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## THIS JUST IN

### Richard Duncan entitled to \$4M from daughter

A founder and owner of the former **Jerome-Duncan Inc.** Ford dealership in Sterling Heights is entitled to \$4 million in total damages from his daughter and successor as majority owner, a Macomb County judge ruled Friday in a civil lawsuit.

Chief Circuit Judge **Antonio Viviano** entered a judgment awarding **Richard Duncan** \$4,006,734.22 in damages from **Gail Duncan**, adding \$100,000 in sanctions plus \$740,000 in interest onto a \$3.1 million jury verdict.

Jerome-Duncan, long one of the nation's largest Ford dealerships based on new-vehicle sales, filed Chapter 11 bankruptcy in 2005 after defaulting on a Ford Motor Credit loan. Its assets were acquired in 2006 by Troy-based Suburban Collection.

A bitter family dispute between the elder Duncan and Gail, who had owned a majority of the company from 1993 until its dissolution, led to the 2003 lawsuit.

Jurors found in the February civil trial that Gail had violated a noncompete agreement at the time of the ownership transfer when she later acquired two Mazda dealerships and a former **Mel Farr** Hyundai/Kia dealership. They also found she had committed shareholder oppression and still owed her father money on the stock transfer that made her a majority owner.

"We believe there are some issues from the case that could be appealed if we choose," said attorney **Keith Jablonski** of **Beier Howlett P.C.** in Bloomfield Hills, co-counsel for Gail Duncan and husband **Shashi TejPaul**. **Thomas Schehr**, an attorney for Richard Duncan and wife Barbara at **Dykema Gossett P.L.L.C.**, said the plaintiffs also have to consider whether to appeal.

All damages and fees in the judgment are against Gail Duncan only. Both sides have 21 days to consider filing an appeal.

—Chad Halcom

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# What will green power cost?

## Surcharge, spending cap considered

BY AMY LANE  
CAPITOL CORRESPONDENT

LANSING — Michigan's drive to renewable energy is generating concern about higher electricity prices.

The issue: How, and at what price, will utilities or other energy providers build or purchase renewable power to meet a proposed state mandate that 10 percent of power come from renewable

sources by 2015?

"They really have to start going to town in a short period of time. And doing that, whether they're building or buying, there will be an additional expense that comes with it. And that's going to come back to the ratepayers," said Chuck Hadden, vice president of government affairs for the **Michigan Manufacturers Association**.

Under one option being discussed in the state House, utilities and other

electricity providers, pending **Michigan Public Service Commission** approval, could assess a 20-year surcharge on all customers at the start of their plan to meet the renewable portfolio standard, or RPS.

At maximum, the surcharge would enable providers to spend about \$6 billion — an amount that both **DTE Energy Co.** and **CMS Energy Corp.** have estimated it would take to meet the proposed RPS, as *Crain's* reported in February.

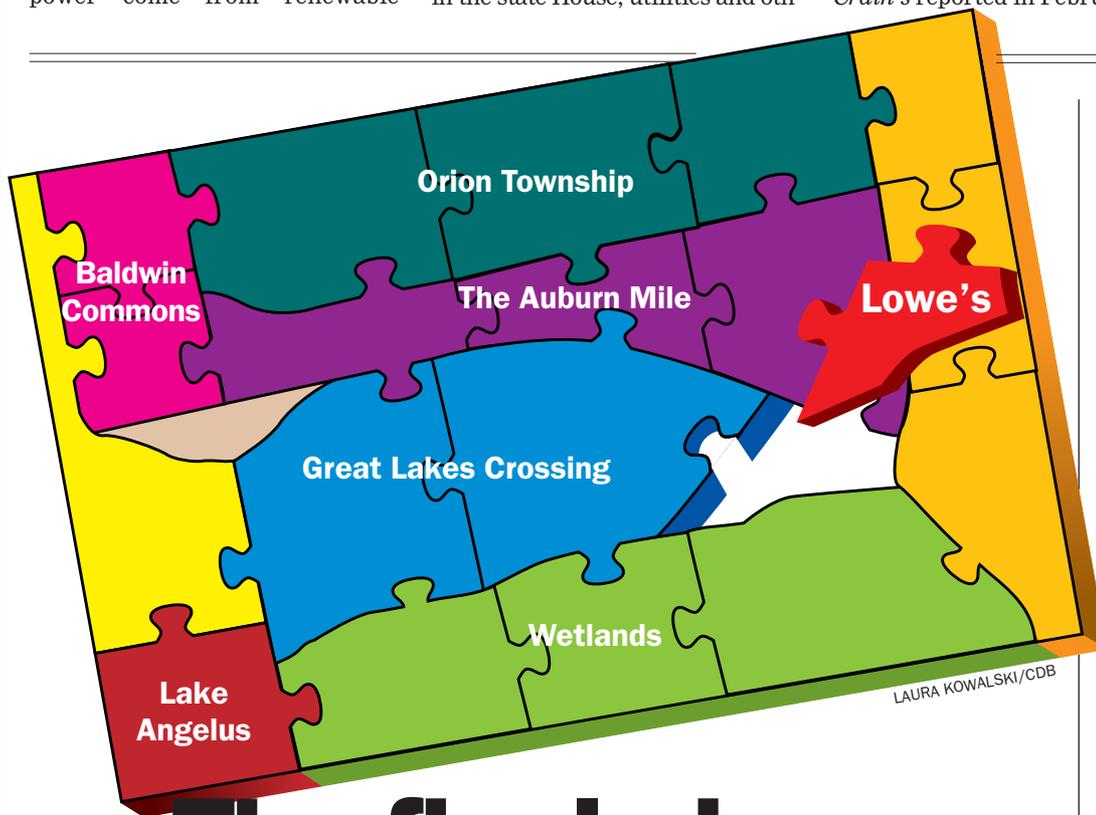
The House bill limits the surcharge to no more than \$36 annually for residential customers, \$190 annually for small and medium-size commercial customers and \$2,250 annually per meter for large commercial and industrial customers.



Hadden

If spending exceeds those

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LAURA KOWALSKI/CDB

## The final piece

*Lowe's to fill last big parcel near Great Lakes Crossing*

BY DANIEL DUGGAN  
CRAIN'S DETROIT BUSINESS

In 1995, dining options at the Baldwin Road exit from I-75 were limited to a **Big Boy** restaurant. Retail was limited to a gas station's chip-and-cookies rack.

Today, dining options such as **Rainforest Cafe**, **Joe's Crab Shack** and **Mountain Jack's Steakhouse** are among the dozens of restaurants. Retail options fill more than 2.5 million square feet of stores, including the **Great Lakes Crossing** mall.

But the growth has ended.

**Silverman Development Co.** is developing a **Lowe's** home-improvement store on the southwest corner of I-75 and Joslyn Road that holds the distinction of being the last major retail parcel to be developed near the intersection.

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## Cancer therapy raises debate over shared technology

BY JAY GREENE  
CRAIN'S DETROIT BUSINESS

On Feb. 12, a state **Certificate of Need Commission** work group of five hospital officials, one medical school physician and two community representatives met in Lansing to talk about an expensive yet possibly better way to destroy cancers. The idea is to use proton beams to direct high dosages of radiation to destroy small tumors.

Two weeks later, on Feb. 26, the group voted on whether the hospitals would be in favor of jointly financing and operating a proton-beam therapy facility. The executives and physicians gathered knew costs to build the facility could range from \$120 million to \$160 million and that there would be a limited number of patients.

The vote was 8-1. The lone vote against working together was **William Beaumont Hospitals** in Royal Oak.

Those in favor of a collaborative approach were **Henry Ford Health System**, Detroit; **Karmanos Cancer Institute**, Detroit; **Genesys Health System**, Grand Blanc; **Spectrum Health**, Grand Rapids; **University of Michigan Health System**, Ann Arbor; **Michigan State University School of Medicine**, East Lansing; and the two community groups, **Michigan Manufacturers Association**, Lansing, and **Michigan Health Care Consumer**

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Groups want to revive Avenue of Fashion, Page 3

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# Avenue: Livernois merchants, city want revival

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most two years ago, and he said he's been pleased with his decision — despite a roughly 40 percent drop from the \$1.2 million in revenue he said Simply Casual brought in before the move, which he attributes to the economy and the cost of moving shop.

But he's not content to stake out the corner of Livernois and Outer Drive. Bartell hopes Simply Casual will become the cornerstone of a retail renaissance on Livernois, a catalyst in reaching the crucial tipping point at which a neighborhood attains enough momentum to become a destination.

Residents, Bartell said, walk Livernois' broad sidewalks in summer, but in winter, there's little incentive to brave the snow-piled median and ice-patched sidewalks.

But all that can change.

"If we fill all the storefronts, we'll create a walkable neighborhood," he said. "And then we can duplicate the strategy around the city."

Through the fledgling **Independent Retailers Association of Detroit**, an organization that aims to pair business owners with vacant storefronts, Bartell is working to recruit new small businesses to the neighborhood to create that walkable streetscape. (See box.)

"People want to shop and get amenities close to home," he said. "We want to be able to develop a mix of businesses and services. Right now we've got people working on the idea of coffeehouses ... what we need next is a sit-down restaurant, a copying and printing place, home accessories."

Bartell isn't the only one who sees the Avenue of Fashion as a test case for Detroit revitalization.

"We're meeting with the DEGC

## ABOUT THE RETAILERS GROUP

Formed last year, the **Independent Retailers Association of Detroit** is a small organization with big goals. The group has about 15 members representing about 22 businesses, said member Rufus Bartell. Businesses fall into six categories: retail, art galleries, cafes, restaurants, salons, spas and fitness, and clubs and lounges.

The group hopes to amass a broad base of entrepreneurs and match them with vacant retail real estate in the city, Bartell said.

Such activity can hasten a neighborhood's tipping point, said Derrick Coleman, developer, IRA Detroit member and owner of **Sweet Georgia Brown's** and **Snyx Sneaker Studio**.

"Not just one retailer, but a group of different retailers, instead of one person going in and trying to establish his business in an area," Coleman said. "There's always strength in numbers."

— Nancy Kaffer

to develop, specifically, a business attraction and retention strategy for the Livernois/Seven Mile Road community," said Marja Winters, director of the mayor's Office of Neighborhood Commercial Revitalization, referring to the Detroit Economic Growth Corp. "We hope to have strategy developed and implemented by the end of the year — and that it's a sound strategy to use in other areas."

The community is one of the six targeted for investment by Mayor Kwame Kilpatrick's Next Detroit Initiative, Winters said.

"Looking five to 10 years down the road, we see (the Avenue of Fashion) as a destination place," Winters said. "From an economic perspective, we see dollars contin-

uing to circulate in the community as a reinvestment in ourselves."

The city is offering resources to Next Detroit business owners, including an energy audit designed to point out cost-saving, energy-efficient improvements, grant money to execute the results, and training for business owners with more than one storefront.

Entrepreneurs can apply for the Small Business Detroit MicroLoan Program — a fund with a \$1.5 million pot — through the ONCR, Winters said, and existing businesses can apply for façade improvement grants worth \$15,000.

Such dollars, said Heather Carmona, executive director of the **Woodward Avenue Action Association**, can be key to creating a viable commercial corridor. Carmona's group's goal is to spur commercial development along the entire Woodward corridor.

"A lot of what we've worked on is creating a framework for physical improvement in the area," she said. "There are some business owners that are going to plop down anywhere, while others say 'this area doesn't look so nice.'"

Downtown Ferndale, Carmona said, is a prime example of what can happen when public investment is leveraged to improve medians, install trash cans and create a pleasant streetscape.

Some new businesses have set up shop. Among them are Bartell's **Shoehouse Boulevard**, a sister store to Simply Casual; another shoe store, **Unique Feet**, set to open April 5; the **Dressing Room**, a men's suit store that's been open for almost three months; and longtime **Art on the Ave** owner Henry Stallings will open **Coffee, Cream 'n' Things**, a coffeehouse, eatery and music venue that will become one of the area's

only sit-down restaurants.

"I knew automatically that some of the most expensive homes in Detroit are in this area," said Dressing Room owner Chaz Duckett, 27. "And the market is underserved. If you can pay that much for a home, you should be able to go around the corner and buy yourself a pair of slacks."

Duckett said neighborhood response has been great, with folks stopping in, asking how long he's been there.

Unique Feet owner Rhoda Gregory said she'd noticed empty store fronts on Livernois — but also noticed when a handful of new stores opened.

"I wanted to be part of the revitalization of Detroit, because that's where I grew up," she said.

Duckett has high hopes for the strip.

"Me and my friends, we said this could be the black Birmingham, where you see lines of small business, retail stores, boutiques — you just have to have the support of the community," he said. "We need a few more things, like parking, but other than that, I'm telling you, I can see it being real swanky, real nice."

Stallings, who's been in business on the avenue for 10 years — with revenue last year of roughly \$300,000 — said he thinks Coffee, Cream 'n' Things will meet a need in the community.

"One of the reasons why I think the coffee shop will be a wonderful attraction to the avenue is that it will force people to walk, like they do in Soho, in Chicago, in Birmingham," he said. "It has to be the thing that happens in order for this area to survive."

Nancy Kaffer: (313) 446-0412, nkaffer@crain.com

# Lowe's: Store will fill last parcel at Baldwin, I-75

■ From Page 1

No other vacant parcels are available, so future growth would mean knocking down existing buildings.

It's fitting that Silverman develops the last parcel, because the company also built the first development at the corner: the 548-unit Lake Village apartment complex on the west side of Baldwin Road.



"We were the first and we are the last," said Silverman President Steve Robinson.

Baldwin Road wasn't much of a hot spot until Bloomfield Hills-based **Taubman Centers Inc.** developed Great Lakes Crossing, said Chris Brochert, a partner with West Bloomfield Township-based **Lormax Stern Development Co.**, which developed the nearby **Baldwin Commons** retail property in partnership with Troy-based **Kirco Development Corp.** and Detroit-based **Walbridge Aldinger**.

In fact, Brochert took a look at some of the sites before Great Lakes Crossing was proposed. The location was great, he said, but it wouldn't appeal to retailers.

"Back then it was pretty much the boon-docks," he said.

Once the development started, the boon-docks boomed.

Brochert and his partners nearly leased the

450,000-square-foot Baldwin Commons before it opened.

Farmington Hills-based **Ramco Gershenson Properties Trust** developed the Auburn Mile, a 624,000-square-foot collection of big-box retailers along one mile running parallel to I-75 and Brown Road.

"We knew there was a market in that area for what we do," said Joseph Sutschek, vice president of development. "But what really intrigued us was the opportunity to acquire one mile of frontage on I-75. That doesn't happen every day."

Other smaller developments have filled in gaps along the main roads, bringing four- or five-store retail centers and restaurants to the area.

Commerce Township-based **Truss Development** opened a **Holiday Inn Express** on the east side of Baldwin Road.

It's been interesting to watch the development activity fill the area, Robinson said. But all the while, his development firm was looking for other opportunities in the area.

Silverman persuaded Taubman to sell the 17.4-acre site northeast of Great Lakes Crossing two years ago. But the rolling hills on the site had to be flattened, valleys filled and a wetland moved before a company like Lowe's would be interested in the estimated \$18.5 million project.

Further growth to the south is hampered by a landfill and wetlands that can't be developed.

Residential development lies to the west, and

the eastern properties are too far from the freeway, Robinson said.

Some development can take place to the north of Brown Road in Orion Township, but it won't be retail, said Orion Township Supervisor Gerald Dywasuk.

"We have no interest in becoming another **Lakeside Mall**," he said.

The area is slated for a combination of research and development or light industrial uses, he said.

**CB Richard Ellis** First Vice President Jeff Bell, marketing a 4.25-acre site on the north side of Brown Road from the Auburn Mile development, said it seems the only way to have a commercial use on the property is to tie it to a light industrial operation.

"We've looked at prospects with a major industrial component and then a showroom concept so they can take advantage of the frontage," he said.

Looking back, Robinson said, the development in Auburn Hills has been key to serving the Oakland County population that migrated north.

But it hasn't been easy.

Every developer had to widen roads, cut down trees and — most of all — flatten the area's rolling hills.

"The rules of real estate are location, location, location," he said. "Flat isn't a requirement."

Daniel Duggan: (313) 446-0414; dduggan@crain.com

## CRAIN'S DETROIT BUSINESS

www.craindetroit.com

**EDITOR-IN-CHIEF** Keith E. Crain  
**PUBLISHER** Mary Kramer, (313) 446-0399 or mkramer@crain.com  
**EXECUTIVE EDITOR** Cindy Goodaker, (313) 446-0460 or cgoodaker@crain.com  
**MANAGING EDITOR** Andy Chapelle, (313) 446-0402 or achapelle@crain.com  
**ASSISTANT MANAGING EDITOR/FOCUS** Jennette Smith, (313) 446-1622 or jsmith@crain.com  
**BUSINESS LIVES EDITOR** Michelle Darwish, (313) 446-1621 or mdarwish@crain.com  
**COPY DESK CHIEF** Gary Piatek, (313) 446-0357 or gpiatek@crain.com  
**GRAPHICS EDITOR** Nancy Clark, (313) 446-1608 or nclark@crain.com  
**COPY EDITOR** Vic Doucette, (313) 446-0410 or vdoucette@crain.com  
**DATA EDITOR** Anne Marks, (313) 446-0418 or amarks@crain.com  
**WEB GENERAL MANAGER** Alan Baker, (313) 446-0416 or abaker@crain.com  
**WEB EDITOR** Kevin Hill, (313) 446-0473 or kphill@crain.com  
**WEB DESIGNER/PRODUCER** Ai-Ting Huang, (313) 446-0403, ahuang@crain.com  
**MULTIMEDIA REPORTER** Nathan Skid, (313) 446-1654, nskid@crain.com  
**RESEARCH ASSISTANT** Joanne Scharich, (313) 446-0419  
**EDITORIAL SUPPORT** Anita Duncan, (313) 446-0329  
**NEWSROOM** (313) 446-0329, FAX (313) 446-1687 TIP LINE (313) 446-6766

### REPORTERS

**Brent Snavely, senior reporter:** Covers auto suppliers, steel and restaurants. (313) 446-0405 or bsnavely@crain.com.  
**Robert Ankeny:** Covers the city of Detroit, Wayne County government, and law. (313) 446-0404 or bankeny@crain.com.  
**Sherri Begin:** Covers nonprofits and services. (313) 446-1694 or sbegin@crain.com.  
**Daniel Duggan:** Covers real estate and hospitality. (313) 446-0414 or dduggan@crain.com.  
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**Chad Halcom:** Covers education, non-automotive manufacturing, defense contracting and Oakland and Macomb counties. (313) 446-6796 or chalcom@crain.com.  
**Tom Henderson:** Covers banking, finance, technology and biotechnology. (313) 446-0337 or thenderson@crain.com.  
**Nancy Kaffer:** Covers small business and retail. (313) 446-0412 or nkaffer@crain.com.  
**Bill Shea:** Covers media, advertising and marketing, entertainment, the business of sports, transportation and Livingston and Washtenaw counties. (313) 446-1626 or bshea@crain.com  
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**Amy Lane:** Covers business issues at the Capitol, telecommunications and utilities. (517) 371-5355, FAX (517) 371-2492, alane@crain.com. or 115 W. Allegan, Suite 220, Lansing 48933.

### ADVERTISING

**ADVERTISING DIRECTOR** Marla Downs, (313) 446-6032 or mdowns@crain.com  
**SALES INQUIRIES:** (313) 446-6052; FAX (313) 393-0997  
**ADVERTISING SALES** Jeff Anderson, Terri Engstrom, Matthew J. Langan, Tamara Rokowski, Cathy Ross, Dale Smolinski  
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### EDITORIAL & BUSINESS OFFICES:

1155 Gratiot Ave., Detroit MI 48207-2732; (313) 446-6000  
 Cable address: TWX 248-221-5122 AUTNEW DET  
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