

50 Projects – 50 States: North Carolina

Golden Belt Complex Durham, NC

Throughout the late 19th and into the 20th century, downtown Durham was a vibrant manufacturing center engaged in the tobacco and textile industries. As these industries declined in the 1960s so too did the vitality of downtown Durham. Steady disinvestment led to physical deterioration, made worse by the industrial waste left behind.

Golden Belt was a textile factory that produced pouches for Bull Durham loose leaf tobacco and then paper cigarette cartons. When tobacco moved out, the Golden Belt complex was donated to the Durham Housing Authority (DHA). DHA provided space for the Center for Employment Training's operations and sought partners to redevelop the larger facility. The DHA eventually sold a majority of the facility in 2006 to Scientific Properties, LLC, a North Carolina-based real estate and development company. Scientific Properties approached Self-Help with a plan to convert the historic site into a mixed use commercial, arts, and residential space.

Self-Help recognized the project's potential to anchor the area's revitalization, and worked with Wachovia to share the loan by borrowing a portion of Wachovia's New Markets Tax Credit (NMTC) allocation. Self-Help made an \$8.15 million loan and secured \$3.85 million from Wachovia's NMTC allocation to reach the \$12 million necessary to make the project viable. The loan was a 7 year term, amortizing over 25 years with an initial 18 month interest only period and a 5.4 percent fixed interest rate. The \$12 million loan combined with \$10 million in NMTC-enhanced state and federal historic tax credit equity allowed the project developers to ensure affordable rents and leases for the community.

This project will put six warehouses back into use, has utilized environmentally friendly design features and is seeking silver LEED certification. The Golden Belt complex will provide affordable commercial and office space for local businesses and non-profits that serve community residents, including the Center for Employment Training. The project will provide 35 artist studios at below market rents, an art gallery, 37 affordable loft apartments, office space, a live music venue and ground floor retail space.

NMTC Allocatee

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Community Profile

- HOPE VI redevelopment area
- CDFI Fund Hot Zone
- Brownfield redevelopment area
- 35% poverty rate
- Unemployment 3.19 times national rate

Project Highlights

- Real Estate: rehab for mixed use
- Total Project Cost: \$26.3 million
- NMTC: \$12 million
- Other Financing: federal and state historic tax credits
- Jobs: 140 construction and 400 permanent

