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Chris Blake, Blake Company

Ed Russell, Russell Development Company

James V. Bellanca, Jr., Kercheval Company

Frank Torre, Kercheval Place

Georgia Valente, Kercheval Properties

Re: Maximizing Business Opportunity in the Village Letter

On behalf of the members of the City Council, I wish to thank you for the letter with suggested zoning and parking changes. It is always a pleasure to hear from key stakeholders in the Village.

I would like to point out that the City Council has spent the last year seriously focusing on the Village, beginning with a special meeting of key stakeholders. There was a broad consensus on the things the City could do to move the Village forward.

The City has pursued these goals throughout the course of the last year and has made great progress in providing an environment that allows private investment to flourish. These milestones include:

- Reviewing and approving an updated City wide master plan, including new provisions allowing greater developments such as housing on the Sunrise owned property area adjacent to the Village and steering Beaumont Hospital office space to the Village instead of hospital property.
- Adopting a Commercial Rehabilitation District for the Village and the Sunrise property area to encourage new tax base expanding projects such as upper floor additions, housing or multi-use developments with tax incentives.
- Cleaning up the alley side of Kercheval properties behind the former Ace/Borders properties by undergrounding utilities and installing landscaping. A brick refuse enclosure, as well as decorative lighting, fencing and streetscape extension down St. Clair between Kercheval and Waterloo, was also completed. In addition, the City has solicited vendors for commercial refuse pickup including options for compactor installations and pick-up in the Village to help clean up unsightly disposal units.
- Implementing the Downtown Master Parking Plan from 2006 which called for replacing parking meters with gated parking lots, where feasible, starting in Lot 3 between the new Neighborhood Club building and the former Ace/Borders. Customers can now park there and in the Village Parking Structure without having to worry about lack of coins or about getting parking tickets.

- Approved -- for the first time ever -- budgeting of public funds for marketing the Village by the Downtown Development Authority in order to improve the marketing of the Village. The City also approved an amended DDA plan that will professionalize the marketing approach for the Village.

These were all consensus items last spring and the City has been diligently pursuing them ever since. In addition, in furtherance of the City's existing Master Plan to create a bigger draw for activities and visitors every day, including in the evenings and weekends, the City and Neighborhood Club completed a project to create a new recreation and fitness center in the Village. Further, based on interest expressed from private parties, the City sought to draw entertainment visitors to the Village through soliciting proposals to create a theatre and associated parking in the center of the Village that would have particularly been a boon to the restaurant business in the Village.

I appreciate the suggestions for various minor zoning changes to the Village codes, of the nature suggested at the special village council meeting last spring. I would point out, however, that placing office uses on Kercheval is not a minor change, an issue which was extensively discussed by Council at multiple meetings during the Master Plan update including a widely publicized and noticed public hearing at which everyone had an opportunity to engage the Council on this topic. Citizen comments received by the City during the Master Plan clearly favored keeping the retail character and focus of the Village. The approved master plan kept the prohibition on ground floor office on Kercheval frontage. And as the attached City Planner's analysis of the current zoning of the Village shows, there is substantial existing, vacant and potential available office space allowed in the Village under existing zoning. However, additional ground floor retail frontage on Kercheval cannot be created. Certainly, it is understood how any property owner may wish to have as much flexibility as possible to lease any available space, but ultimately it is in everyone's best interest to continue to pursue a balanced and viable district with retail focus as called for in the Master Plan. Certainly, tweaks will keep the Village in tune with the current approach to successful retail downtowns and will be considered as the Council has done regularly in recent years. In fact, the zoning changes from a couple of years ago have only recently been taken advantage of to allow new services to open up recently in the Village. Upzoning that permitted taller buildings to be constructed with office or residential space after the last Master Plan have yet to be utilized except at the Neighborhood Club expansion, but are already allowed under current zoning. While the City Council has already voted to retain a retail focus of the Village and Kercheval frontage land use as retail in the Master Plan, the Council did also agree to consider the merits of potential ground floor office proposals on a project by project basis in the form of a variance requests.

With regard to parking, the City's parking meter hours have not changed since 1998 and are, in fact, enforced daily, Monday through Saturday, contrary to the assertion in the letter. The City continues to use the City's Downtown Parking Plan as the guide, which reviewed this matter and did not recommend changing the hours. Many of the property owners signing the letter to the City participated in that planning process. The priority of this plan was to implement revenue control systems to avoid customers having to be subjected to parking tickets. Implementing the gated system to accomplish this, as recommended in the parking plan wherever feasible in the Village lots, as well as reconstructing the

rest of the Village lots in a more beautiful and improved manner, will cost a significant amount -- as demonstrated in Lot 3. There are many ways to finance a public parking system, and the City is certainly willing to explore alternatives. However, not paying for the parking system is not an option.

I strongly believe that the City has set the stage for a continued, vibrant Village. All one has to do is look at the people in the Village who have invested significantly into their businesses and buildings and one will see success and a clear return on investment – from the Village Grille to Kroger to the Neighborhood Club. It will take time, but the vision is right. I believe that all of our efforts put forth towards those goals will prove fruitful. I look forward to working with you and the other Village property owners in those pursuits.

Sincerely,

CITY OF GROSSE POINTE

Mayor Dale Scrace

Attachments – City Planner Master Plan/Zoning Analysis