

101NQ

Mixed-Use Development

101 N. Queen Street
Lancaster, PA 17603



Total Project Costs:
NMTC Allocation:
CCG Allocation:
Closing Date:
NMTC Investor:
Project Status:

\$31,518,883
\$18,000,000
\$10,000,000
August 15, 2017
PNC New Markets investment Partners
Under Construction

The City of Lancaster has sought to redevelop the blighted Bulova building in the heart of their downtown for years. Vacant since 2008, previous efforts to convert the building into a casino, a courthouse or a bank headquarters went nowhere. In 2015, the city threatened to take the building by eminent domain to accelerate redevelopment. Zamagias Properties instead acquired the building at auction in 2016 and with the use of New Markets Tax Credits, is turning the project into a dynamic 170,000 square foot mixed-use complex of offices, retail space and apartments with a complete architectural redesign of the originally windowless four-story department store building. The building has been renamed 101NQ.

The project provides much needed ground floor activity, with 22,600 square feet of retail space. The remainder of the floor is an existing parking garage with 34 parking spaces that will be reserved for building tenants. The second and third floors will contain 63,100 square feet of leasable commercial space, the largest such footprints available in the city and provide essential Class A office space to Lancaster's economy. The second and third floors will also include 34 apartment units, 8 of which will be affordable. Tenants within the office and retail spaces include a software development firm, several restaurants and coffee stores, and other local retail and service users. The building's fourth floor will be developed into market-rate for-sale housing, that is financed with market rate financing that is not a part of the NMTC transaction.

The project ensures 288 jobs are maintained in Lancaster's economy from existing businesses that are relocating, and estimates include as many as 106 new permanent positions will be created, with 88 of those occurring in the first year of operations from additional new businesses. More than 40 construction jobs are anticipated from the building's redesign and renovation.

CCG provided \$10 million in NMTC allocation for the \$31.5 million project and partnered with Community First Fund, who provided \$8 million in NMTCs. PNC New Markets Investment Partners was the NMTC credit investor on the project. Huntington National Bank served as a leverage lender on the project. In addition to Zamagias Properties, project partners include LeFevre Funk Architects, RGS Associates for land-development planning and Warfel Construction Co.

The project aims to coordinate its project timeline with that of The Hotel Lancaster on the north side of the block, which also has renovation plans in the works to complete the block's facelift. Zamagias Properties previously invested in two other redevelopment projects in Lancaster: Steeple View Lofts at 118 N. Water St., which opened in May 2013, and the \$9.5 million Keppel Building project at 323-329 N. Queen St., which opened in March 2017 and received \$7 million in NMTC allocation from CCG.

Project Details:

- Redevelopment of an adaptive, mixed-use project in Lancaster.

Distress Criteria:

- Severe Distress
- 41.3% Poverty Rate
- 34.97% AMI
- 12.5% Unemployment Rate

Community Impacts:

- 288 permanent jobs retained
- 106 permanent jobs created
- 40 construction jobs
- 8 affordable apartments