

Lowertown razing to start

Demolition of old shopping plaza set to begin Wednesday

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Demolition will begin Wednesday on an old shopping plaza in Ann Arbor to make way for the long-awaited Broadway Village at Lowertown project, the developer says.

Strathmore Development Company President Scott Chappelle said the site will be razed to make way for the

\$172 million project. It calls for 185 residential dwellings, 138,275 square feet of retail space and 152,689 square feet of general and medical office space. Plans also include a 760-car parking structure.

Chappelle said the project, located at Maiden Lane and Broadway, should be done by the fourth quarter of 2009.

Chappelle said project financing was completed a month ago. He said he has

pre-leased two restaurants, a coffee and pastry shop, a financial institution and a "significant amount" of medical office space.

The project will receive tax financing for an environmental cleanup of the area through the Michigan Economic Development Corporation and the Washtenaw Brownfield Redevelopment Authority. Chappelle said they have begun some preliminary

testing for the cleanup, but actual soil removal is still one to two months away.

Chappelle said the project has received funding from KeyBank, National City Bank, and an additional cash investment from a third party affiliated with Strathmore Development Company.

"The financing for Lowertown was difficult, not only because of current market conditions but given the need

to finance approximately \$40 million in public infrastructure improvements," the developer said.

"It has been a long time coming," Ann Arbor Mayor John Hieftje said. "I go by it every day. It is a blighted site. It will be a relief to see it come down and see the project progressing."

A ceremonial groundbreaking is planned for later in December.