



Downtown Kent plan calls for \$48M facelift

City selects Fairmount, partner of \$500M Flats proposal, to spearhead the project

By **STAN BULLARD**

4:30 am, April 14, 2008

Plans for a \$48 million mixed-use makeover of a block in downtown Kent, a city that thousands of alumni of Kent State University's main campus consider their second home, are going on the drawing board after the city selected Fairmount Properties of Cleveland to undertake the job.

Fairmount might add firepower to the project. It's in talks with Ron Pizzuti, who heads the big-league Pizzuti Co. real estate development company in Columbus, to create an 80-room hotel and conference center as part of the plan. Mr. Pizzuti is a Kent native, Kent State graduate and past chairman of the university's board of trustees.

"Just because we're building in college towns does not mean we're developing locations for pizza parlors and video game shops," Randy Ruttenberg, a principal at Cleveland-based Fairmount, said in an interview.

"An increasing number of national retailers want to locate or relocate in college markets to capture a sophisticated student and consumer base," Mr. Ruttenberg said. "Research shows the number of students from households of significant wealth and parental attainment is at an all-time high and growing. They are often matched with shopping and housing below their demands."

The current concept is for a 233,000-square-foot mixed-use development, Mr. Ruttenberg said. The project would incorporate 37,800 square feet of retail space, 17,140 square feet of restaurant space, 57,000 square feet of office space and an 80-room hotel attached to a 24,800-square-foot conference center.

The project also would include 48 units of for-sale housing oriented to young professionals, particularly university faculty and staff, and empty nesters, with an emphasis on Kent State alumni, Mr. Ruttenberg said.

"We're not talking about student housing," Mr. Ruttenberg said of the housing, which would cost \$100,000 to \$200,000 per unit. "First, we do not understand the student housing business very well. Many significant players in that sector are doing a better job than we could."

The site for the proposed project is a three-acre parcel that the city of Kent has assembled through the years between Haymaker Parkway and Water, South Depeyster and Erie streets. However, not all the land is under city or Kent State control. The city of Kent also is pursuing two parcels on the block through eminent domain court actions; one site is a bar and the other is a house.

Pizzuti Co. did not return a call and two e-mails regarding the negotiations with Fairmount about developing the hotel.

Around the block

Although Mr. Ruttenberg outlined specific uses for the block, much work remains to be done among the city of Kent, Kent State, which controls portions of the site, and the developer before the project can get started. Kent City Council on April 2 ratified a four-member city, university and community committee's recommendation of Fairmount to work on the project.

Fairmount was selected as the developer to redo the block over two other qualified developers, primarily because of time Fairmount has spent on the concept during the last two years, said Gary Locke, Kent community development director and a member of the selection committee.

The developer and the city still must negotiate and approve a development agreement and nail out detailed aspects of the project, such as its impact on traffic flow, Mr. Locke said.

"In 28 years in Kent, this is as close as we have gotten to making something significant happen here," Mr. Locke said.

Mr. Ruttenberg said Fairmount has not reached the point of seeking financing for the project, and he noted the project would require a public/private partnership to make it a go, although he would not talk specifics.

David Creamer, Kent State senior vice president for administration, said while the university supports the concept of contributing a building that occupies about 15% of the block to the project, the parties have not yet discussed terms.

Fairmount is best-known as a partner with the Wolstein Group development company in the proposed, \$500 million Flats East Bank Neighborhood in downtown Cleveland. It's also in a joint venture it calls Fairmount Properties University Realty Trust with New Boston Fund, a Boston real estate owner, that would allow it to develop up to \$180 million of new, university-related projects, Mr. Ruttenberg said.

Fairmount's 300,000-square-foot First & Main project in Blackburg, Va., near Virginia Tech University is cited on New Boston's web site as a joint venture with a partner active in the niche of college-related commercial properties.

Pursuing a downtown rebound

While downtown Kent and institutions such as Ray's Place, the Loft and others have a magic for students and alumni, the past few years have not been good for the center of town. Mr. Locke said many bars have closed since Ohio in 1987 raised the drinking age to 21 from 18. More students also own cars today than they did years back, he said, so they frequent downtown Kent's businesses less.

Dr. Creamer said downtown Kent today offers some services to students but does not have the range of offerings the university would like to see for 18- to 21 year-old students. The university believes the hotel needs a conference center to be successful, which also would meet Kent State's need for more meeting space.

"We're optimistic this can enhance things for the community and the university, but it's still very early." Dr. Creamer said.

As an old college town, Kent has a flavor different from much of Northeast Ohio. The city is studying plans for a whitewater rafting park in its downtown near the Kent dam on the Cuyahoga River.



Rendering of the \$48 million mixed-use development plan of downtown Kent.

Photo credit: PHOTO PROVIDED

PRINTED FROM: <http://www.crainscleveland.com/apps/pbcs.dll/article?AID=/20080414/SUB1/262590890&template=printart>

© 2008 Crain Communications Inc.
