

five questions. five answers.



Photo courtesy of Strathmore Co.

5 TAKE

SCOTT CHAPPELLE
President,
Strathmore Development Co.

- ▶ **Headquarters:** East Lansing
- ▶ **Employees:** About 80
- ▶ **Projects:** Residential, office and retail, with 13 in the pipeline across Michigan and Florida
- ▶ **Education:** Bachelor's degree in business from Michigan State University; law degree from Thomas M. Cooley Law School
- ▶ **Experience:** Lawyer, certified public accountant, Realtor and builder
- ▶ **Family:** Married with four children, ages 13, 10, 8, 4

Nearly a year ago, Strathmore Development Co. began site work on one of the East Lansing company's largest projects.

It was a \$180 million, nearly 800,000-square-foot redevelopment project next to the University of Michigan's medical complex in downtown Ann Arbor.

It's that type of big, complicated project that Strathmore President Scott Chappelle says his company thrives on.

"That was the largest brownfield project ever approved in the state of Michigan," said Chappelle, who began his career in 1986 while working as a lawyer.

Strathmore, founded in 1997 out of a previous development firm, has more than \$600 million in commercial and residential projects in Michigan and Florida.

Last month, the company was named

among the "Michigan 50 Companies to Watch" by the Edward Lowe Foundation and other business groups.

And while the Ann Arbor project has been a main focus for the company, it's also been working on Lansing projects.

The company has been working with the city of East Lansing to acquire properties at the northwest corner of Grand River Avenue and Abbott Road for a project Chappelle hopes will include museum space for Michigan State University.

Planning has been ongoing for nearly three years at the site, which also should include residential, retail and office space.

"It's complicated and you have a lot of institutions that just are not capable of moving quickly by their nature," Chappelle said. "But we're satisfied with the project and it is moving forward."

1

How did you get into development?

“I was a tax attorney by trade and I was doing work for a lot of real estate developers. I was attracted to it right away and started doing small projects and eventually that took over what I was doing for a living.”

2

What was your first project?

“When I was originally building my first house I ended up acquiring a 25-acre tract and plotting it into a residential subdivision.”

3

What kind of work do you focus on?

“It changes with market conditions. We tend to be opportunists, so we've done everything from residential to mixed-use to retail to office to everything in between. Right now, it's mostly multi-family and retail and residential.”

4

What got you into doing brownfield redevelopments?

“We've been doing brownfields since the beginning. We have a lot of experience on staff, so we gravitate to some of the more difficult projects. There tend to be opportunities there that are overlooked by common developers.”

5

What's the biggest challenge to their success?

“Just the economics. The brownfields tend to be very difficult economically, which, without the brownfield legislation (allowing the capture of added tax revenue to repay cleanup costs) and Michigan Economic Development Corp., would be impossible.”