



Oklahoma

NMTC Allocatee

New Markets Redevelopment
Charles E. Wiggin
cwiggin@wigginprop.com
405-842-0100

Universal Ford — Hotel Fox

Tulsa's downtown warehouse and industrial district, now known as Brady Arts, was the site of the Tulsa race riot in 1921. Since that time, the neighborhood has struggled, and is characterized even today by vacant lots, vacant and deteriorated buildings, and the demographics of poverty. The George Kaiser Family Foundation (GKFF), based in Tulsa, negotiated long term leases on two buildings dating back to 1906 and 1917, to further their mission of revitalizing the area as an economic engine for the City of Tulsa. Both buildings were re-envisioned as multi-use properties to combine low-cost apartments, retail uses that would appeal to residents and visitors, and entrepreneurial spaces in a business accelerator. This concept presented the best opportunity to attract more residents and unique businesses to the heart of the neighborhood and contribute to its long-term viability as a residential and arts district. The plan included 31 housing units to provide low cost housing for teachers, retail spaces, an office suite and a large space for an entrepreneurship accelerator. However, at 100 years old the buildings presented challenges that would have made the redevelopment much too costly for a developer with traditional financing. In order to keep rents at a level that was affordable for the commercial tenants and the residents the project needed the boost of New Markets Tax Credits and Historic Tax Credits.

A representative of GKFF presented the project to New Markets Redevelopment, LLC (NMR) and REI Development Corp (REI) in the spring of 2014. NMR and REI each agreed to provide a \$5 million allocation of New Markets Tax Credits to the \$16 million project. U.S. Bancorp Community Development Corporation was the NMTC investor and the HTC investor.

The commercial spaces were all leased before the project began and once open there was a waiting list for the residences which were filled with participants in GKFF's Teach for America and Tulsa Artists Fellowship programs. The entrepreneurial space consisting of seven offices and 48 desks was filled by the time construction was completed.

The project generated 141 construction jobs and an estimated 75 permanent jobs. In addition over 50 small businesses or business startups have been accommodated in the entrepreneurship space and affordable housing is provided for teachers and art fellows.

Community Profile

Tulsa, OK

Poverty Rate	31.5%
Median Income	63.7%
Compared to AMI	
Unemployment Rate	14%

Project Highlights

- Investor: U.S. Bancorp Community Development Corporation
- Co-Allocatee: REI Development Corp
- Total Project Costs: \$16M
- NMTC: \$10M
- Jobs: 141 construction jobs and 75 permanent jobs
- Below: The hotel before renovation

