

**MEETING MINUTES  
ECONOMIC DEVELOPMENT CORPORATION  
MARCH 16, 2022  
CITY OF FARMINGTON HILLS  
COUNCIL CHAMBERS  
31555 W ELEVEN MILE ROAD  
FARMINGTON HILLS, MICHIGAN**

**CALLED TO ORDER BY CHAIRMAN T.R. CARR AT 8:10 A.M.**

**MEMBERS PRESENT:** T.R. CARR, LEWIS CANTOR, MARK BRUCKI, MARK ZACHOS, EUNICE JEFFRIES

**ALSO PRESENT:** Gary Mekjian, City Manager, Joseph Valentine, Assistant City Manager, Dr. Ken Massey, City Council Liaison, Cristia Brockway, Economic Development Director, Tim Dempsey, Vice President of Public Sector Consultants, Susan Arlin, Director of the Greater Farmington Area Chamber of Commerce and public participant

**EXCUSED:** Sam Slaughter, Fritz Beiermeister, Scott Elliott

**APPROVAL OF AGENDA**

Motion by Lewis Cantor, supported by Eunice Jeffries, to move item 7(a) to item 5 and to approve the agenda as amended.

Unanimously approved.

**APPROVAL OF MINUTES**

Motion by Mark Brucki, supported by Lewis Cantor to approve the minutes of February 16, 2022 as submitted.

Unanimously approved.

**BUSINESS**

Old Business

1. Innovation Center – Review Business Plan
  - a. Tim Dempsey presented the Economic Development Corporation with the following information on the Business Plan:
    - i. There is a demand for business incubators due to the lack of quantity in Southeast Michigan. Significant requirements for the incubator space were brushed upon including public and private investments, business resource connectivity for entrepreneurs, long-term partnerships that may be public or private, a clear governance structure, facility build-outs, and awareness of ongoing operational costs. The long-term focus for the Innovation Center was stated to be six to ten years out in terms of investment and business commitment.

- ii. The square footage of the space, as discussed in the Facility Assessment, could be divided into multiple labs and flex spaces, but the area is ultimately based on business and facility needs. Mr. Dempsey continued to explain that mechanical systems such as ventilation, electrical power, and internet access will need to be improved. The buildout perspective divides the space into core and potential expansion areas contingent on it being used otherwise as noted by City Council. Square footage buildout rates would estimate \$1 million. It was prompted that the rate may increase due to the cost of inflation.
  - 1. Eunice Jeffries and Lewis Cantor inquired about the cost of rent versus square footage. Tim Dempsey answered that the cost of rent is determined by several associated costs listed in the Pro Forma for the entire incubator space.
- iii. Two 10-year Pro Formas formatted on rental and occupancy assumptions were discussed as they were assumed on a best-case scenario, but there are unknown economic impacts factored in. Fluctuation in rental income and facility maintenance were measured as two important variables.
  - 1. Chairman T.R. Carr turned to Joe Valentine, Assistant City Manager, for thoughts on how the City Council may view the numbers presented.
    - a. Gary Mekjian, City Manager, and Joe Valentine, Assistant City Manager, detailed that more information and decisions, by the Corporation, will need to be made to present any requests to City Council.
  - 2. It was discussed that exploration of public and private partnership is a critical piece in discovering funding opportunities. Concerns raised by the Corporation including when to begin conversations with financial entities while there is a need to present the Business Plan to Council and how the Corporation plans to move the project forward.
- b. Conversation with regards to a presentation before City Council between Mr. Mekjian, Mr. Valentine, Mark Brucki, Dr. Ken Massey, Council Liaison, and Mark Zachos took shape. It was suggested that the next meeting with Council should be to present a project update with the Business Plan, recommendations to move forward, to offset alternative expenses, to summarize the Innovation Center's purpose and potential for positive economic impact, propose an amount of money to possibly be set aside in the budget for the project, and to perhaps return during Budget Requests. Zoning for The Hawk and legal advice from the City's attorney will also be needed to push forward.
- c. Chairman T.R. Carr organized a small working committee of Mark Brucki, Eunice Jeffries, Lewis Cantor, and himself to distill the questions and concerns

on the Innovation Center into a manageable document prior to meeting with Council. City Staff will also be included in the working group when needed.

### **CHAIRMAN'S REPORT**

None.

### **REPORT/UPDATES FROM**

1. City management
  - a. Joe Valentine gave a reminder that the Cannabis review sessions will be March 15 and 16 to hear professional industry input. He also mentioned of a joint City Council - Planning Commission meeting on March 21.
2. Council Liaison
  - a. Councilman Dr. Ken Massey informed the Corporation that a brief meeting was held with the Greater Farmington Area Chamber of Commerce to see how the Farmington Downtown Development Authority and the Farmington Hills Economic Development Corporation could operate together.

### **COMMITTEE REPORTS**

None.

### **BOARD MEMBER COMMENTS**

None.

### **PUBLIC COMMENTS**

1. Susan Arlin, Director of the Greater Farmington Area Chamber of Commerce, showed her appreciation for a well-attended and neatly operated State of the Cities.
2. Danielle Ware, public participant, looked to understand the need to set money aside in the City's budget.
  - a. Chairman T.R. Carr and Dr. Massey replied that potential investors would like to see the City's financial commitment prior to their own.

### **ADJOURNMENT**

The meeting was adjourned by Chairman T.R. Carr at 9:37 a.m.

*Minutes Drafted by Cristia Brockway, Economic Development Director*