



CITY OF EAST LANSING

The Home of Michigan State University

April 15, 2014

Mr. Colin Cronin
DTN Management Company
2502 Lake Lansing Rd. Suite C
Lansing, MI 48912-3620

Dear Mr. Cronin,

I am writing to formalize our prior discussions regarding the review of your Park District Project and the materials that were submitted on February 28. We previously met and discussed the attached memo dated March 7 which outlines the deficiencies in the submittal. You have provided a number of different items in response to that memo and we know from discussions that we have had with you that you are working on providing more information regarding your company's ability to control the development of the private properties in the project area. We appreciate your work in that regard.

We do have a growing concern, however, that the project, as you proposed it may not be realistic due to the inability thus far to come to an agreement with the private property owners.

We are also concerned that due to the incomplete submission, the remainder of the schedule described in the Pre-Development Agreement will need to be revised. Technically, at this stage, you are in breach of the predevelopment agreement and staff cannot guarantee that Council will extend the timelines contained in the agreement. Staff intends to request that City Council amend the Pre-Development agreement, but we would like to do that after receiving documentation related to ownership agreements for the private parcels. If we do not receive that information by the end of May, then we would like to work with you to evaluate the feasibility of a project that does not include the private parcels, rather than proceeding with the review of a project that is not within your control.

Thank you for your continued efforts toward a project that will benefit our community. We look forward to additional communication about the project's progress.

Sincerely,

Lori Mullins, LLA
Community and Economic Development Administrator
Department of Planning and Community Development

410 Abbot Road
East Lansing, MI 48823

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PLANNING, BUILDING AND DEVELOPMENT

Quality Services for a Quality Community

MEMORANDUM

TO: George Lahanas, City Manager

FROM: Lori Mullins, Community & Economic Development Administrator

CC: Tim Dempsey, Director of Planning, Building and Development

DATE: March 7, 2014

SUBJECT: Park District Update

City of East Lansing
PLANNING, BUILDING &
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As you know, staff has begun our initial review of the Park District documents submitted on February 28. Per the Amended Pre-Development Agreement, the City and DDA will complete their design and financial review within 60 days of receipt of a complete package of materials from the developer. Although DTN has done a tremendous amount of work and shown a strong commitment to this project and partnership, there are several deficiencies in the materials provided, which are outlined below.

The materials received from the Developer have one material deficiency. The Agreement states that the Developer, if proposing to include any privately owned properties within the Project scope, shall provide a complete delineation of the ownership interest of those parcels. The City staff does not have enough information about ownership agreements that exist or are being formed related to the private parcels and cannot move forward with a complete review of this project until that information is provided. We are, therefore, working with DTN Management to obtain the necessary information.

Furthermore, there are a number of other issues that need to be addressed before the City's Boards and Commissions begin their review. This is a preliminary list and additional items may be identified later. We also understand that several of these items are being resolved at this time. As additional information is received it will be posted on the Project webpage at www.cityofeastlansing.com/parkdistrict.

1. Building D does not comply with the mixed-use requirements of the B3 zoning.
2. Building A cannot be recommended for a zoning variance for height. The maximum height is 140 feet and the request is 158 feet.
3. Some of the legal descriptions appear to need to be revised (this needs to be done before the rezoning can be introduced.)
4. More detail is needed related to construction costs, particularly but not limited to costs related to the utilities and other work within the road R.O.W.

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Quality Services for a Quality Community

5. A traffic study must be provided for entire site with specific consideration of potential conflicts at the parking structure entrances/exits and impact on neighborhood traffic to the north.
6. The width and design of the alley needs to be evaluated in regards to traffic and utilities.
7. A shared use analysis for parking demand needs to be completed by a qualified consultant.
8. Letters from lenders regarding debt and more information regarding the amount of equity being contributed by the LLC and other partners must be provided.
9. An outline of the proposed green building practices must be provided.
10. More details on the construction, materials, elevations, air right, etc. for the overhead walkway are needed.
11. The public space and connectivity with the park needs to be detailed and articulated more clearly.
12. More detailed renderings with indication of proposed building materials, colors, etc. must be provided.
13. The sewer study will need to be revised to consider the increased number of units being proposed.

In addition to the issues outlined above, staff will be working with DTN to confirm and address the financial gap that exists based on the estimated construction costs, projected incentives and projected value of the completed project.

As more information is provided by the Developer, it will be posted on the Project website. The soonest that this project could go to the Planning Commission would be their April 23th meeting. When the submittal package is sufficiently complete, staff will provide an update of the dates that the project will be reviewed by various Boards and Commissions. That information will be posted on the Project website and e-mailed to interested stakeholders.