



MEMORANDUM

TO: St. Joseph City Commissioners

FROM: Richard I. Lewis, City Manager

DATE: September 5, 2013

RE: UPDATE

508 Pleasant Street, LLC (Lake Park Place)

As mentioned last week, I was able to meet with representatives of the owners of the lot, Tony Monte and Bob Roberts, to get an update on the proposed condominium project. The meeting was precipitated by (1) my interest in where the project stood, and (2) the August 28 Rick Ast commentary in The Herald-Palladium. Regarding the second point, this lot falls under the same property maintenance code guidelines as any property located within the City and the owners have been and are in compliance with the code.

The owners are actively pursuing the development. They indicated that the financing is in place but there must be eighteen (18) sold in order to maintain the development once construction has been completed. They understand the Special Land Use Permit (SLUP) has a December 5, 2014 sunset and the Brownfield Redevelopment Credits from the state of Michigan have an April 2014 sunset. Both the SLUP and BRC can be extended. One of the high cost items for the project is the construction of underground parking. During our discussion, it was asked if the City would be open to exploring alternatives to parking utilizing the City owned lots, with the provision that the City would not be losing any

spaces. I indicated we could have the discussion, knowing that any feasible idea would have to go through the process, Planning Commission, Downtown Development Authority, and City Commission.

The owners are also open to a discussion for the City to have a larger use of the property until the project is ready to start. They have granted use of the property to groups in the past and are willing to continue that practice. At this point, I see the City's potential role being to seed, irrigate, and maintain the property and grant the permission for use. We also discussed granting the City a right of first refusal if the owners terminated the project and wish to sell the parcel. Their cost to purchase the parcel was \$2.3 million, so saying the City would or could buy the parcel does not need to be addressed at this point, but the City should have the opportunity to discuss prior to the property going on the open market. There are numerous details to the above, but prior to working them out, I will want to make sure the City Commission is comfortable with staff proceeding in further discussion with owners.

1415 S. State Street

You may recall that last year about this time, the City had taken the owner of this parcel to District Court regarding the compliance of the City's St. Joseph Nuisance Ordinance. The end story is that a Consent Order for Compliance with a Landscape Compliance Plan was entered. The Plan has been developed through Abonmarche with the input of the property owner. By May 23, 2013, the Plan had been implemented.

The issue that has arisen is whether the property owner has continued to maintain the property in accordance with Plan. Abonmarche will be doing a drive-by review and providing a report. A follow up will be provided.

Inspection Department

Please note that the permit activity for the month of August, 2013 is attached.

In addition to issuing a permit to construct a new home on Summer Ridge Parkway by Tipton Construction and a permit for another \$90,000 of work at 211 Hilltop, the month was still quite busy with "normal" construction activity and the completion of our Fish Cleaning Station and restrooms at the City Boat Launch.

Pearson Construction has been awarded the contract to expand the "Forced-Failure Lab" at the Tech Center campus on Upton and that work should begin later in September/October. The ZBA has granted setback variances for a new home at 1319 Forres which we anticipate to begin yet this fall. The department has also recently had numerous conversations with architects/contractors regarding 2 new homes on Ridgeway.

Progress on the Inn is now much easier to see with the lavender exterior sheathing being applied to the exterior walls. The third floor bearing walls are almost complete and the concrete slab fourth floor will be set during the first week of September. The bulletin board in the Inspection Department has new photos showing the marina with the floating docks and sailboats.