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## Firms vying for Kent project rated City to seek redevelopment agreement for downtown

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A ranking of the three firms vying for a partnership in redeveloping a three-acre downtown block will be presented Wednesday to Kent City Council.

Kent City Manager Dave Ruller sat on the city's project review committee with Councilman Garret Ferrara, Kent State University Senior Vice President Dave Creamer and Main Street Kent Executive Director Mary Gilbert. The committee members have ranked the firms and will recommend the top firm as partner for the project.

Ruller said the city staff is seeking council's authorization Wednesday to begin working with the preferred development partner to move the downtown project into the design and negotiation phase.

"I want to make sure that we're not saying this is the only firm," Ruller said. "Until we get a development agreement nailed down, I want council to know we've got two other capable firms."

All three firms have exhibited success in multiple, multi-million dollar redevelopment projects. Cleveland-based Allegro Realty Advisors conducted a financial due-diligence report on all three firms for Kent and concluded each is financially capable of, and experienced in, structuring the necessary equity and debt for a project of this scope.

Testa Companies of Cuyahoga Falls submitted a 63-page document to the committee outlining the firm's projects, which includes Akron's Northside Lofts. The firm has constructed mixed-use developments in dozens of northeast Ohio communities.

Pittsburgh-based Cambridge Venture Partners, which is collaborating with Kent-based Portage Venture in vying for the project, is currently developing a 225-room hotel bridging Carnegie Mellon University with the Carnegie Museum and the Craig Street business district in Pittsburgh. The firm also has had success with student-oriented housing.

And Fairmount Properties of Cleveland is credited with construction and management of Hudson's \$60 million First and Main redevelopment. The firm also has constructed several housing projects in the region, including 164 high-end condominiums at Avalon Station in Shaker Heights.

Despite its successes, Fairmount Properties is currently at the center of a controversy in another college town -- Blacksburg, Va., home to Virginia Tech -- over the development of a big-box retailer suspected to be a Super Wal-Mart.

Daniel Breslau is the steering committee chairman for a citizen-action group called Blacksburg United for Responsible Growth. Two years ago, he said, the town of 39,573 first received a proposal from Fairmount to construct a mixed-used lifestyle center with residential space. In April 2007, Fairmount representatives unveiled plans for a large retail center. The firm later received approval for phase one of the project, which included retail, restaurants and a cinema.

"It was clearly an attractive idea," Breslau said. "People didn't want something that was just another urban shopping center."

Breslau said people in the town didn't want another big-box retailer, either. And neither did the town council, as it tried to circumvent the building of a big-box anchor by requiring a special permit for a retail building larger than 80,000 square feet. But by then, the council already had granted Fairmount approval for zoning changes to allow the retail anchor.

In a letter to Ruller, Fairmount Properties principle partner Randy Ruttenberg pointed out the project will have an additional 235,000 square feet of specialty and national retail space.

"It is most important to note that this site was zoned, entitled and approved for the development of a retail town center, which included the right to build a large retail anchor, without any size or retailer restriction," Ruttenberg said. "Blacksburg has been an interesting learning experience for their municipal fathers in that, they should be clear in the beginning of a process, and within the proffers that are approved, what they do and they don't want on land within their community."

Blacksburg's own board of zoning appeals overruled the council's attempt to force Fairmount to obtain the special permit. And early this year a Virginia circuit court upheld the BZA decision. But town officials remained unsatisfied and have asked the Virginia Supreme Court to consider hearing the matter.

Breslau said it could be a year before the issue hits the high court if it chooses to hear it.

"We feel like the lower court sort of ventured into uncharted territory," Breslau said. "What the town council did was say, 'Look, we need to be protected from big-box development anyways.'"

Fairmount has received high marks from the city manager of Normal, Ill., where the firm was initially involved in negotiations and plans for the city's ongoing, \$80 million redevelopment project. About two months ago, Fairmount opted out of the project because the majority of its initial phase centered on for-sale residential space.

Ruttenberg said it simply "no longer fit our investment criteria."

Mark Peterson, Normal's city manager, said Normal officials developed a very positive relationship with Fairmount's principle partners throughout their involvement.

"I have spoken with the Fairmount representatives since that time, and our relationship is very positive, very cordial," Peterson said. "We certainly would welcome them back to our community. They're very capable developers and they certainly shared our vision for what our downtown could, and hopefully will, become."