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## Now Comes a 14-Story Building for East Lansing? <sup>[1]</sup>

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**By:**

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*Above: Rendering presented last night for a 14-story building where Dublin Square now stands.*

Still with no site plan submitted, last night, the developers who want to build ?Park Place? presented to East Lansing?s City Council new renderings for a 14-story building at Dublin Square, and for a 12-story building immediately west, overlooking Valley Court Park.

The project is growing in size and gaining momentum, as a contract on it may be signed by East Lansing?s Downtown Development Authority tomorrow.

At last night?s untelevised work session, City Council heard plans from Michael Henneman, Chairman of Royal Properties <sup>[2]</sup>, and local developer Paul Vlahakis for the would-be Park Place <sup>[3]</sup> development, first discussed at a public meeting in August.

Renderings were presented on screen but not via the agenda. (The images you see here are

photographs taken by ELI of the screens at the meeting.) The developers said the designs are still in flux and may yet change before the anticipated site plan submittal next Monday, December 17.

As ELI has reported [4], Vlahakis and Royal Apartments hope to combine a large set of properties for a \$100+ million redevelopment, including:

- the current site of Dublin Square, which is owned by Vlahakis' company;
- an adjacent City-owned parking lot known as Lot 4;
- the DDA-owned Evergreen Avenue properties to the immediate west of Dublin Square, across the alley (314-344 Evergreen Avenue);
- 404 Evergreen Avenue, currently owned by landlord/developer Matt Hagan.



The project, to be situated at the northwest corner of Abbot Road and Albert Avenue, would be directly north of the 12-story and 10-story buildings that DRW/Convexity is about to construct for the Park District project. The new building would be a block west of the Center City District project, now under construction and including a 12-story building on Grand River Avenue and a 10-story building on Albert Avenue.

The Park Place project would include two major new buildings.

*Below: Park Place East seen as if you were standing at the tattoo parlor near Beggar's Banquet. Albert Avenue breaks off to the left towards the back of People's Church. Abbot Road breaks to the right.*



The building now called Park Place East ? previously referred to as Park Place I - would be a 14-story mixed-use building north of Albert Avenue running along Abbot Road with retail space, restaurant space, 25,000 square-feet of office space for around 100 office workers, owner-occupied condominiums with balconies on the top floors, and market-rate apartment units.

The area on the south side of Park Place East, what is now City Lot #4, would be a public plaza space with a nearby pedestrian pick-up/drop-off area. The building would cantilever out above this space, rising to 14 floors. There would also be automated parking located underground accessed from Abbot Road. Drivers would drop their cars and robotic systems would park the cars, to save space.

*Below: Park Place East, seen from the south side of Albert Avenue. To the left is Park Place West. The public plaza would be under the cantilevered building. Park Place West is to the left.*



The building now called Park Place West ? referred to as Park Place I in past documents [3] - would be located on the Evergreen Avenue properties, effectively at the northeast corner of Albert and Evergreen Avenues, directly northeast of Peoples Church.

That 12-story building would hold a 12-screen movie theater, an automated (robotic) parking garage above the theater space and accessible from Albert Avenue, market-rate apartment units, and owner-occupied condominiums that would face out toward Valley Court Park and would include balconies.

*Below: Park Place West, with movie theatres, as seen from Albert Avenue. People's Church would be ahead on the left in this rendering. Park Place East is seen to the right.*



A specific breakdown of numbers of apartment and condominium units in either building was not provided, but Henneman said that around 80 condominiums would be included overall, with 465 apartments in total. That ratio would not meet the City's current law, Ordinance 1384, which requires that at least 25% of the housing units in a project of this type be dedicated to owner-occupied condominiums, low-to-moderate rental housing, or senior housing.

When asked about the future of the Dublin Square business, Vlahakis said it would likely exist in some new form in a space on Park Place East's second floor with escalator access from a first floor lobby area.

Past discussion of Park Place East, on Abbot Road, had only called for 12 stories. Now it is 14 stories. The plan, so far, is also "fairly conceptual," in the words of the would-be project's lead architect, Tom Tooley of Grand Rapids-based Ghafari Associates, and will likely change in some ways, but probably not in terms of height.

Concerns raised by Council Members about the plan included the height of the building and the potential for traffic congestion in the area. Planning staff said that the height could be seen as favorable because having too many 12-story buildings would make East Lansing look like it had a "ceiling," so a 14-story building would break that monolithic look.

Rezoning would have to occur for both of the Park Place buildings as envisioned. Right now, the tallest that developers can build in East Lansing is 140 feet. The Park Place East building would be expected to exceed that by two additional stories. Vlahakis said these buildings have to be so tall to sell the condominiums, because the height provides better views.



During the discussion, Council Member Shanna Draheim stated what she said was a shared

community admiration for the existing building of Dublin Square, which served as East Lansing's main post office from 1934 to 1972. Noting that it is not formally designated a historic building (though, East Lansing's Historic District Commission submitted a letter <sup>[5]</sup> urging preservation of the building), Draheim believes there is historic meaning to the building in the community.

Draheim urged the would-be developers and City staff remain creative in how homage could be paid to the building after it is demolished. Echoing statements previously given to ELi <sup>[4]</sup>, Vlahakis said he is sensitive to preservation and is willing to work with the East Lansing Historic Commission and the community.

Historic District Commissioner Diane Wing, who was at the meeting, welcomed the developers to attend the Commission's meeting tomorrow night to discuss options with them.

Vlahakis said last night that the bricks on the outside of the building, old post office boxes, and the building's cornerstone are the only original elements of the building remaining. At Mayor Pro Tem Erik Altmann's urging, Vlahakis explained that the traditional-feeling Irish pub interior was created through 2006 design, including woodwork shipped from companies abroad like Guinness. He said that he would consider reusing the cornerstone and post boxes in the new structure.



Henneman (above) remarked that his company has moved buildings in the past and, while Vlahakis believes the building is not structurally capable of moving, a closer look might be warranted. Henneman said that if there is a place for the building in the community and someone

in the community wants to take it, there is time to move it. Otherwise it will likely be demolished.

Following the presentation of the Park Place plan, Council Member Aaron Stephens voiced concern over the timeline put before Council and the would-be developers. Noting that there was still no site plan drafted and conceptual renderings of the project brought before Council were the first he had ever seen, Stephens questioned if the timeline for necessary review and approvals was realistic for a project of this scope.

Council Member Shanna Dreheim also voiced concerns about potential empty retail space. In addition to the thinking the plans "feel big," including because of reaching 14 stories, Draheim stressed that she would want retail tenants that would attract pedestrian activity and "spill out" into the sidewalks and plaza areas, while avoiding empty space that would be seen as "dead, boring, [and] uninteresting." She said the current design has an unhelpful "tunneling" feeling.

*Below: The public plaza space of Park Place East along Albert Avenue, seen as if you were driving east on Albert Avenue toward Abbot Road.*



Draheim stressed that she felt a plan would be difficult to support if the building design and potential tenants were not "closely married."

It's unclear who the 25,000-square-foot office space tenant would be. East Lansing has had a hard time attracting office tenants downtown. Vlahakis previously told ELI he envisions the potential for a high-tech tenant as have located in other cities.

As ELI reported [6] previously, the process being undertaken for the Park Place deal is extraordinary, with the DDA preparing to sign a highly-detailed contract [7] without project plans ever having been submitted. Last night's meeting, a non-voting meeting, did not include a formal review, and Council Member Ruth Beier was absent for the presentation and discussion.

In the words of East Lansing Community and Economic Development Administrator Tom

Fehrenbach's last night ? an unsolicited letter of intent from Vlahakis and Royal Apartments set this deal in motion.

Under the Purchase and Sale Agreement [7] being reviewed and possibly voted-on tomorrow by the DDA, a \$100,000 deposit of ?earnest money? by the developers would be put into escrow within three days of signing and a full site plan application would need for be submitted by the close of business next Monday, December 17, or the developer would forfeit \$25,000 to the DDA.

How this escrow-and-forfeit timing would work isn't clear, since Monday is only two business days after Thursday; technically, the developers could wait until Tuesday to deposit the money, even though they could lose some of the money by missing a deadline on Monday.

A Brownfield Redevelopment tax increment financing (TIF) plan would then need to be submitted by January 15, with another \$25,000 forfeited if that deadline is not met. The TIF is expected to include public infrastructure needed to support the project. A TIF deal would direct eligible new property taxes from the project towards paying for project-related expenses, directing the funds away from the City's general fund for up to 30 years.

*Below: City Council and staff last night*



The developers would have 90 days from the time the City provides a title report on the publicly-owned properties to back out without penalty. If the developers want to buy extra time in the process, they could do so at the cost of nonrefundable \$15,000 payments per 30-day extension, up to five times.

No payments would be required by the developer if the City were to be the cause of a missed deadline. The contract calls for a final development agreement to be signed by March 1.

But pressed by Council Members to sketch out a timeline, City Planning Director Tim Dempsey suggested it was very unlikely the process would be complete before April at the earliest. Overall, Dempsey estimates a potential of up to 8 months for the whole process.

The plan would have to go through rounds at Planning Commission, Transportation Commission, the DDA, the Brownfield Redevelopment Authority, and Council. Council Member Shanna Draheim also wants the Commission on the Environment to look at the project.

The contract as written prevents the DDA from marketing the Evergreen properties so long as the would-be developers hold up their end of the bargain. There's about \$5.6 million owed on those properties, and the DDA and City want to unload the debt. Some see this as the best shot at solving that debt, a debt created by previous Councils' attempts to redevelop this area under the City Center II project.

Besides the contract for Park Place, tomorrow the DDA will also consider a draft plan [8] to market the properties, which the DDA could issue if this deal is determined to be unworkable or unfavorable.

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