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Groundbreaking set for Emagine Entertainment Inc.'s Royal Oak project

By Daniel Duggan

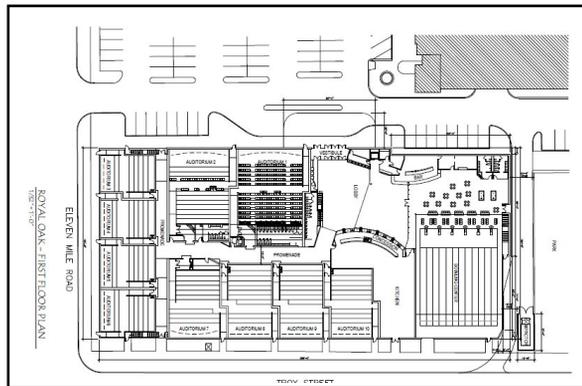
After first pitching the idea of a Royal Oak movie theater and boutique bowling alley in January 2009, Paul Glantz will finally start construction on the \$19 million project.

“We'll cross the goal line when it's open and we're pleasing thousands of guests,” Glantz said. “But we're going to celebrate this interim success.”

He will host a groundbreaking ceremony at the site on Monday for the Troy-based Emagine Entertainment Inc. mixed use project.



The project has found several roadblocks in the approval process in Royal Oak, but also in the financing of the project.



Glantz personally raised \$7 million in private equity on his own from investors he knows. He secured a \$12 million construction loan from Charter One and will then replace most of that with a long-term \$9 million loan also from Charter One. He also has secured a \$2.9 million loan from the Small Business Administration.

“This was a complex deal,” Glantz said. “The financing environment is very challenging, and I was fortunate to find lenders who believe in the project and

structured it in a fashion they are comfortable with.”

The two-story, 73,000-square-foot development will have 10 movie screens and 16 bowling lanes on 11 Mile Road east of Main Street in Royal Oak. It will also have a restaurant and bar.

Glantz said the bowling alley is a “boutique bowling” concept that is more for a club-atmosphere than for bowling leagues. The idea was executed by Jerry Merola of Amusement Entertainment Management Inc. from East Brunswick, N.J.

“He identified the opportunity to include boutique bowling in this project,” Glantz said.

Troy-based Ronnisch Construction will build the facility and Indianapolis-based Studio 3 will be architect.

Michael Southen, a retail broker with Southfield-based Signature Associates represented Glantz in the acquisition of the land and has been a pre-construction consultant, Glantz said.

Construction is expected to be completed by May 21, but Glantz said there are incentives in the construction contract for Ronnisch if construction is done by May 1.

The project was approved by the Royal Oak City Council in December but additional approvals from the Downtown Development Authority were also needed.

But Glantz said the decision to move forward on construction came once he was confident long-term financing would be arranged.

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