

Friday, August 18, 2023

Tim Dempsey

Interim Director of Planning, Building & Development
City of East Lansing
410 Abbot Road
East Lansing, MI 48823

Tim,

The Metzger/Fabian family has prepared the following background document for inclusion in the packet for the next Downtown Development Authority meeting. We hope this will help clarify some of the history of the property, our family's engagement with the City of East Lansing and any additional notes we believe may add context to the current review of the development being proposed.

Pre-Parking Lot Background

- Before the year 2000, there were four houses, licensed as student rentals, on the portion of the land owned by Metzger/Fabian family. Behind the houses was a small private parking area for use by the tenants of the owners.
- The houses were separated by an alley to the east followed by a fraternity house owned by its members.

Parking Lot Development

- In the late 1990s, the City of East Lansing approached the Metzger/Fabian family with a proposal to convert the property to a surface parking lot that would include the four houses. The city entered into a long-term lease agreement with the Metzger/Fabian family for the rental property land.
- In 2000, the Metzger/Fabian family removed the houses, and the site was redeveloped into the current surface parking lot.
- The city later acquired the fraternity house on the corner of Albert and Bailey. The full parking lot footprint is 71% owned by Metzger/Fabian and 29% by the City of East Lansing.

Redevelopment

- In mid-2022, the Metzger/Fabian family met with the city and discussed plans for the property. The city representatives expressed the desire for the lot to be developed and that they would not enter into another long-term lease with the Metzger/Fabian family.
- A short-term lease was created at significantly reduced revenues and was restructured with the family now responsible for property tax payments.
- The Metzger/Fabian family hired CBRE, a national commercial real estate brokerage firm, to put together an offering of the lot for developer bids. This was an open bid and available for all interested parties to make an offer on the property owned by the Metzger/Fabian family.

- Multiple competitive bids were received. After review, the family chose American Community Development (ADC), a nationally recognized affordable housing developer with a track record of success. We felt their project proposal was an ideal fit for the long-term goals of the City, and would be a valuable addition to our community and the needs of all residents of the region.
- The city-owned portion of the lot is not included in the proposed development. It is our understanding that the city will continue to run it as a surface lot that has 30 or more spaces for businesses on the block. There is also street parking space available on both sides of the 500 block of Albert Street.

Additional Notes

- The Metzger/Fabian family also owns the Campus Town Mall building at 541 East Grand River Ave. and are invested in the success of businesses on the 500 block.
- The city's recently published parking study (June 2023) clearly shows an abundance of available parking in the area.

In summary, the Metzger/Fabian family has been living and doing business in East Lansing for generations. We have worked hard over the past year to bring a development project that supports the interests of redevelopment by the city and that benefits the community.

We have no interest in moving backwards on the development of our property on Albert Street and we are excited about the potential for the future. Our family truly believes that development of affordable housing is one of the most important opportunities for our community in many years and we are proud to be part of the project.

Many thanks for your review.

The Metzger and Fabian Family

Cc:

- Doug Austin, Fraser Trebilcock