

### PROJECT BASICS

Type:  
**Real Estate – Mixed-use**

Total Development Cost:  
**\$22.6 million**

LISC New Markets Tax Credit Allocation:  
**\$6.9 million**

### PROJECT STAKEHOLDERS

LISC Program:  
**Michigan LISC**

Investor:  
**US Bank**

Lenders:  
**City of Flint, Uptown Reinvestment Corporation**

Sponsor/Developer:  
**Uptown Reinvestment Corporation**

Other Key Stakeholders:  
**Michigan Magnet Fund, Citizens Bank**

### COMMUNITY NEED

- **44.90% Poverty Rate**
- **Unemployment rate 4.45 times the national average**
- **Family income 39.4% of the area median**
- **Brownfield Site**

### COMMUNITY IMPACT

- **44,544 sq. ft. of Commercial Space**
- **8 housing units (2 affordable)**
- **81 Permanent Jobs**
- **60 Construction Jobs**

### Project Snapshot:

- The project entailed the adaptive reuse of three existing buildings in downtown Flint, MI to produce 83,000 square feet of mixed-use space.
- The project was completed in January 2010 and includes ground floor retail, two floors of office space occupied by Rowe Professional Services Company, and eight loft apartments.



### Project Background:

- The Uptown Reinvestment corporation (URC) is a nonprofit organization formed to strategically target areas in downtown Flint for revitalization.
- URC was designed to acquire vacant and inactive buildings and redevelop them into mixed-use building. Typically the upper floors of these buildings are converted into “Loft-Style” housing units and the street level spaces are rehabilitated and made available as retail space.
- In 2006, URC acquired three buildings on the 500 block of Saginaw Street in Flint. They developed a plan to use the existing structures and add two additional stories and a new façade to create 83,000 square feet of office, retail, and residential space.
- URC initially closed \$6.4 million of NMTC financing with the Michigan Magnet Fund and Citizen’s Bank for a project that then totaled \$12 million in development costs.
- The building’s first floor consists of retail space. The second and third floors are leased to Rowe Professional Services, an engineering and consulting firm. The fourth floor contains eight loft apartments, two of which are affordable to tenants earning no more than 80% of the area median income.
- The project created 81 permanent jobs and 60 construction jobs and helped revitalize the surrounding area in downtown Flint.

### Leveraging Solutions through New Markets Tax Credits (NMTC):

- During construction, the building’s south wall partially collapsed. The rebuilding of the south wall, including the use of steel reinforcements to secure the wall, and related additional costs increased the total development costs by \$7 million.
- The developer had difficulty finding adequate sources of financing to cover all of the increased costs associated with collapse of the south wall of the building. Our program offered a way to leverage the available financing and bridge the gap.
- \$6.9 million in NMTC allocation authority provided a custom product with non-traditional/favorable terms including: a below market interest rate, a lower than standard origination fee, a longer interest-only payment period, a lower than standard debt service coverage ratio, a higher than standard loan-to-value ratio and a lower than standard loan loss reserve requirement.