

# BUILDING SCENE

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THURSDAY, OCTOBER 8, 1992

## BUILDING SCENE'S NAMES & PLACES

### Property management

Acquest Realty Advisors of Bloomfield Hills has assumed property management responsibilities for the Lone Pine Office Building, 525 N. Woodward, Bloomfield Hills.

### Being rid of the recession

"Power Tools for Managing Your Way out of the Recession," a series of workshops for construction-related businesses will be offered by the Troy CPA firm of Dederian, Kann, Seyferth & Salucci and Lademane and Youd of Michigan Insurance Agency.

Topics are: marketing on a small budget, Oct. 22; employer's rights in the workplace and choosing between an employee or independent contractor, Nov. 11; reducing worker's compensation costs and contractor's insurance check-up, Nov. 19; and financing alternative and boosting your bonding on Dec. 3.

Workshops, at \$20 each, will be held 2:30-5:15 p.m. at the New Romulus Marriott at the Airport, 30559 Flynn. For information, call Denise Maltese, 649-3400.

### Allen to board

Louis G. Allen of Bloomfield Hills has been named to the board of directors of Ford & Earl Associates. Troy, Allen is a private banker at the Bank of Bloomfield Hills.

### Trammel Crow marketing

Murray D. Wikol of Bloomfield Hills was named marketing director of Trammel Crow's office and industrial division.

Formerly a marketing representative for the company, Wikol will be responsible for landlord representation, property management and development and marketing existing lease space.

### Design, build seminar

Mechanical contractors, estimators, designers and sales engineers are the target of a design/build seminar offered 1:30-4:30 p.m. Wednesday, Oct. 28, at the MSU Management Center in Troy by the Metro Detroit chapter of the Air Conditioning Contractors of America.

Tuition is \$35 for members, \$70 for non-members. For information, call 566-9210.

## Ford: a better idea for financing?

■ Refundable deposits ranging from \$63,000 to \$135,000 per tenant will allow the building of Henry Ford Village retirement community without the aid of outside financing.

By DOUG FUNKE  
STAFF WRITER

### Low-risk financing?

Yes, says a Baltimore developer, who has formed a partnership with Ford Motor Land Development Co. to build a retirement apartment village in Dearborn using tenants' money to pay for the project.

Absolutely no outside financing will be required, said John C. Erickson, whose firm, Retirement & Health Services, will oversee construction and establish the non-profit corporation to manage village operations.

Ford Motor Land brings the 35-acre parcel at Ford and Greenfield and \$25 million seed money to the marriage, Erickson said. Tenants will provide refundable deposits ranging from \$63,000 to \$135,000 as they move in to finance subsequent construction phases.

Projected monthly rent, in addition to the deposits, ranges from \$730 to \$1,160 and includes one meal daily. Add \$360 for meals for a second occupant.

Groundbreaking was last month with initial occupancy forecast for next summer. The master plan calls for some 850 independent living apartments, 130 assisted living apartments and 120 skilled nursing beds at a cost of \$70 million over five years.

Apartment builders typically get a construction loan for 12-18 months from a bank or savings and loan, then a longer-term mortgage from a financial institution, pension fund or insurance company.

"Not many people (developers) have done it this way," conceded Erickson, whose experienced success with a similar development in Maryland.

"Number one, most developers are



Henry Ford Village retirement community legend: AC, aquatics center; AL, assisted living; C, chapel; CC, chapel court; GG, guard gate; MC, medical center; NC, nursing center; PT, parkview terrace; RB, resident building; SC, Springwells Center; VS, village square.

looking for a quick way to turn a dollar. This is much more a service commitment. Second, companies inclined to long-term service generally aren't experienced as to capital requirements.

"This is the wave of the future — especially with the aging of the population," Erickson said.

The financing for Henry Ford Village probably couldn't be translated to general apartment construction, developers here said.

"People rent because they can't afford a house or are more transient," said David Dean, president of the financing arm of Holtzman & Silverman Cos. in Farmington Hills.

"Those people aren't going to plunk down that much cash (deposit) — if they even have it."

Elderly tenants who rent in Henry Ford Village buy into a lifestyle rather than just acquire shelter, said Melvin Rosenhaus, president of Uni-

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## Labor, management find common ties

By DOUG FUNKE  
STAFF WRITER

Cooperation rather than an adversarial relationship between contractors and trade unionists offers the best way for the construction industry to thrive in the years ahead.

"That's the message conveyed by Mike Haller, senior vice president of Walbridge Aldinger, a Detroit contractor, and Tim Nichols, secretary-treasurer of the Michigan State Building Construction Trades Council.

"One thing we have to start doing is linkage between crafts doing the work and management," Haller said. "The best solutions will not come in laboratories, but from people working in the dirt, fumes and in demolished areas."

Haller is president of the Construction Employers Council, a consortium of contractors.

"As we look to the future, let's communicate together," Nichols said. "A lot of you know well in advance the technological changes taking place. If we know, we can train for it. We want to be part of the future with you."

Both spoke during a recent luncheon hosted by the construction activities committee of the Engineering Society of Detroit.

Good things result from interacting beyond the formal bargaining process, Haller stressed. He recalled contract talks from earlier this year.

"First, we met with customers to get their input. Then we met with management from the various trade associations. Then we brainstormed with labor. All this happened before the first negotiating session. The message was clear — we can't increase the cost of doing business."

Agreements were reached without strikes, and wage/benefit increases were slightly below the national average, Haller said.

"I believe it was because of better preparation between labor and management, better understanding," he said.

Nichols stressed training, work



■ 'One thing we have to start doing is linkage between crafts doing the work and management. The best solutions will not come in laboratories, but from people working in the dirt, fumes and in demolished areas.'

—Mike Haller

quality and safety records union crafts bring to job sites.

"The building trades, if you travel the state, have the best training centers in the country," he said. "Apprentices aren't the only ones who learn there. Journey workers head there on their own time to upgrade skills."

If contractors don't hire union workers and therefore don't contribute toward maintaining apprenticeship programs, future workers won't be as well trained and the industry will suffer, Nichols said.

"Maintenance of existing buildings, I believe, is the place we'll have to focus on jobs in the future," Nichols said. Residential

and commercial sites as well as road, water and sewer projects also should present opportunities.

"Building trades are as interested in one job as a thousand," he said.

Haller's long-term vision for the industry includes cross-training and a reduction in craft jurisdictions to about a half dozen plus consolidation of various health care plans.

He also predicted continued reasonableness in collective bargaining, likening a contractor's role in the process to coaching a sports team.

"Management has to start sharing the vision," Haller said. "We're not real good at it in our industry."

Several people involved in the construction industry who heard the message agreed with it.

"Pickets get all the publicity, but there is a tremendous positive movement on the cooperative side labor is trying to do," said Chuck Ayers, a construction consultant in Northville.

"Training comes from the organized (craft) section," he added. "Quality and partnering in other industries is catching on in construction."

Cooperation could reduce construction costs, said Don Brockman, a senior vice president with the architectural/engineering firm of Ellis/Naoyurt/Genheimer Associates in Troy.

"If construction can be performed at lower costs, it generates new construction business," he said. "Personally, I had not been aware . . . of the give and take between labor and management."

"The suggestion I liked was that the negotiating parties brainstormed before negotiations," said David Lefevre, a project manager for Barton Malow in Southfield. "What they were saying and doing probably wasn't innovative, but they were doing it."

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