

BUSINESS

Henry Ford Health project raises hopes in New Center for 'yet more development'



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Detroit — As Henry Ford Health plans a \$2.5 billion investment in Detroit's New Center area, experts say it will revitalize an area that has yet to see the turnaround the city's downtown has experienced.

"It adds density to that particular geographical area," said Alex Calderone, managing director of the Calderone Advisory Group in Birmingham. "And the hope would be that this will be a catalyst for yet more development in the future. And the region is coming alive. There's a lot of activity here."

Henry Ford Health announced Wednesday its pursuit of the \$2.5 billion development plan with the Detroit Pistons, team owner Tom Gores and Michigan State University. Among the plans are a new \$1.8 billion hospital near the existing Henry Ford Hospital as well as residential, commercial and, potentially, hotel space.

New Center is home to the Fisher Building, which has undergone at least \$30 million in renovations and Cadillac Place, which struggles with a decreased state and private workforce presence in the wake of the COVID-19 pandemic.

Calderone said the development is in a prime location for expansion and near a major artery, the Lodge Freeway. It will build on the health system's development of the Henry Ford Pistons Performance Center on Second Avenue, which was completed in 2019.

"I think there's already some degree of momentum generated as a result of that," he said.

"And I think overall it creates density in an area that is in need of a rebuild. And the hope is that there is a snowballing effect. And now that you have this development going up, you can keep building on all four corners in all directions."

Steve Morris, the managing principal of Axis Advisors LLC, a commercial real estate service, said Henry Ford Health's plans will fit well with the work that The Platform has done to increase office and residential tenants in the area with the Fisher Building renovations and developments such as an apartment complex, The Boulevard at 2911 W. Grand Boulevard, completed in 2019.

"It's just a nice complementary, wonderful opportunity to provide an area for additional living," he said. "The fact that it's the hospital, certainly a medical center for people to come from all parts of the country for education. It expands the walkability and the urban mobility and the lifestyle in the greater New Center area."

Not all were happy to hear the announcement Wednesday.

The Rev. Charles Williams II pastors the Historic King Solomon Baptist Church on 14th Street. He said he questions why he wasn't aware of the plans before the announcement on Wednesday.

"If there's no communication, how can we have trust?" Williams said. "This is going to affect my community whether it's the trucks that have to go up and down the streets with the development, whether it's the new traffic that it brings, whether it's the people that get displaced. It's going to affect the church. It's going to affect the community. The community deserves the dignity and respect from the Pistons and from Henry Ford Hospital and from Michigan State University to at least say, can we have a conversation? Let us talk about our vision."

A block from the main Henry Ford Hospital, Christian Key, 57, recently opened a storefront for Lucki's Gourmet Cheesecakes on W. Grand Boulevard. He said the location near the hospital was a prime place for the 18-year-old business, which also has a storefront on McNichols.

"This is a good spot," said Key, who grew up in the area. "It's growing up. The community is being revitalized. ... They're talking about a10-year project on a hospital expansion with possible residential and retail. I'm like, that all works good. It's better for the community."

Erica Enakar, 27, who lives a couple of blocks from the hospital, said she's looking forward to the development. She said in recent years there have been more people moving into the neighborhood. She noted the expansion of the Motown Museum on W. Grand Boulevard.

"It's exciting to be in this neighborhood," Enakar said while out for a walk with her 3-year-

While Enakar said she isn't surprised that Henry Ford Health is expanding in the area, the amount of the investment impresses her.

"\$2.5 billion to invest in a part of the city is a lot," she said. "That part is surprising, but they've already invested so much that I'm not really surprised that they're going to keep going."

Enakar said the investment has her and her neighbors talking about how it could boost their property values and give them more access to shopping without having to drive west to Dearborn.

"As my husband and I start to talk about having kids, one of the things we think about are what are the resources in the area for entertainment or for shopping or schools and all that kind of stuff," she said. "It is really reassuring to see more investment happening in the area that we're living in."

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