

New Markets Tax Credit

MICHIGAN



Gateway Marketplace

When it opens in 2013, the Gateway Marketplace, a new 361,000 square foot retail center anchored by a grocery store, will be the first major retail project within the City of Detroit in more than 40 years. The Gateway Marketplace will provide healthy food options to the local residents, create hundreds of jobs, and eliminate a Brownfield site.

This important revitalization project was financed by the Michigan Economic Growth Authority, a loan from the General Retirement System of the City of Detroit, and \$57.6 million in critical NMTC financing, provided by National New Markets Fund, Invest Detroit CDE, National Community Investment Fund, Wayne County-Detroit CDE, and Liberty Financial Services.

Located in a USDA designated food desert and surrounded by severely low-income census tracts, the project's anchor tenant is a 214,000 square foot Meijer supercenter that will provide affordable groceries to local residents and will be the city's first new national grocery store in over two decades.

The project will help mitigate the nearly \$1.5 billion of retail leakage that occurs each year when Detroit residents shop outside of the city. It is estimated that Gateway Marketplace will bring more than \$1.7 million of annual sales to the community.

The project will provide much needed healthy and affordable food choices to a target market of 500,000 urban residents. This project will create over 300 construction jobs and almost 900 permanent jobs in a community with high unemployment. The new retail center will also revitalize a 36 acre brownfield site, located at the corner of Woodward Avenue and Eight Mile Road, in a severely distressed Detroit neighborhood.

Without NMTC financing, it is doubtful that the Gateway Marketplace retail development, which will generate much-needed jobs and revenue for Detroit, would have come to fruition.

NMTC ALLOCATEE

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COMMUNITY PROFILE

- Detroit, MI
- 40% poverty rate
- Median income 30% of Area Median Income
- Unemployment 3.2 times the national average
- USDA Food Desert

PROJECT HIGHLIGHTS

- Construction of retail center
- Total Project Cost: \$58.5 million
- NMTC: \$57.6 million
- Investor: U.S. Bancorp Community Development Corporation
- Jobs: 303 construction, 893 new direct



Top: Rendering of Meijer supercenter
Bottom: Rendering of additional retail space