



Department of Planning,
Building, and Development

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STAFF REPORT
October 2, 2014
Site Plan and Special Use Permit
Park District Investment Group (100 West Grand River)

SUBJECT

An application from Park District Investment Group, LLC, for Site Plan and Special Use Permit approval for the properties at 100, 124, 128, 130, 136, and 140 West Grand River Avenue, and 303 Abbot Road to demolish the existing structures and construct a ten-story, mixed-use building (Building A) containing retail and restaurant spaces, a 120 room hotel with a restaurant serving alcohol, up to 102 studio, one-, two-, and three-bedroom apartments, and two levels of underground parking for 283 cars. The property is zoned B-3, City Center Commercial District.

EXISTING CONDITIONS

The project is located on 1.1 acres of land on the north side of Grand River Avenue, west of Abbot Road. There are multiple owners of the parcels making up the project site. The site includes privately owned properties at 100, 124, 128, 130, 136, and 140 West Grand River Avenue, a portion of a Downtown Development Authority owned property at 303 Abbot Road, and the Evergreen Avenue right-of-way between Albert and Grand River Avenues. The entirety of the project is currently zoned B-3, City Center Commercial. To the north is the remaining portion of the property at 303 Abbot Road, Albert Avenue, City-owned Parking Lot 4, and the Dublin Square restaurant, all of which are also zoned B-3. To the west is The People's Church, which is zoned B-1, General Office Business District. Further to the west is the Showroom Shine Carwash and Crunchy's restaurant, both of which are zoned B-2, Retail Sales Business District. To the east is the core downtown which includes the highest density mixed-use developments in the City and is also zoned B-3. Michigan State University's campus is located directly to the south of the proposed project.

PROPOSED DEVELOPMENT

The applicant is proposing to demolish the buildings at 100, 124, 128, 130, 136, and 140 West Grand River Avenue and 303 Abbot Road to construct a ten-story, mixed-use building. The building would extend east over the Grand River Avenue properties, including the Evergreen Avenue right-of-way, and extend north approximately half way through 303 Abbot Road and the northern edges of the Grand River Avenue properties.



The new building would include multiple commercial spaces on the first floor, a hotel with the lobby and an associated restaurant serving alcohol on the second floor, hotel rooms on the second through fourth floors, and apartments on the fifth through tenth floors. The applicant has also indicated a desire to allow the residential floors to be converted to office space in the event the market for office space is strong; however, for the purpose of this review Staff will assume that these floors will be residential. Two levels of underground parking will house up to 283 cars. The uses in the building are summarized below:

New Construction Summary:

General Retail Space	14,104 square feet
Bank	3,564 square feet
Coffee Shop	1,188 square feet
Restaurant (non-hotel)	6,846 square feet
Hotel Rooms	121
Studio apartments	6
One-bedroom apartments	12
Two-bedroom apartments	78
Three-bedroom apartments	6
Parking	2 levels underground, 283 spaces

Additionally, the proposal includes a substantial amount of road and infrastructure work. This work will be done in conjunction with the DTN Park District proposal, which is being reviewed under a separate application. The combined applications include the realignment and extension of Albert Avenue from Abbot Road to Valley Court Drive, the realignment of Evergreen Avenue north of Albert Avenue, the construction of a parking ramp (by DTN), and infrastructure enhancements throughout the site. Of specific note to this request, Abbot Road would be widened by one lane, adding another dedicated southbound lane. Albert Avenue north of the site would be realigned and throughout the

adjacent rights-of-way new sidewalks and bike lanes would be constructed per the Non-motorized Transportation Plan.

STAFF REVIEW – Site Plan

A site plan application must meet the specific use and dimensional standards of the zoning district in which it is to be located and a number of other required conditions for development specified in the Zoning Code. A site plan application must substantially comply with the general standards of review specified in Sec. 50-38 of the Code. A site plan must also comply with other applicable local ordinances and state and federal statutes and be consistent with the objectives of the City's Comprehensive Plan. A site plan may be approved subject to certain conditions or modifications necessary to bring the plan into conformance with these requirements, including the approval of any variance that may be granted by the Zoning Board of Appeals.

The applicant has proposed on-site parking, which is typically not permitted in the B-3 zoning district, except under a Parking Plan, pursuant to Section 59-593(l). See the proposed parking plan and Staff report for further discussion of parking related items on the site.

A. Zoning District Standards

The B-3 District “is to provide for a wide range of commercial and high density residential land uses designed to serve the residents and shoppers of the East Lansing City Center. Because of its proximity to the Michigan State University campus and nearby residential neighborhoods, a major characteristic of the City Center is its intense core of pedestrian activity. This activity helps to create a unique social environment where people can gather and enjoy the festive atmosphere of a university downtown, attractive landscaping and greenery, and the diversity of retail shops.”

The B-3 zoning is the downtown core zoning which includes the highest density mix of housing and commercial uses. It permits multiple uses within each building. All properties are required to utilize the municipal parking system unless they receive Planning Commission approval to provide on-site or other parking arrangements through a Parking Plan under Section 50-593(j).

B. General Standards of Review for Site Plan Approval

- (1) **General site conditions.** *The site shall be designed and developed to provide a logical relationship between functional elements, to effectively serve the purposes for which it is to be developed, and to be reasonably compatible with surrounding properties.*

The site would be fully developed, with lot coverage of 100% which includes the building footprint and paved areas. The building is proposed to be located in the

center of the site, with a plaza at the intersection of Grand River Avenue and Abbot Road, a plaza and outdoor seating along the western property boundary with The People's Church, and a colonnade along Grand River Avenue. The building is setback nearly 30 feet from The People's Church which limits the impact of the height. The proposal, in general, is well laid out with good architecture and well thought out public spaces. There is no surface parking proposed, with all parking proposed for the site underground. The applicant is proposing outdoor seating in two locations, encouraging additional street level activity.

- (2) **Natural features.** *The site shall be designed and developed to minimize the disruption or loss of its desirable natural qualities and to enhance its overall appearance. There shall be no net loss in either wetland area or wetland benefits due to development of the site.*

There are no quality natural features on the site, as it is a Brownfield site. The applicant would need to complete demolition of the site, prior to developing the proposed new building.

- (3) **Traffic Access.** *The site shall be designed and developed to provide safe and efficient access for all forms of travel and to minimize impacts on adjacent public facilities.*

The application proposes three curb cuts; two off Abbot Road and one off the realigned Albert Avenue. The curb cuts off Abbot Road would be designated for a drop-off/valet parking area serving the building. The curb cut off Albert Avenue would provide access to the underground parking structure. A traffic study has been submitted and was reviewed by a third party consultant and the Transportation Commission. A copy of the Transportation Commission's findings are attached to this review.

- (4) **Utilities and public services.** *The site shall be designed and developed to facilitate the efficient provision and maintenance of adequate public services.*

The existing storm sewer, sanitary sewer, and water are not adequate to support the proposed development; therefore, the systems will need to be enhanced as part of the overall Park District plans for development. The attached review from the Engineering Department discusses the need for additional detail on the proposal.

- (5) **Environmental protection.** *The site shall be designed and developed to minimize any risk of pollution of natural resources and to protect the public health, safety and welfare.*

No pollution is expected as a result of this proposal and the public health, safety,

and welfare should not be affected.

C. Other Applicable Local Ordinances and State and Federal Regulations

Prior to the approval of final plans and the issuance of any construction permits, the final plans will have to comply with all applicable local construction standards and specifications. This includes all applicable building, fire, health, and soil erosion codes, along with any other applicable codes.

D. Objectives of the Comprehensive Plan

The Comprehensive Plan calls for mixed uses with buildings up to 10 stories. The site is located in East Lansing's downtown and the B-3 Zoning District strongly encourages mixed-use development, fitting into the height guidelines that were established in the Master Plan for Land Use. The application proposes a 10 story building with residential uses on the upper six floors, non-residential uses on the first floor, and a hotel in between. The proposal will greatly improve the function and aesthetics of what is considered the main intersection of the downtown. The proposed development supports the following actions of the Comprehensive Plan:

- **Objective 2-3:** Promote diversity in downtown housing.
- **Objective 3-1:** Support both commercial and residential development opportunities downtown.
 - **Action 3-1.4:** Create a pedestrian-friendly environment in the Downtown's west end (between Hillcrest and The People's Church). This would expand the retail area while creating a streetscape more consistent with the rest of the downtown.
 - **Action 3-1.6:** Use the Downtown East Lansing Mixed-Use District Plan as a tool to promote growth in the Downtown. The proposed plan encourages taller mixed-use buildings in the center of the Downtown to accommodate more density and vibrancy. Any new development adjacent to primarily single-family residential areas should be compatible and benefit both the mixed-use district and the adjacent neighborhood.
 - **Action 3-1.9:** Promote and designate venues for outdoor activities such as vendors, street artists, and outdoor seating downtown.
- **Objective 5-2:** Allow for and encourage land development patterns which can reduce the necessity for the use of automobiles.
 - **Action 5-2.1:** Provide opportunities for concentrated residential development within and adjacent to commercial and employment centers.

E. Other Department Review

The Planning, Building and Development Department routed a copy of the proposal to the Fire, Building, Police, and Engineering Departments. Comments from those departments that have been received are attached. Further reviews will be performed

when the applicant submits for building permits.

STAFF REVIEW – Special Use Permit

A Special Use Permit application may be approved if it meets the requirements for Site Plan approval reviewed above and if the applicant makes an affirmative showing and the City finds that the application meets the following additional standards of review specified in Sec. 50-94 of the Code. A Special Use Permit may also be approved subject to reasonable conditions or certain modifications necessary to ensure that the use conforms to all applicable requirements.

A. All uses. Except as may be provided elsewhere in the Zoning Code, each Special Use Permit application shall meet each of the following standards:

- (1) *The proposed use shall be consistent with the purpose of the use district in which it is located and the purpose and provisions of this division.*

From the Zoning Ordinance, the purpose of the B-3 Zoning District is:

- “(a) The purpose of this district is to provide for a wide range of commercial and high density residential land uses designed to serve the residents and shoppers of the East Lansing City Center. Because of its proximity to the Michigan State University campus and nearby residential neighborhoods, a major characteristic of the City Center is its intense core of pedestrian activity. This activity helps to create a unique social environment where people can gather and enjoy the festive atmosphere of a university downtown, attractive landscaping and greenery, and the diversity of retail shops.*
- (b) The provisions of this district are intended to encourage the planned development of pedestrian amenities and public and private open space, and closely regulate the need for direct automobile access to each establishment. Also important in the future development of the City Center is the concept of mixed-use development promoted by this district and the East Lansing Comprehensive Plan. Mixed-use development for purposes of this district is defined as the combination of commercial and residential land uses within the same building. Since the City Center contains only limited geographic area for expansion, intensifying development through a mixture of uses within the same building is of major importance to the city's efforts to expand the tax base and broaden the housing and shopping opportunities available in the City Center.”*

The B-3 district is urban in nature where the highest density commercial and residential uses are sited. The applicant is proposing multiple uses within the building and to develop the parking needed to accommodate the proposed uses. The public spaces are well laid out and will bring additional street level activity to the downtown.

- (2) *The site plan for the property shall be approved in accordance with the provisions of Section 50-36 of this chapter.*

The submittal was made properly and the plan has been presented in accordance with Section 50-36. The applicant has responded to any concerns that have been raised in a response letter, which is attached to this review.

- (3) *The proposed size, height, architectural character and placement of new or expanded structures on the site shall be reasonably compatible with the existing or anticipated buildings on adjacent properties.*

The building is sited to minimize any impact on The People's Church Memorial Garden. The building has substantial relief, stepping back to create a more pedestrian friendly street front. There are multiple outdoor seating areas, plazas, and balconies proposed to enhance the urban streetscape. The architecture is modern, with stone, metal, and glass as the predominant materials.

- (4) *Streets and access facilities serving the site shall be able to safely accommodate the expected traffic generated by the proposed use; the use shall not cause excessive traffic congestion or delays, obstruct access to adjacent properties, or imperil the safety of motorists, pedestrians or bicyclists.*

The Transportation Commission has reviewed the proposal and a copy of their findings are attached to this review.

- (5) *The proposed use shall not adversely affect the use and enjoyment of adjacent properties by generating excessive noise, vibration, light, glare, odors or any other form of pollution or nuisances.*

The building will be one of the tallest buildings in the core downtown. Given the uses being proposed, no excessive noise, vibration, or odors are expected. The applicant will be required to provide evidence that the proposed lighting will not infringe on neighboring buildings. Other buildings in the downtown have done this successfully and Staff has no major concerns that the lighting can be designed appropriately. Additionally, the applicant will need to provide evidence that none of the materials being proposed will cause glare issues with neighboring properties.

- (6) *The proposed use shall not materially diminish the economic value of adjacent properties or the city as a whole.*

The property should not have a negative impact on the economic value of the neighboring properties or the City as a whole.

- (7) *The proposed use shall not materially diminish the privacy, safety, security or enjoyment of any residential dwelling or residential neighborhood within the vicinity of the site.*

The nearest residential dwellings is the apartment building at the corner of Albert Avenue and Abbot Road. This proposal would not have a negative impact on their privacy, safety, security, or enjoyment.

- (8) *The proposed use shall be located with direct access to and frontage on a major street as designated in the major street plan, or within an area designated for adaptive reuse in the city center element of the comprehensive plan.*

The project has direct access to West Grand River Avenue, a major street in the Comprehensive Plan.

- B. *Specific uses.*** In addition to the standards above, to address their unique characteristics, certain uses shall also meet the applicable standards below.

- (2) *Businesses selling alcoholic beverages.* The following additional standards shall apply to restaurants and businesses licensed or to be licensed for the sale of alcoholic beverages or alcoholic liquor for consumption on or off the premises.

- a. *The establishment shall not be located within 500 feet of a church, elementary or secondary school, child development center, or community center or in such proximity so as to annoy, injure, offend, disrupt, disturb, or interfere with the activities conducted thereon or the persons conducting, attending, or traveling to or from such premises. This restriction may be waived by City Council at the request of the church, school district, child development center or community center whose location would otherwise prohibit the proposed use or, if there is an objection to the waiver of this restriction by the church, school or development of community center, City Council may waive this restriction only after hearing and good cause shown that the proposed establishment will not be in such proximity so as to annoy, injure, offend, disrupt, disturb, or interfere with the activities of the particular church, school or development of community center.*

The People's Church, along with their daycare facility, is located directly adjacent to the subject property. The proposed hotel restaurant/bar is located on the second floor, on the opposite side of the building from the Church, with no outdoor seating being proposed. The Church has been notified of the application and Staff has met with them. At this time, no objection has been raised by the Church for the hotel bar. If the restaurant on the first floor requests alcohol sales in the future, this will be reviewed separately under a modified special use permit application.

- b. *The establishment shall not cause, add to or continue an undue concentration of similar uses in the neighborhood such that liquor*

establishments and trade become a dominant influence or feature of the district or neighborhood.

As a hotel restaurant, the proposal is slightly different than the surrounding restaurants serving alcohol, such as Rick's and Dublin Square. The restaurant primarily caters to hotel patrons and less to the general public. There is only one other use of this nature in the downtown, the Marriott hotel that was recently approved for a major renovation. The addition of another hotel restaurant serving alcohol would not create a dominance of hotel restaurants in the downtown.

(4) *Multiple-family dwellings in business districts.* Where multiple-family dwelling units are provided in conjunction with business uses on a property in a business district, the following additional standards shall apply.

a. *Except where multiple-family dwelling units may be permitted as the sole principal use of a building to provide unique housing opportunities which are not otherwise available in the City Center, at a minimum, the first floor of any building shall primarily be used for principal permitted business uses, and the number of multiple-family dwelling units and the permitted occupancy of the units shall be limited to maintain a reasonable balance between the business and residential uses on the property consistent with the purpose of each business district.*

The entire first floor of the building is proposed to be non-residential uses, as are the second through fourth floors. The applicant is proposing residential units on the upper six stories, but is also requesting the ability to build office space on these floors if the market demands. The building is well balanced as a mixed-use building, with a variety of uses proposed and residential only being located on the upper floors.

b. *The number of multiple-family dwelling units, the permitted occupancy of the units and the height and size of structures containing such units shall be limited to be compatible with adjacent development patterns and any nearby residential districts.*

The building would be the tallest building in the area. There would be a mix of studios, one-, two-, and three-bedroom units spread throughout the six floors of residential space, with the lower levels non-residential space. For comparison, Staff has provided a chart, attached to this review, showing other projects that have been approved recently, for comparison purposes.

c. *Reasonable amounts of yard areas and open space shall be provided where necessary to be consistent with surrounding use and development*

patterns and to provide for the privacy and enjoyment of the residents.

Redevelopment projects in urban settings typically are not built with substantial yard areas. And notably, the standard calls for reasonable yard area *'where necessary'*. Staff expects that the residents will likely utilize Valley Court Park and MSU's campus to enjoy yard areas and one of the plazas or outdoor seating areas in the proposed project for open space. The proposed open space on the property is consistent with the downtown development pattern and the urban nature of the B-3 district.

- d. *The design, type and operational characteristics of the business and residential uses on the property shall be compatible with one another.*

Staff has identified no major design concerns between the proposed uses. There are examples throughout the state of use mixes similar to what is being proposed. There are complementary uses throughout the building.

- e. *The residential units shall be designed and marketed to diversify housing opportunities in the neighborhood and shall not increase existing high concentrations of similar housing units in the neighborhood.*

The residential units are larger than Staff has seen on more student oriented projects and this should allow the applicant to diversify the tenants in the building. The units are similarly designed on each floor, but they are different from other units in the downtown. Their closest comparison would be The Residences building, which has uniquely designed units.

- (5) Additional building height.

- a. Where a special use permit is required to permit building height above the base level permitted in any use district, the compatibility of the building shall be determined in part by the extent to which the use of the building and the building design, its setbacks and its orientation on the site successfully mitigate negative impacts upon neighboring uses, the natural features of the site and public facilities and services. Such buildings may be approved only if they comply with subsection (a) of this section and all of the following additional standards:

1. *The building shall not be located in such proximity to a single-family or two-family neighborhood so as to cause excessive noise or shadowing impacts, or substantial reductions in personal privacy or property values. The planning and zoning administrator may require the applicant to submit a solar angle diagram and shadow analysis prepared by a registered architect or engineer showing the extent*

of shadowing caused by the proposed building on adjacent properties and structures.

There are no single-family or two-family neighborhoods within close proximity to the proposal.

2. *The portion of the building extending above the base level permitted in each use district shall be located no closer to the property line of a residentially zoned property than a distance equal to the amount of the height in excess of the base level.*

The base height for a building in this district is 64 feet. The applicant is pursuing Special Use Permit approval for a building that measures 122.5 feet to the roof deck. The proposed height requires a minimum of 59 feet of setback from the nearest residential property at the fourth floor. The nearest residential property is located substantially further away from the building than 59 feet.

3. *The building shall not result in traffic generation which exceeds the carrying capacity of adjacent streets, exceeds the parking capacity of on-site spaces or nearby municipal parking facilities, causes excessive congestion or risks to public safety, or causes or substantially contributes to excessive volumes of traffic through residential neighborhoods.*

The Transportation Commission has reviewed the proposal and a copy of their findings are attached to this review.

4. *The building shall not generate demands which exceed the capacity of public utilities and services necessary to serve the site.*

The Engineering Department has reviewed the request and has provided comments that are attached to this report.

STAFF REVIEW – Additional Standards for Restaurants

In 2013, the City undertook a comprehensive review of the policies and ordinances related to restaurants serving alcohol. Many of the standards for restaurants were moved to other locations, outside of the Special Use Permit requirements and are listed below.

Sec. 8-181. Definitions.

Restaurant means a place open to the public, the purpose of which is to cook, prepare, provide, or serve food, frozen desserts, or beverages for consumption by patrons on the premises. The term "cook" shall include any means whereby food or beverages are prepared or maintained for consumption

by heating to above room temperature by any means. In the case where premises are licensed for the sale of alcoholic beverages, such establishments shall be deemed to be a "restaurant" within the meaning of chapter 18 of the City Charter and this chapter only if the establishment is continually operated according to the following requirements and performance standards:

- (1) *There shall at all times be maintained and provided culinary facilities to cook or prepare food, and tables and seating areas to accommodate dining on the premises by not fewer than 50 patrons at any time.*

There are more than a minimum of 50 seats with the proposed hotel restaurant/bar area.

- (2) *The proprietor shall make available a varied menu of food items consisting of not less than ten such food items cooked or prepared on the premises.*

No menu has been provided, but this will be a requirement of the facility moving forward.

- (3) *Not more than 50 percent of the gross floor area open to the general public shall be used for purposes other than seating for diners, consisting of tables, chairs, booths, and necessary aisle ways. Public restroom facilities shall not be considered in this determination.*

In the restaurant space, much less than 50 percent of the gross floor area is proposed for items other than seating for diners.

- (4) *During any 90-day period, no more than 50 percent of the gross revenues of the establishment shall be derived from the sale of alcoholic beverages. Admission charges or cover charges which exceed ten percent of the establishment's gross revenues shall be considered as derived from the sale of alcoholic beverages for purposes of determining the percentage of sales of alcoholic beverages. Sales of food or alcoholic beverages to hotel or motel guests for consumption within their private rooms shall not be considered in determining the percentage ratio of sales to alcoholic beverages.*

The applicant will need to begin reporting alcohol sales to the City, should this request be approved. Given the nature of the alcohol sales at a hotel restaurant, Staff does not have any concerns about them meeting the 50/50 requirement.

- (5) (a) *Restaurant Type 1 - A restaurant that has been open for at least 2 years, is open at least 5 days a week for both lunch and dinner service, has less than 150 person seating capacity, that offers a menu with a*

variety of food options at all times that the restaurant is open shall have no more than 60 percent of the gross revenues of the establishment be derived from the sale of alcoholic beverages as calculated pursuant to paragraph (4) of this section.

(b) Restaurant Type 2 - Any restaurant that does not meet the standards of a Type 1 restaurant shall have no more than 50 percent of the gross revenues of the establishment be derived from the sale of alcoholic beverages as calculated pursuant to paragraph (4) of this section.

Under these new guidelines, the hotel restaurant will to be a Type 2 restaurant, subject to the 50/50 requirements under Section 4 above.

Sec. 8-182. - Conduct of licensee.

(a) Each licensee shall, as a condition of obtaining and maintaining a license, agree to comply at all times with all applicable local and state building, zoning, fire, health, and sanitation statutes, ordinances, and regulations.

This is a condition of approval for every restaurant that is serving alcohol and will be a condition of approval for this request, should it be granted.

(b) The premises shall be operated and maintained at all times consistent with responsible business practice and so that no excessive demands will be placed upon public health or safety services, nor any excessive risk of harm to the public health, safety, or sanitation, nor interference with vehicular or pedestrian traffic or parking, nor the continuance or maintenance of any unlawful conduct, public nuisance, or disorderly conduct either within the establishment or on or about the adjacent businesses and public streets, alleys, parks, parking facilities, and other areas open to the public. The establishment shall make reasonable effort to report to authorities any unlawful conduct that is observed from the premises. The requirements of this Section shall be a written condition of each license issued to a restaurant. A violation of this section is a misdemeanor and is considered cause for a license suspension or revocation or denial pursuant to Sec. 8-67.

This is a condition of approval for every restaurant that is serving alcohol and will be a condition of approval for this request, should it be granted.

(c) Each licensee shall submit to the city clerk with its initial license application and each annual renewal thereof a grease disposal plan identifying the average amount of grease disposed of on a weekly basis and the means the restaurant has of disposing of the grease. If the disposal plan requires a contractor to haul away the grease, the plan shall

be accompanied by a valid contract from a licensed hauler setting forth the frequency of the disposals. If no plan is filed or if the filed plan does not conform with city ordinances or other state or federal laws or regulations, the city clerk shall reject the licensee's application or renewal. Licensees that do not use grease as a means of cooking their food products may annually file an affidavit to that effect in lieu of a grease disposal plan.

This is handled on an annual basis with the restaurant license renewals and the hotel restaurant will be subject to the requirement going forward.

(d) *Except as otherwise stated herein, each licensee selling alcoholic beverages for on premises consumption shall report to the Office of the City Manager, on forms specified by the City Manager, on or before the 30th day of the next month following the end of each calendar quarter, a statement of the monthly and quarterly gross receipts, total food and non-alcoholic beverage sales for the reporting periods, total alcoholic beverage sales for the reporting periods, the cost of goods sold-alcohol, the percentage of each sales category as to gross receipts and the total amounts received for cover charges and/or admission fees.*

(1) This section shall not apply to licensees which first obtained their liquor license prior to September 5, 1989 and licenses which were transferred to another party or location prior to January 1, 1994 and have been heretofore been exempt from this reporting requirement until such time as the liquor license is transferred pursuant to MCL 436.1529(1) at which time they shall comply with this reporting requirement, except where it is the transfer of an interest in a licensed business of a deceased licensee, a deceased stockholder, or a deceased member of a general or limited partnership to the deceased's person's spouse or children.

(2) This section shall not apply to restaurants that have provided reports which confirm that their food sales for the previous three years are continually more than 80 percent of the gross revenues of the establishment, except as may be required by the City Manager to verify the continued operation of the establishment at that ratio or above which shall be required no more frequently than reports for one quarter each year.

(3) This section shall not apply to restaurants that close no later than 11:00 p.m. every evening except as may be required by the City Manager to verify the continued operation of the establishment as a restaurant which shall be required no more frequently than one quarterly report every two years unless that report shows the required ratio is not being met. If the ratio is not being met, the City Manager may require up to quarterly reports until such time as he deems they are no longer necessary or the standards of subparagraph (2) are met.

The applicant has indicated that the hours of operation for the hotel restaurant would be 6:00 AM to 2:00 AM. Other hotel restaurants in the City and in the region do not stay open until 2:00 AM, as they are not bars in the traditional sense. Staff cannot recommend hours of operation beyond midnight for the hotel restaurant.

- (e) *No licensee, person, corporation, company, partnership, organization or other legal entity shall knowingly provide false information or knowingly inaccurately report or knowingly omit any of the information required by sub-paragraph (d) of this section. A violation of this provision is a misdemeanor and, in addition to the general penalty provisions, the court may order restitution, including the costs of any audit of the information performed by the City. A violation of this provision constitutes cause for a license suspension, revocation or denial pursuant to Sec. 8-67.*

Staff will review the reporting information as it is submitted going forward.

- (f) *No licensee required to supply the information pursuant to sub-paragraph (d) shall knowingly fail to supply the information required by sub-paragraph (d) of this section by the date required. A violation of this section is a municipal civil infraction. Each day a licensee fails to provide the required information past the due date shall constitute a separate offense. A knowing failure to supply the information within 3 months of the due date is a misdemeanor offense. A licensee found guilty of a misdemeanor offense of this section constitutes cause for suspension, revocation or denial of the business license pursuant to Sec. 8-67.*

Staff will review the reporting information as it is submitted going forward.

- (g) *No licensee shall fail to comply with a request for an audit of the information required to be supplied pursuant to sub-paragraph (d) of this section. Failure to comply with this section shall constitute cause for suspension, revocation or denial of the business license pursuant to Sec. 8-67.*

This section does not apply until an actual audit is required.

- (h) *No licensee serving alcoholic beverages shall fail to comply with the performance standards set forth in this section that define a restaurant within the meaning of Chapter 18 of the City Charter. A violation of this section is a civil infraction. More than 6 violations of this section in a two consecutive calendar year period constitutes cause for suspension, revocation or denial of the business license pursuant to Sec. 8-67.*

Staff will review the performance standards for the hotel restaurant once they are open and operating.

ITEMS FOR CLARIFICATION/CORRECTION

Staff's previously review noted several items throughout the plans that the applicant needed to clarify as the project moves forward. The applicant has provided a response letter to these items, along with items that were raised at the public hearing. A copy of the letter is attached to this review.

- Provide clarification on the following: On the residential floors, there is a proposed unit on the north side of the building that appears to be counted as a three-bedroom unit, but only two bedrooms are shown. - **The applicant has confirmed this is correct.**
- Provide detailed reasoning and analysis for having parking provided on-site. Under the ordinance, on-site parking is only permitted with express approval of the Planning Commission through the approval of a Parking Plan under Section 50-593(j). - **The applicant has provided a parking plan, which has been reviewed under a separate heading.**
- Provide a revised underground parking layout with correct parking space and aisle dimensions, barrier free parking spaces, and removal of the parking space that prevents entry to the mechanical room in the northwest corner of the underground parking. - **The applicant has provided a parking plan, which has been reviewed under a separate heading.**
- Clarify, in writing, which portions of the road and infrastructure construction Park District Investment Group will be responsible for constructing in connection with the site plan review of Building A. - **The applicant has clarified this in their response letter.**
- Provide hours of operation for the hotel restaurant. - **As mentioned previously, the applicant has indicated that the hotel restaurant would like to remain open until 2:00 AM.**
- Provide Bicycle parking for both the residential tenants and visitors. Parking should be provided both internally and externally to accommodate both user groups. -**The applicant has clarified this in their response letter.**

PLANNING COMMISSION CONCERNS

During the public hearing held on August 13, 2014, the Planning Commission raised several issues with respect to the proposal. Staff has looked into each question and offers the following information.

- *What is the ratio of commercial to residential space in the building?* - Staff has provided a chart, attached to this report, showing this building's ratios, along with other buildings that have been recently approved or constructed.
- *How will this building diversify housing in the downtown?* - Diversity in downtown housing encompasses a number of different variables, including the type of

housing available, the number of bedrooms per unit, the style, total occupancy, and a number of other factors. In this case, the design of the units and the number of bedrooms, trending away from the traditionally student oriented 4BR/4BA, will contribute towards diversifying the overall housing in the downtown. Although no one can truly predict the type of residents that will move into the building, this type of building and unit has not been built elsewhere in the City and brings new housing opportunities to the downtown.

- *How is the on-site parking viewed under the ordinance?* - Staff has reviewed this issue in depth in the Parking Plan review.
- *How is the project able to proceed without having been a part of the RFQP process for the Park District?* - Other than a very small portion of the north side of the property, owned by the Downtown Development Authority, and the area in the middle on the site of Evergreen Avenue, the project is largely privately owned land. The RFQP process was for the City-owned properties along Evergreen and the parking lots in the area. The property owner in this case has chosen to proceed with an application separately, rather than be a part of the larger redevelopment process the City was envisioning as part of the Park District.

The Planning Commission also brought up financing related issues that the Planning Department has previously responded to under a separate memo. A copy of that memo is attached to this report.

The Planning Commission also discussed this project at their September 24, 2014 meeting and raised a series of additional concerns for Staff to follow up on.

- *Can Staff provide a copy of the DLZ memo referenced by the Transportation Commission regarding traffic impacts and respond to those issues?* - The memorandum is attached and both the applicant and the Engineering Department have provided responses to the items listed by DLZ.
- *How many cars can fit in the Abbot Road drop off area?* - Based on a standard vehicle size from our ordinance, the applicant has indicated that six cars could queue in that area as necessary. They have also indicated that the drop off area for the valet parking will be on the first level of the parking structure, where a total of 19 cars can queue, as shown in the attached graphics.
- *Is there a possibility of putting an island in Abbot Road, between north and southbound traffic, to prevent left hand turns into the drop off area?* - Staff has discussed this with the Engineering Department and there are major concerns with this approach, one of the biggest being snow plowing at this major intersection. Staff and the applicant agree that the best solution, that would cause the least concern from a maintenance perspective, is to flare the curb in front of the drop off, to make a left turn difficult. The applicant has provided a conceptual design for this in their response information.
- *Can Staff respond to the Parks and Recreation Advisory Commission landscape recommendations?* - The green space currently in the development area

compared to the green space proposed for the new development is not significantly different. From a social or usable open space perspective there will be more outdoor gathering space for the general public. These areas along with the sidewalks will be significantly landscaped as part of the overall project. The Zoning Code requires a minimum 3 ½-inch caliper tree be installed every 40 feet of all sides of the property in addition to the landscaping that will be installed in the plaza areas. A final landscaping plan will need to be submitted and approved prior to issuing certificates of occupancy.

- *What is the best approach to accommodate bicycles and pedestrians in the 100 block of Abbot and crossing Grand River?* - The Transportation Commission recommended that an eight foot wide area be designated on the west side of the building for bike traffic. Staff agrees with this approach and would strongly discourage bicycle traffic in the 100 block of Abbot Road. Crossing Grand River is much more difficult. The ideal solution is still the existing crossing on the east side of Abbot Road, or alternatively, the existing crossing in front of the People's Church. Adding a crossing on the west side of Abbot Road would degrade the level of service for vehicular traffic and would require substantial reconfiguration of the median in that area. However, should MDOT consent to such a change, the applicant has agreed to share in the cost, per the Transportation Commission's recommendation. A bike overpass was raised by the Planning Commission, but Staff does not feel the idea is feasible from either an aesthetic or a cost standpoint.
- *How will the valet parking work for the site?* - The applicant has provided an operations plan for the Planning Commission's review of the parking plan.

SUMMARY COMMENTS

The proposed "Building A," located at the northwest corner of Abbot Road and Grand River Avenue, is a ten-story, mixed-use structure on the edge of the Park District planning area. The building would include restaurants, retail space, a bank, a hotel, and just over 100 residential units. The applicant is also proposing underground parking, which is only permitted in the B-3 zoning district in limited circumstances. That issue is reviewed under a separate heading as part of the Parking Plan review for the site. The applicant has stepped the building back from The People's Church, mitigating the height of the building adjacent to the memorial gardens. Overall, the plan meets all the relevant zoning requirements. The applicant is proposing a building that has a residential to non-residential ratio that is in line with other projects that have been approved in the downtown, a ratio that would be even higher if the proposed hotel was included. The design is thoughtful to the location, adding more pedestrian and commercial activity to the west end of the downtown. As a standalone project and as the anchor to the Park District planning area, the building is proposed to be a quality addition to the downtown. Planning Staff have no major concerns with the proposal and **can generally recommend** approval of the site plan and special use permit, subject to the hotel restaurant closing at midnight. Staff has provided a sample motion for the Planning Commission's use.

In the matter of the request from Park District Investment Group, LLC, for Site Plan and Special Use Permit approval for the properties at 100, 124, 128, 130, 136, and 140 West Grand River Avenue, and 303 Abbot Road to demolish the existing structures and construct a ten-story, mixed-use building (Building A) containing retail and restaurant spaces, a 120 room hotel with a restaurant serving alcohol, up to 102 studio, one-, two-, and three-bedroom apartments, and two levels of underground parking for 283 cars, motion to **recommend approval** to the City Council for the Site Plan and Special Use Permit **for the following reasons...**

- *(Insert specific Planning Commission reasons here)*
- The proposed building would revitalize a major intersection in the downtown, bringing new residential and non-residential space to the western edge of the downtown.
- The proposed development is within the area anticipated for increased height in the downtown.

Subject to the following conditions...

- *(Insert specific Planning Commission conditions here)*
1. Water and sanitary sewer extensions and connections shall be approved by the City Engineer in accordance with all applicable State and local regulations.
 2. The required calculations and storm water management plan shall be approved by the City Engineer.
 3. Final grading, soil erosion control, paving and utility plans for the site shall be approved by the City Engineer in accordance with all applicable local requirements.
 4. The applicant shall construct an 8 foot wide sidewalk along all major road R.O.W. and 5 foot wide sidewalk shall extend from the public sidewalk to the entrance of the building.
 5. Final landscaping and screening details shall be submitted and approved by the Planning and Zoning Administrator following Final Site Plan Approval.
 6. Bike racks shall be installed sufficient to accommodate at least 111 bicycles.
 7. All exterior light fixtures shall direct the light downward and away from adjacent properties, except those architectural lighting features on the building may be pointed towards the sky, if the fixture is aimed to avoid any light going into the night sky directly.

8. The trash containers shall be constructed and screened in accordance with local specifications.
9. The required permit(s) shall be obtained from the Department of Planning, Building, and Development for all exterior signs, in accordance with the City Sign Ordinance.
10. The project shall be designed and developed in accordance with all applicable State and local statutes, codes and regulations.
11. No more than 146 persons shall be served alcohol in the restaurant area at any time. The seating plan shall be reviewed and approved by the Building Official and the Fire Marshal in accordance with Building and Fire Code requirements.
12. Persons under 21 years of age shall not be permitted to enter the restaurant/bar area after 11:00 p.m. unless accompanied by a parent or legal guardian.
13. The proprietor shall obtain and maintain the required State Liquor License and City Entertainment Permit, as applicable.
14. The proprietor shall work with the Police Department to develop and implement an effective security plan and provide for appropriate staff training.
15. The premises shall be operated and maintained at all times consistent with responsible business practice so that no excessive demands will be placed upon public health or safety services, nor any excessive risk of harm to the public health, safety, or sanitation, nor interference with vehicular or pedestrian traffic or parking, nor the continuance or maintenance of any unlawful conduct, public nuisance, or disorderly conduct either within the establishment or on or about the adjacent businesses and public streets, alleys, parks, parking facilities, and other areas open to the public. The establishment shall make reasonable effort to report to authorities any unlawful conduct that is observed from the premises.
16. The restaurant shall comply with the requirements and performance standards of for a "restaurant" as set forth in Section 8-181 and 8-182 of Chapter 8 of the City Code, Section 50-94(b)(2) of Chapter 50 of the City Code, and Chapter 18 of the City Charter at all times.

17. The proprietor shall provide to the City Manager reports and business records, in the form and manner required, by an administrative order to be published by the City Manager and approved by the City Council, to permit the City to review and determine continued compliance with the requirements and performance standards of Section 50-8 of Chapter 50 of the City Code and Chapter 18 of the City Charter.
18. The restaurant shall close no later than midnight daily.
19. The applicant shall construct all necessary road and infrastructure improvements to the surrounding streets, as outlined in their letters dated August 22, 2014 and October 2, 2014.
20. The applicant shall work with City Staff and MDOT to complete any analysis for signal timing related to work with this project along Michigan and Grand River Avenues.
21. The island between Abbot Road and the drop off for the building shall be designed and constructed to prohibit left hand turns into the drop off area.
22. The applicant shall cooperate with MDOT and the City if it is decided that a grade level crossing of Grand River Avenue can be installed on the west side of Abbot Road and shall participate in the cost of the installation of the crossing.
23. The applicant shall incorporate a designated, eight-foot wide bike lane on the west side of Building A, pursuant to the Transportation Commission's recommendation.
24. The applicant shall continue to work with Engineering Staff to address any further concerns related to the Transportation Commission's review.
25. Approval of a parking plan under Section 50-593(j) for the proposed on-site parking. The Site Plan and Special Use Permit approval shall be subject to all conditions from the parking plan approval as well.

ZONING ANALYSIS
100-140 West Grand River (Park District Investment Group)

Zone: B-3	Standard	Proposed	Conformity
Min. Site Area:	N/A	1.1 acres	Yes
Min. Lot Width/Frontage:	None	204 feet	Yes
Max. Building Height:	140 feet	10 stories 122.5 feet	Yes ¹ Yes ¹
Min. Floor Area Ratio:	1.25	6.16	Yes
Max. Building Cover:	80%+ bonuses, up to 100%	78.5%	Yes
Max. Ground Cover:	85%+ bonuses, up to 100%	100% ²	Yes
Min. Bldg. Setbacks:			
Front Yard (East)	0 feet	1.7 feet	Yes
Front Yard (South)	0 feet	0 feet	Yes
Front Yard (North)	0 feet	3 feet	Yes
Rear Yard (West)	0 feet	30 feet	Yes
Min. Parking Setbacks:			
No surface parking provided. All parking on site is underground and structured.			
Parking Spaces:			
Min. Required ³	0	283	Yes
Max. Permitted	0	283	Yes
Min. Width of Space	9 feet	Varies, many under 9'	No
Min. Depth of Space	20 feet	Varies, most under 20'	No
Min. Aisle Width	20 feet	Varies, most under 20'	No
Max. Small Spaces (8'X16')	149	~200	No
Min. Barrier Free Spcs.	7, two van sized	0	No
Min. Bike Spaces	111	Unknown	No
Loading Space:	10 feet wide, adjacent to building	Shown	Yes

Notes:

¹ Height above 8 stories or 112 feet requires a special use permit, approved by 3/4 of the City Council, be in a specific geographic location, and be found to be significant public benefit

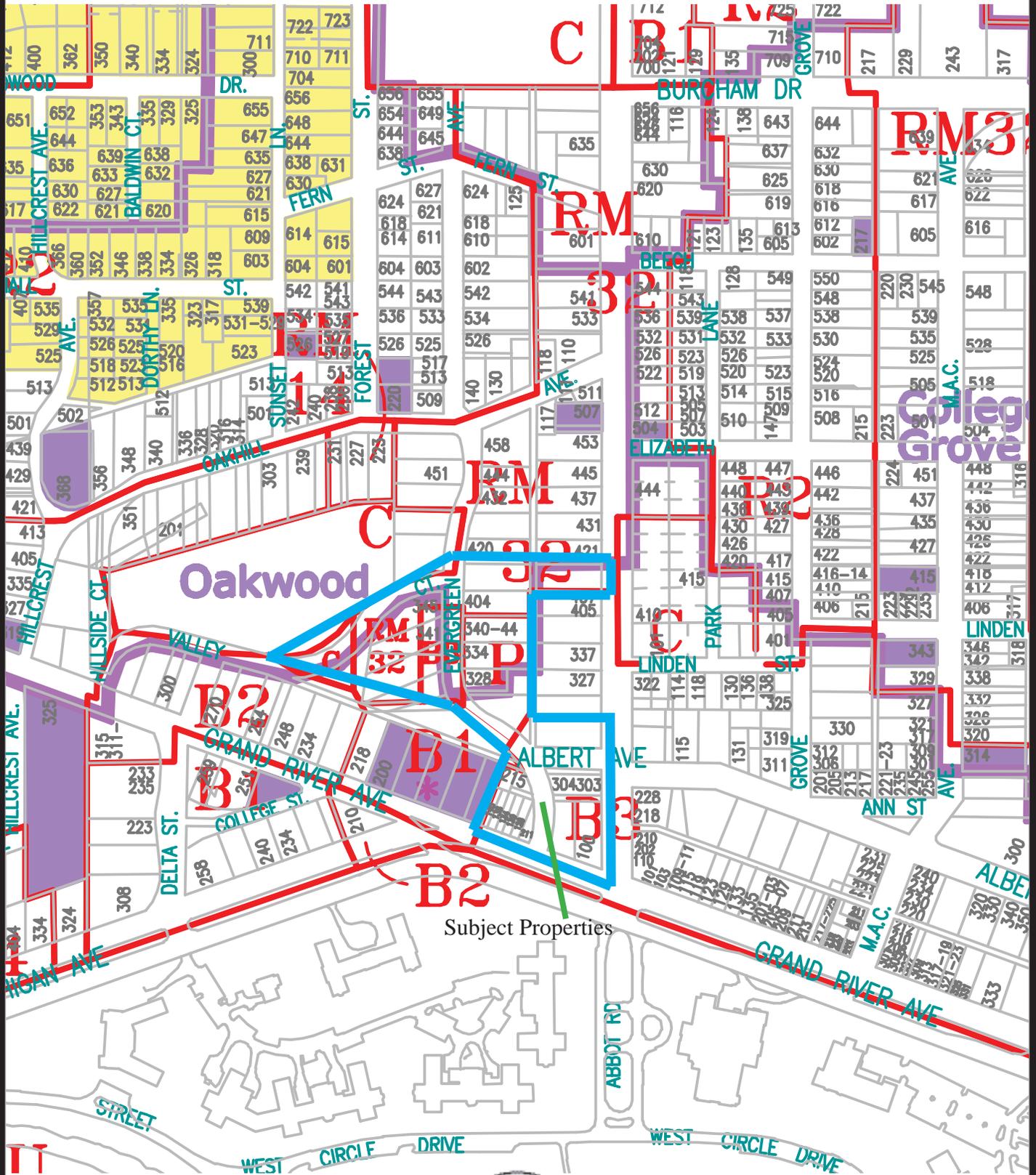
² 100% ground coverage permitted with qualifying features. Proposed development has two plaza areas and two outdoor seating areas, which allow for 100% ground coverage.

³ On-site parking in the B-3 zoning district is permitted only in limited circumstances under Section 50-593(j).494 parking spaces would be required based on the mix of uses being proposed.



CITY OF EAST LANSING

ZONING MAP



Subject Properties



Memorandum

East Lansing Police Department

To: Chief Juli Liebler
From: Officer James Didion
Date: July 18, 2014
Re: Park District Plan Building A

I have been given the Park District plans to review by Tim Schmitt of the Planning Department. There are three plans for the Park District for which Tim Schmitt has requested an approved memorandum. This is the memorandum for Park District Plan Building A.

I have reviewed the plans for Park District Building A. This will be the large 10 story building located at the North West corner of the intersection of Abbot and Grand River where the vacant bank building currently sits.

This is a very important piece of real estate in the city as it sits on two of East Lansing's main traffic arteries. I was pleased to see some of the Police Department's usual concerns were already addressed with these plans. I did not notice any balconies in the residential floors of this complex.

I also noted that access to the parking ramp will be gained from Albert instead of Grand River. This is much more preferable because traffic stopping on Grand River near Abbot to gain access to a parking ramp may cause traffic back-ups during busy hours.

My one traffic concern from the Albert side ramp is that people wanting to gain access to the ramp from Northbound Abbot may take the illegal left turn on Albert from Abbot. This may cause a back up from people trying to go Northbound Abbot from the Grand River left turn lane.

Overall, I cannot see any major public safety concerns in these plans.

From: James Hoffman
To: Tim Schmitt
Date: 7/29/2014 7:23 AM
Subject: Park Place

Comments for the Park Place project:

1. Dead-end corridors on Levels 2-4 of Building B.
2. Exit stairway in middle of Building B not discharging directly to an exit discharge.
3. Egress doors swinging in wrong direction.
4. Second floor restaurant in Building A with insufficient exiting with one exit traversing through Loading/Receiving-Trash/Recycling Area.
5. Only one exit shown in each Building A first floor retail space and in bank.
6. No designation of required accessible hotel rooms or apartment units.

Jim Hoffman
Building Inspector / Code Official
City of East Lansing
East Lansing, MI 48823



PUBLIC WORKS AND ENVIRONMENTAL SERVICES

Quality Services for a Quality Community

MEMORANDUM

TO: Tim Schmitt, Community Development Analyst

FROM: Robert Scheuerman, P.E., Engineering Administrator

DATE: July 25, 2014

SUBJECT: Site Plan Review Park District Building B

City of East Lansing
1800 E. State Road
East Lansing, MI 48823

(517) 337-9459
www.cityofeastlansing.com

We received a set of drawings on July 15, 2014 on behalf of Park District Investment Group, LLC for Building "B" - part of the new proposed Park District redevelopment north of Grand River Avenue and west of Abbot Road. The plans were prepared by Bergmann Associates, stamped and dated July 9, 2014.

The following items were identified as requiring further attention:

KEBs Topographical and Boundary Survey Drawings (3 Sheets):

- The three drawings are labeled as 1 of 4 thru 3 of 4- but only three drawings are provided and listed on the index on the cover sheet.
- Sheet 1 of 4- The overall legal description includes all building but Building "E". There are some discrepancies between the legal description and the boundaries identified on other drawings, including the crossing of Valley Court and the fact that the boundary follows the north ROW of Valley Court. This drawing may still reflect parts of City Center II.
- Sheet 3 of 4- Some of the Tax Parcel Numbers and addresses are no longer accurate.

Drawing C100 thru C120:

- It is not shown which Developers are responsible for which parts of the infrastructure improvements.

Drawing C101:

- The traffic pattern shown in Abbot Road and new lanes will need further study and consultation.

Drawing C110:

- The alley is shown as 17 feet wide face-to-face. This is only allows 14 feet of asphalt which is insufficient for two way traffic especially considering that trucks will likely use the alley for deliveries to Dublin Square and others

Memorandum – Site Plan Review Park District Building B

July 25, 2014

Page 2

- The proposed project appears to have significantly more equivalent units. As such, we will have to review the previous sewer study to confirm the proper capacity required in the sewer system.
- A new 36 inch diameter sewer will be required between Building “B” and Building “D” and connect to the various sewers at the intersection of Evergreen and Valley Court.
- Details will be needed showing the connection of the new sewer directly to the tunnel in Grand River Avenue.
- The new 12” water main shown on Albert needs to be looped back either to the 12” in Abbot (Building “E”) or Grand River (Delta Street).

Several minor issues regarding invert elevations and grades on Drawings C110 and C120 were noted for future discussions when the project progresses further.

A comprehensive traffic study must be provided for all areas affected by the proposed work.

We would be happy to discuss the project with staff or the developer further if so desired.

From: Gerald Rodabaugh <groda@cityofeastlansing.com>
To: tschmitt@cityofeastlansing.com
Date: 7/30/2014 7:54 AM
Subject: Park District

General fire comments:

Building A, C, D & E are all high rise building and each is required to have a Fire Command Center, located per the Fire Department.

Building A has issues with exiting and the Restaurant/Bar area on the second floor also has exiting issues.

All building are required to meet local area radio coverage within the Buildings. The County system is a Harris EDACS Radio system with 97% in building radio coverage.

The plans lack the detail for a full review, but these are the major items that the detail is either missing or incorrect on the plans.

Thanks

Gerald Rodabaugh, Fire Marshal
City of East Lansing Fire Department
517-332-1956
groda@cityofeastlansing.com



CITY OF EAST LANSING
The Home of Michigan State University

June 26, 2014

Ms. Darcy Schmitt
Planning and Zoning Administrator
City of East Lansing
410 Abbot Road
East Lansing, MI 48823

Re: 303 Abbot Road

Dear Ms. Schmitt:

On June 26, with nine members present, the Downtown Development Authority voted unanimously, with one abstention, to authorize their property known as 303 Abbot Road to be included in the site plan alternative submitted by Park District Investment Group. This authorization is for the purpose of facilitating the submission of a site plan alternative and the Planning Commission's consideration thereof, and is expressly contingent upon Park District Investment Group submitting a second site plan alternative that excludes the aforementioned property.

Nothing contained in this letter shall create or be construed to create an express or implied contract obligating the DDA or City to proceed with the project or enter into a contract for the joint development of the project.

Sincerely,

William L. Mansfield, Chair
Downtown Development Authority

c: DDA Board
Tim Dempsey, Director of Planning and Community Development

410 Abbot Road
East Lansing, MI 48823

(517) 337-1731
Fax (517) 337-1559
www.cityofeastlansing.com

October 16, 2014

Franchise Licensing & Compliance

VIA EMAIL AND OVERNIGHT COURIER

Three Ravinia Drive
Suite 100
Atlanta, GA 30346-2121
www.ihg.com

RE: LICENSE AGREEMENT DATED JULY 10, 2008 (AS SAME MAY HAVE BEEN AMENDED, THE "LICENSE") BETWEEN EAST LANSING HOTEL, LLC ("LICENSEE") AND HOLIDAY HOSPITALITY FRANCHISING, LLC (FORMERLY KNOWN AS HOLIDAY HOSPITALITY FRANCHISING, INC.) ("LICENSOR") FOR THE HOTEL INDIGO® HOTEL TO BE LOCATED AT THE INTERSECTION OF GRAND RIVER AVENUE AND ABBOTT AVENUE, EAST LANSING, MI 48823/#14146 (THE "HOTEL")

To Whom It May Concern:

As of this date, the License for the above referenced Hotel is in full force and effect.

To the best of our knowledge, the Licensee is not in default under any of the terms, covenants or provisions of the License, and Licensor has not commenced any action nor served any notice for the purpose of terminating the License.

Sincerely,



Celina Rouse
Manager
Franchise Licensing and Compliance





InterContinental Hotels Group

James F. Anhut
SVP, Design & Quality

Three Ravinia Drive
Suite 100
Atlanta, GA 30346-2149
www.ihg.com

Direct Tel: (770) 604-2256
Direct Fax: (770) 604-5499
jim.anhut@ihg.com

October 20, 2014

Subject: Park District Project; Proposed Hotel Indigo

Dear Mr. Loveland:

We have reviewed your site plan submission relative to the proposed Hotel Indigo to be incorporated into the mixed-use project known as the Park District Project in East Lansing, Michigan. You have requested that the Holiday Hospitality Franchising, Inc. ("Licensor") confirm, for purposes of the municipal approval process, certain information relative to the license to operate the above referenced proposed Hotel Indigo.

Please allow me to confirm that the proposed licensee is East Lansing Hotel, LLC ("Licensee") and remains in good standing subject to revisions of various deadlines required pursuant to that certain Hotel Indigo License Agreement dated July 10, 2008.

You have also inquired as to operating restrictions relative to the proposed Hotel Indigo. As you are aware, the Hotel Indigo brand requires certain food and beverage service capabilities which vary depending upon state and local laws, local competition, and other proprietary factors. Specifically, you have inquired as to potentially limiting the sale of alcohol from the proposed hotel restaurant bar to a time period more restrictive than applicable law. As we discussed, it is possible that the hours may be limited based upon guest demand; however, it will not be possible to approve such a waiver of this brand standard until the proposed Hotel Indigo is open for business and actual local competition and relative demand can be determined.

Further, you have requested an exception to the requirement that the proposed Hotel Indigo forgo valet service at the Abbot Road entrance. Once again, the Licensor has carefully evaluated the proposed layout together with the resulting traffic and parking demands and provided every courtesy to accommodate the proposed project. As we have discussed previously, the Licensor considers the Abbot Road access critical and needs to be available to accommodate guest access on a valet basis in order to comply with our desire to provide an appropriate service level to our guests. We have approved the secondary access off of Albert Street; however, the Abbot Road valet entrance must remain in place.

Please do not hesitate to contact me if you would like to discuss these matters further. My colleagues and I are very excited to see this project progressing and as a graduate of Michigan State University I cannot wait to check into the Hotel Indigo in the future during one of my many return visits to campus.

With warm regards,

James F. Anhut

