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Downtown merchants getting new landlord

By Craig Piechura
staff writer

The second-largest piece of commercial real estate in the city of Farmington is expected to be sold within a week to a Southfield businessman who already owns and operates two other shopping centers in the Detroit area.

The property, which fronts the southeast side of the Grand River-Farmington Road intersection, consists of several specialty stores and an A&P supermarket.

Kenneth V. Lenchoer, president of Equitable Management Co. of Southfield, said Tuesday that he plans to "do something good and make it better."

Lenchoer says he already owns and manages the Riverland Shopping Center in Utica and the South Allen Shopping Center in Allen Park as well as a 15-story office building in downtown Detroit. In addition, there are townhouses in Ann Arbor as well as lesser properties in the Detroit area built in the past 32 years.

Bill Conroy, partner in the Farmington Center Co., a Farmington firm headed by insurance executive John Clappison, confirmed the impending sale but said he wanted to see the closing papers signed before commenting further.

"It isn't officially sold until at least Saturday," Conroy said. "No closing is a closing until it's closed."

The 29-store shopping center opened in 1980 and has been under the same owners since that time, despite changes in investors. Not included in the upcoming deal are a block of stores owned by a holding company of Farmington Center Co. Excluded are those stores on the east end of the center anchored by T.J. Maxx and two stores in the center owned by others (Detroit Edison and Godmar Rexall Drugs).

CITY ASSESSORS have placed the assessed valuation of the property at slightly more than \$1.66 million.

The Farmington Center Co. includes as partners Robert Kelly, Farmington

city attorney; John Lapham, Conroy and Clappison.

Conroy said Tuesday that the center was built because a number of business persons living in Farmington were worried about the fate of the downtown area with the advent of large malls such as Northland.

"I remember what it was like downtown (before the center)," Conroy said. "It was a real Mulligan stew in the whole area."

The reason for selling the center isn't because profits are declining, Conroy stressed.

"God, there's a time to sell everything," Conroy said. "We're certainly still, as individuals, very much in-

involved in Farmington. This (sale) has nothing to do with our feeling about Farmington."

The center was never listed for sale with a real estate company, Conroy said. Instead, he said, Lenchoer approached the partnership with an offer that "became reality."

"This is not a shopping center," Conroy said. "This is downtown Farmington. It was put together as a package to literally save Farmington."

LENCHOER EMPHASIZED that he is not in the business of buying depressed properties to sell for a quick profit.

"We only improve our centers,"

Lenchoer said. "I've always felt if you take care of your property, your property will take care of you."

The center he took over in Utica, he said, was stagnating until he attracted an ACO Hardware store and convinced Kroger officials to expand the size of their store.

No new tenants are planned immediately in downtown Farmington, Lenchoer said, but will be sought through normal attrition of existing businesses.

"At this point I have an obligation to the tenants already in there," Lenchoer said.

City Manager Robert Deadmah said the new businessman will be welcomed to the city while the old owners should be credited for taking innovative steps to improve the appearance and economic climate of the city.

"There's no question that without the development of that parcel or something similar, the downtown area would be in dire straits today," Deadmah said.

"It was the right thing at the right time."

The largest shopping center in the city is at Grand River, east of Drake, and Kmart is the anchor store.

In the end, consumers will pay highway user fees and gas tax

By M.B. Dillon Ward
staff writer

Although independent truckers are the most vocal opponents of the recently passed gasoline tax and highway user fee increase, it is consumers who will foot the bill.

So say Dennis Liphardt, executive director of the Automotive Services Council, and Syl Schloesser, a Farmington Hills-based sales representative for Fogarty Van Lines in southeast

Michigan. Fogarty Van Lines is a moving company specializing in the transfer of household goods between Michigan and Florida.

Signed last week by President Ronald Reagan, the legislation raises the gasoline tax by a nickel per gallon effective April 1. Highway-user fees for independent truckers will increase to \$1,600 a year in 1984 and to \$1,900 in 1985 from the current \$240 annual rate.

The federal gas tax now is four cents per gallon.

"People will end up getting hit twice (by the gas-tax hike), because if the truckers have to pay the extra amount and are able to pass that charge onto the customer, they will."

"It'll pay for it in increased costs of goods, and we'll get it on the road," said Liphardt, a Farmington Hills resident.

The average driver will spend \$50-75 more per year for fuel after the tax is enacted, he said.

Schloesser "is positive costs will be passed on to the consumer." The large moving companies already have filed for a 8 percent rate increase with the Interstate Commerce Commission, he said.

"The day it goes into effect, John Doe will be paying 8 percent more if he decides to move. If it now costs \$2,000 for him to move, it'll cost \$2,120."

Hector Roa, owner of Roa Sunoco on Grand River east of Middlebelt, rents U-Haul trailers and trucks to area residents who increasingly are opting to move themselves rather than pay a moving company.

"What I complain about is that we have to collect (taxes) for the government. We're handling all that money for them, and I get nothing out of it."

"If I buy a gallon of Sunoco regular for 91 cents, I have to add 13 cents state tax, four cents federal tax, and four cents sales tax. This will tack on another five cents, so I've got to keep my price high," Roa said.

ACE GRIMES, an independent trucker who drives for Fogarty Van Lines, said "we're (truckers) already at rock bottom. It's tough enough as it is. With the cost of upkeep, repairs and breakdowns, I'm only making half of what I used to."

Grimes, a Dayton, Ohio native who

travels to the Farmington area three or four times annually, said his income has dropped to \$28,000 to \$30,000 a year from \$60,000 to \$60,000.

The organization of a trucking boycott is under way to protest the tax and user-fee increases, and Grimes "damn sure" will be supporting it.

"We're getting ripped off every time we turn around. For the time, effort and hassle I put up with, this fuel tax is ridiculous," he said.

"A FEW OF the little guys (truckers)" will be unable to pass on the rate increases and will go out of business, predicted Schloesser.

"If a trucker has to pay an extra five cents per gallon of diesel fuel, and he's using six to seven times more per mile, he pays a lot more than the private passenger car driver. An 18-wheeler doesn't get much over three miles per gallon," he said.

Though Grimes says "a lot of communication" among truckers may insure that their nationwide strike is successful, Schloesser is unconvinced.

"Things only get changed by the amount of money you have to buy a lobbyist. Independent truckers don't have the dollars it takes. They may be shelling out \$5 or \$10, but it takes a lot more to have this done in Congress."

"And the big companies aren't really concerned. They're just going to pass it (the cost) on."

"What they should have done was raise the tax to 25 cents a gallon on fuel period, so everybody would be involved right up front. But John Doe's still going to have to pay the bill."

Agreed Roa. "I've never seen 'em stop any tax. But you know, I'll bet the roads a year from now will have just as many chuck holes as they have now."

Four cents of each nickel raised by the federal tax will be used to repair and rebuild deteriorating highways and bridges, while the fifth cent will be allocated to mass transit programs.

Non-residential sewer surcharge cost quintupled

By M.B. Dillon Ward
staff writer

Sewer surcharge rates will be five times higher for the next six months for non-residential customers in Farmington and Farmington Hills.

The rate hike was approved by the Farmington Hills City Council at Monday's legislative session at the urging of City Manager Lawrence Savage.

The city is serviced by the Detroit Water and Sewerage Department, which last year underestimated costs for its industrial waste control program thereby necessitating the rate increase, according to James Porter, assistant chief engineer for the Oakland County Department of Public Works.

"Affected will be all users other than structures designed for habitation, including but not limited to, single family houses, apartment buildings, condominiums, townhouses, mobile homes, schools, churches, and municipal buildings."

Council member Jody Soronen made the motion supporting the increase while council member William Lange supported it.

The basic rate on metered water consumption remains the same, while the non-residential surcharge rates will be increased. The surcharge is based upon the size of the water meter used by the customer.

THE OAKLAND County Department of Public Works urged the city to adopt the increase, "a result of action taken by the Detroit Water and Sewerage Department effective on all bills rendered on and after January 1, 1983 for a six-month period."

"We recommend that the surcharge increase be passed on to the users, and that resolution be adopted by your council," said Donald W. Ringle, manager of Oakland County Division of Sewer, Water and Solid Waste.

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Faxon maps out district plans



By M.B. Dillon Ward
staff writer

Farmington-area residents will be receiving invitations to town hall meetings hosted by Jack Faxon, the 15th District's newly elected state senator, during 1983.

Faxon, 46, a Democrat, replaces former state Sen. Douglas Ross, D-Southfield, who waged an unsuccessful campaign for U.S. representative in the 17th District. The 15th District includes Farmington, Farmington Hills, Southfield, Lakrup Village, Novi, Northville, Wilcox, Ferndale, Oak Park, Hazel Park and Huntington Woods.

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RANDY BORST/staff photographer

Acle Grimes, an independent trucker who moves household goods between Michigan and Florida, says he's "getting ripped off every time I turn around."



RANDY BORST/staff photographer

Hector Roa sees himself as a money collector for the federal government because of the new gasoline tax. He has operated Roa's Sunoco in Farmington Hills for the past 25 years.

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