

**MINUTES
CITY OF FARMINGTON HILLS
ECONOMIC DEVELOPMENT CORPORATION
December 17, 2014 – Regular Meeting**

The Economic Development Corporation of the City of Farmington Hills held its Regular Meeting on Wednesday, December 17, 2014, in the Community Room at City Hall. Chairman Anhut called the meeting to order at 8:00 a.m.

Members present: Anhut, Elliott (out of the room), Gatewood, Hartsock, Jacknow, Johnson and Marcellino

Members absent: Brock and Sarafa

APPROVAL OF AGENDA

MOTION by Jacknow, support by Hartsock, to approve the agenda as published.

Motion carried unanimously.

APPROVAL OF MINUTES

MOTION by Marcellino, support by Jacknow, to approve the meeting minutes of November 19, 2014 as published.

Motion carried unanimously.

CHAIRMAN'S REPORT

Chair Anhut mentioned that Bill Dwyer was planned as the speaker, but he had to cancel due to a case of the flu. He wished him well.

Chair Anhut reported on the following:

- St. Alexander Church closed and merged with St. Gerald Church
- Vladimir's has closed and has been taken over by a church
- The building on the property at Grand River Avenue and the expressway has been removed (formerly Sips Bar and Grille)
- This year is the 25th year Chair Anhut has rung the Salvation Army bell for contributions
- He spoke about improvements at the Kroger in Farmington Hills
- The Star Bucks new location at Orchard Lake Road and 12 Mile is enjoying an interesting corner of town
- The former Roosevelt's has become a micro-brewery with over 120 brands of beer

Discussion took place regarding the trend toward micro- breweries throughout the country.

Chair Anhut spoke about the expansion at Duffy Petrosky in Farmington Hills. He said they are adding more jobs. He said it is a remarkable story of retention, and that Blue Cross Blue Shield and Pure Michigan are some of their clients.

Mr. Marcellino spoke about the expansion at Botsford Hospital that includes the emergency room, a new patient tower, and new surgeries. He said overall it was a rebuilding of the entire hospital, thanks to the substantial commitment of \$160 million by Beaumont. He said construction will begin in July of 2015; and Botsford Hospital was moving to an all-private room facility. He spoke about the many technological changes that have taken place.

Discussion took place regarding the changing chain of command at Botsford Hospital.

Chair Anhut said that Level One Bank was taking over Lotus Bank and planned an expansion.

Chair Anhut mentioned Assistant to the City Manager Geinzer's recent presentation to the Economic Development Corporation on the Georgetown University project. He said he thought the EDC should focus its efforts next year to helping promote and win that competition.

Chair Anhut said the pastor of St. Fabian Church was interested in supporting the project, and they discussed ways to unite the Catholic community into this project. He said combined, there is over 6,000 parishioners in St. Fabian, St. Gerald and Our Lady of Sorrows Churches.

MOTION by Johnson, support by Jacknow, that the Economic Development Corporation was in support of the Georgetown University project.

Mr. Hartsock said this project could be a significant benefit to the community.

Motion carried, 6-1-2 (Elliott out of the room, and Brock and Sarafa absent)

Chair Anhut mentioned that Dr. LaCasse of Botsford Hospital was on board with the Georgetown project; and they discussed the promotion of a contest among the 2,500 employees at Botsford Hospital, so see who could be the most successful at energy reduction. He said he hoped Mr. Sarafa can inspire the Chaldean community and their Chamber of Commerce to become involved. He said Mr. Geinzer could attend some EDC meetings to keep them apprised of the progress.

Ms. Gatewood spoke about a plan she and her son were working on relative to getting the communities and subdivisions involved through social media. She said they were taking this to Mr. Geinzer for discussion.

Mr. Johnson commented that Bosch was on board in terms of helping with the project.

COMMITTEE REPORTS:

Mr. Hartsock spoke briefly about the financial market, and discussed an article regarding the situation in Russia and the cost of oil.

Discussion took place regarding Russia.

Mr. Johnson said Bosch planned to double the size of their Plymouth technology center. He said there will be different movements of staff, and some will be moving from Farmington Hills; however, Bosch planned to update its Farmington Hills office with a more modern approach, e.g. less offices and more openness. Mr. Johnson said they foresee about an 8% market growth in the U.S., which is their target in terms of the industrial sector. He said there were many consumer projects for things like construction tools. He said steady growth was predicted over the next four years.

Mr. Johnson spoke about the manufacturing innovation legislation passed by Congress, which is significant for Bosch, as it helps to establish and fund collaboration centers. He said this will help the U.S. in terms of competition, similar to Germany and China. He said Bosch sees a very positive horizon in the U.S. relative to the NAFTA region of Mexico and Canada. He said Mexico has successfully downplayed their problems and are attracting business. He mentioned a global study that indicated that the U.S. was by far the automotive leader in these regions.

Mr. Marcellino spoke about the rapid changes at Botsford Hospital and the focus on organizing, integrating and synergizing the combined effort with Beaumont Health System and Oakwood Healthcare. He discussed the extensive planning efforts, and said it is transitional and continues to evolve. He said the real work begins in January when the entire IT system is replaced; which will affect the general management, financial, human resources, the supply chain, etc. Mr. Marcellino said their focus is to move to one corporate structure, and the challenge is to create an organization that approaches the market as one unified health system.

Discussion continued regarding the IT system at Botsford Hospital, and how many areas will be integrated and consolidated, while eliminating any duplicative infrastructure.

Ms. Jacknow said CPAs are now busy with their clients for year-end completion. She said so much was still up in the air for 2014 and 2015 for planning purposes. She spoke about the State being behind and there is significant room for improvement.

Discussion took place regarding the potential renewal of the tax provisions that had expired. Ms. Jacknow said they were renewed last year in January; and they were going with the assumption that the renewals would continue.

Ms. Gatewood said business was booming in Michigan in all areas. She said the construction field was growing, and it was a challenge to find qualified employees.

Chair Anhut mentioned an article in Crain's regarding Grand Rapids and the conversion of schools to vocational efforts.

Discussion took place regarding the salaries earned by tradesmen.

TREASURER'S REPORT

MOTION by Marcellino, support by Johnson, to accept the financial report for November, 2014, as published.

Motion carried unanimously.

Chair Anhut wished the EDC happy holidays and said the next meeting was scheduled for January 21, 2015.

ADJOURNMENT

There being no further business, Chairman Anhut adjourned the meeting at 8:33 a.m.

Respectfully submitted, City Manager Steve Brock
Secretary, Economic Development Corporation

gray/pbs/shared/boards and commissions/edc/2014/ regular meeting minutes/12-17-14