918,259. Projects budgeted for the next few years of \$200,000 will be for public benefits such as street scape changes, median landscaping and continued beautification efforts. A \$30,000 grant is available to help with the façade improvements. The next line item discussed was the \$90,000 reserved for the opportunity of three of these grants to be used.

Mekjian and Rich asked Brockway to expand upon the project. Brockway described that the project line item of \$200,000 will be used for a street scape study which will include proper implementations of art such as sculptures and murals. The remaining budget amount will be used to begin implementation. Mekjian remarked this is all contingent on getting proper permitting from MDOT and RCOC. Mondora commented irrigation and electric in the medians will be the largest cost since currently there is none.

BUSINESS:

Brockway introduced the two Planning Commissioners who were present along with Bob Gibbs of Gibbs Planning to discuss the findings within the corridor market study. There are four categories: housing,

office, hotel and retail within the Grand River Corridor. The study is about 70% complete with the remaining studies to be completed in the next two to four weeks. Within 5 minutes there is a quarter of a million people shown statistically. The hotel market is robust again, rates are up about 30% pre Covid. There is a lot of private equity out there for hotels, however, there is little interest in the investment of hospitality currently. Within the Grand River corridor nearest to Eight Mile, Gibbs discussed if green space was available, businesses would more likely be interested in a 5-to-10-year lease for new build.

There are 15,000 workers within a 15-minute drive, and they spent \$40M last year; however, models showed they spent about \$60M. Within a 10-minute drive there are 50,000 workers. The study indicates that there is a lot of demand for restaurants for lunch time spending, currently on average the workers spent about \$75 per week for food, beverage and grocery shopping. The key factor is how much time the employee has for their lunch. Workers in the area agree they need better restaurants in the area. Housing demand is very strong, however, statistically there is a shortage of newer housing. Currently, for new developments there is not enough open land, lots are small, and developer needs ample space for residential density. The number one housing type according to MSHDA are townhomes. About 60% of home buyers want townhomes which are the least expense to build.

The developers would like to have higher density in project areas for residential mixed use to pencil out. There is a desire to have additional stories added to apartment developments. Rent prices in Michigan have been severely impacting productive residential developments. Developers suggest incentives are necessary to fill financial gaps in their projects. These types of incentives include MSHDA work force housing and other eligible incentives based on the project.

The retail study in this trade area showed that 50 percent of the immediate population are heavy consumers of goods and services. Additional spending is generated from e-commerce, visitors, area employees and commuters. There is a density population within the Grand River corridor trade area of about 120,000. The West River Shopping Plaza makes up about 70 percent of consumer spending. The study does not include automotive. The study shows the area could capture about another \$70M, about 50 percent in growth. There is a demand for bookstore, bakery, coffee shop, small jewelry store and bulk retail (Ollie's or Big Lots). Brockway commented there is a 2.738 parcel available off Grand River that has a 20,000 SF building and does not include the outside space (the old lumberyard). The area needs a full-sized grocery store, and this area could support it. There is big demand for specialty foods like produce, fish and bake goods. No demand for pharmacy. Big demands for 10-15 restaurants. A general demand for about 140,000 SF of retail and about 35,000 SF of new restaurants. Gibbs took this study out to real estate brokers and claimed the study was off in some of its findings. However, Gibbs stated that these opinions may be bias towards the area.

Rich commented the area has been neglected for decades. Alkhafaji commented that the corridor just needs one property developed as a catalyst for others. He also stated that risk taking developers are needed. Patros and Alkhafaji discussed that a quick serve restaurant could serve as a destination location and attract additional developments.

The Grand River area could support about 10-15 new restaurants such as 4 pubs, 4 full-service restaurants, up to 5 quick casual restaurants and up to 2 to 4 specialty places such as a bagel store, coffee shop and ice cream store. Due to the demand in this area, it is hypothesized that these sales would be about 25 percent higher than the industry standard. Grand River has a walk score of about 50.

The median house price within the Grand River corridor area is about \$180,000 and the median household income is about \$95,000. Statically, south Farmington Hills has a lot more spending per acre than north Farmington Hills. Newlin commented in this area residents have more disposal income available. Price would like to see incentives to attract their key employees to live in the area. Alkhafaji commented there are communities that have given a business incentives for their development. Rich suggested having a joint special session with Planning Commissioners, Brownfield Committee and EDC possibly in June. Trafelet, Planning Commission member agreed on the idea. Gibbs does not think this is a good idea.

BOARD MEMBER COMMENTS:

None.

PUBLIC COMMENTS:

None.

ADJOURNMENT:

The meeting was adjourned by Price, Vice Chair at 9:43 AM

Minutes drafted by: Cristia Brockway