

PARKLAND PROPERTIES EVALUATING THE PURCHASE OF WINDWARD POINTE/FORMER SAPPI PAPER MILL SITE IN MUSKEGON

For immediate release

Sep. 21, 2023

MUSKEGON, MI – Parkland Properties of Michigan has executed a purchase agreement for the acquisition of the 122-acre Windward Pointe (former Sappi Paper Mill) site in Muskegon. Parkland plans to redevelop the site into a mixed-use development with homesites, condos, apartments, marina, retail and a variety of public amenities.

From 1899 to 2009, this industrial site on Muskegon Lake was home to a paper mill that at its peak employed over 1,000 people. Following the mill's closing in 2009, the property was decommissioned and many of the buildings that covered the site were torn down. In 2016, a group of local philanthropists formed Pure Muskegon to acquire the site with the goal of preventing this industrially zoned property from becoming another scrap and storage yard on a deep-water port with access to Lake Michigan. Shortly after, the group began working on initial clean-up efforts to begin preparing the site to eventually be converted to a vibrant residential and mixed-use development.

Since July of 2023, Parkland Properties has been working with its support professionals; the Department of Environment, Great Lakes, and Energy; the County of Muskegon and the City of Muskegon to perform extensive research and planning on the best methods to remediate the remaining environmental concerns and allow for future redevelopment of the site. City of Muskegon Director of Development Services, Jake Eckholm noted, "This site holds so much history and value to the community."

Parkland's plans for the site include hundreds of new waterfront homesites, condominiums and apartments, a supporting retail corridor, a marina, and an in-and-out boat storage operation. Parkland is researching with the City ways to further activate the Lakeshore Drive retail corridor with targeted uses that support the Lakeside Neighborhood, potentially including restaurants, breweries, distilleries, bars, fitness center, hair salon, massage therapy, day care, pet care, veterinarian, and coffee shops. Eckholm continued, "We at the city look forward to continuing the work of cleaning up and building out this important site to the benefit of all residents, present and future." Parkland is planning to expand the amount of available public spaces and view corridors to Muskegon Lake across this currently private property. Planned public amenities in addition to miles of public sidewalks and bike trails include waterfront public access parks, a public beach, two kayak launch areas, and multiple fishing areas.

"We are fortunate to be able to focus on projects that we believe will have profound, positive impacts on communities," said Jon Rooks, president of Parkland Properties. "At their peaks, both the Sappi Paper Mill (Windward Pointe) and Shaw Walker Furniture Company each employed thousands of people and were community assets. We believe the repurposing of these important sites into much needed housing developments will have a transformational, generational impact on not only Muskegon, but the entire West Michigan region."

Last December, Parkland also purchased the stalled former Shaw Walker Furniture Company redevelopment. The State of Michigan this summer allocated \$18 million to support Parkland's \$220 million redevelopment of this former industrial site. Parkland Properties is currently planning to commence clean-up and construction activities at Shaw Walker in 2024 with its first phase of 378 residential units and complimenting retail.

The Windward Pointe site has southern and western exposures, is located at the center of Muskegon Lake adjacent to the Muskegon Country Club and near Pere Marquette Beach, and only 2 miles from downtown Muskegon. The property is currently fenced off with a couple small remaining buildings from the former paper mill operation.

Parkland Properties is well known in Muskegon and across West Michigan. In addition to its Highpoint Flats and Terrace Point Landing waterfront community, Parkland owns and operates the Delta Hotel by Marriott Muskegon Convention Center, the Shoreline Inn Hotel & Conference Center, the Lake House Waterfront Grille, Walker's An American Brasserie, the Lake Effect Bistro, and Terrace Point Marina. Parkland Properties was also a key player in the public-private partnership that funded and built Muskegon's VanDyk Mortgage Convention Center. Parkland Properties now operates the City-owned convention center in conjunction with its Delta Hotel. Parkland also developed other waterfront and urban communities including Ellenwood Landing in Montague and Bayou Springs in Spring Lake; and Boardwalk, Union Square, Cityview and Monroe Terrace in Grand Rapids.

Redevelopment of this former paper mill site is complicated. “We spent the last few months researching the conditions and performing additional testing to determine our mitigation plan on this 122-acre site,” explained Rory Charron, director of operations and real estate for Parkland Properties. “There are complexities to this redevelopment due to its prior uses, but our team is experienced in repurposing contaminated properties, and we have a lot of great partners that want to help make something positive happen at this site.”

Parkland Properties is projecting that just the environmental clean-up at the site will cost in excess of \$15 million. Director Eckholm commented, “We that work on redevelopment in Muskegon every day are excited that Parkland is considering this generational investment, and are ready to work with partners at the local, state, and federal level to attract resources to make this the best project possible.” Parkland hopes to commence the first phase of the redevelopment in the spring of 2024. Once completed, the entire project is estimated to generate hundreds of desperately needed housing units, hundreds of new jobs, and millions of dollars in future income and property tax to support City services, infrastructure and schools.

“The forward momentum with redevelopment of the former paper mill property and the defunct Shaw-Walker complex is exciting. I’m grateful for Parkland Properties, with their proven track record redeveloping challenging sites, choosing to grow with Muskegon and contributing further to our city’s revitalization,” said City of Muskegon Mayor Ken Johnson. “That Parkland is proactively engaging the community on its development plans is welcomed, and I look forward to hearing public input at the upcoming engagement session,” Johnson added.

Parkland Properties and the City of Muskegon are hosting a public engagement session to discuss this redevelopment project. Details on the engagement can be found below:

When: September 28th
5:30 to 7:30 pm

Where: Delta Hotel by Marriott Muskegon
939 Third Street, Muskegon
In the Delta Hotel Ballroom/banquet facility

For more information, contact:

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