Downtown Development Authority of City of Madison Heights

Memorandum

Date: October 15, 2025

To: MHDDA Board

From: Economic Vitality Committee – Davignon, Van Buren, Yarbo, Hambright

Subject: 27746 John R Rd Façade Grant Application-Rest Inn

The Rest Inn has been under ownership and management of Mero Ventures since 2009. First on land contract, the property being completely sold with a warranty deed filed with the Oakland County Clerk in 2012. Over these years the owners have made improvements to the property and its appearance. Improvements and repairs include a new roof, windows, parking lot striping, siding and remodels for the Inn rooms.

Business owner May Qaqish has provided a quote from her preferred contractor Autmn Wood Contracting for the replacement of existing decking, railing, new stairs and updates to the stairway landing that services the second story of rooms for the Inn. The total project cost for the project is \$54,570. The façade grant request for this project is a total reimbursement of \$10,000.

The property owner has met all eligibility requirements in that:

- They have been in continuous operation for at least one year.
- They are current on all taxes and utilities and there are no unresolved ordinance violations.
- The project has not already pulled permits.
- There has not been a previous façade grant award on file for the parcel/property owner.

The only application requirement not met at this time was a second estimate. The applicant has stated that she wants to move forward with this contractor, and the proposal provided shows that she has already provided the contractor with a \$1,000 deposit as of 9-9-25.

Design Committee Review & Considerations:

The Economic Vitality Committee met on 10-6-25 to discuss this Façade Grant application. The applicant is proposing replacement of the decking, railing and facia for the stairway and deck services the second story rooms for their business.

The program guidelines provide examples of kinds of activities that may and may not be eligible for reimbursement. There was considerable debate amongst the committee on how the guidelines would apply in this case as a motel is not a typical building type that has applied for the façade grant in the past. The following is a summary of the conflicting viewpoints:

Against: The argument against was that the guidelines state that <u>"Routine façade and building cleaning, maintenance replacement, or repair"</u> are ineligible activities. It could be viewed that the replacement of decking, railing and stairwell is routine maintenance or repair, or something akin to

a roof replacement, necessary, but not in the spirit of a façade grant meant to enhance the downtown area.

In Favor: The main argument in favor of considering the project activities eligible is that the program guidelines also state:

- <u>"(eligible activities include) Improvements to all sides of a buildings exterior facades that are visible from the main commercial street"</u>
- <u>"The DDA board reserves the right to determine the eligibility of other improvements that improve the aesthetic quality of the building on a case-by-case basis."</u>

The entire deck, stairwell and railing are clearly visible from John R, and it can be argued that it is a part of the façade in that it's a significant and unmistakable part of the building façade from the main roadway. DDA guidelines allow the board to determine the eligibility of other improvements on a case-by-case basis. A motel is not a common type of building we see for a façade grant, and while a stairway is also not a typical façade activity either, it's part of the building that impacts its aesthetic quality of the building exterior.

Design Committee Recommendation:

After review, the committee was open-minded to the applicant's proposal, but felt it best to bring the application into consideration of the entire DDA board with the following information:

- 1. Provide a further cost breakdown for railing, fascia and decking
- 2. Provide more visuals and details including colors, and product materials used.

All this information is included within the grant application presented today. The Special Meeting held today is in part specifically to consider this application in a timely manner so the project can proceed before the winter season.