

Side View of NSO Bell Building
Detroit, Michigan
Photo by Christopher Lark, Inc.



Three Projects Win Judges Awards in NH&RA's 2013 'Timmy' Awards Competition

National Housing & Rehabilitation Association (NH&RA) has announced the three projects winning Judges Awards in its 2013 J. Timothy Anderson "Timmy" Awards for Excellence in Historic Rehabilitation competition.

NH&RA previously announced eight projects winning Timmy Awards in eight categories. (For profiles of these eight winners, see *Tax Credit Advisor*, October 2013, pp. 10-16.)

Started and administered by NH&RA, the Timmy Awards honor outstanding projects that involve the renovation of older historic buildings, including using federal historic rehabilitation tax credits. They honor the late Boston architect and preservation advocate J. Timothy Anderson, a leader in the historic preservation field. The 2013 Timmy Award winners will be recognized on November 14 during NH&RA's 2013 Fall Developers Forum in Boston, Mass.

The two Judges Awards categories and the winners in each category are:

Most Advanced Financial Structure **NSO Bell Building**

DETROIT, MICHIGAN

Neighborhood Service Corporation, a local nonprofit, harnessed multiple funding sources and incentives to renovate the historic former Michigan Bell Building into two separate components – housing and commercial – with a total development cost of \$47.6 million. Two separate components were necessary because the building had to be divided for ownership purposes into two condominiums. One condo incorporates the commercial component, a federal new markets tax credit project that includes offices for Neighborhood Service Corporation and space for other uses. The second condo incorporates 155 furnished one-bedroom apartments providing affordable permanent supportive housing for formerly homeless individuals earning no more than 50% of the area median income, funded in part by federal low-income housing tax credits. Federal law prohibits the combination of federal housing tax credits

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with new markets tax credits. Funding sources for the entire development included equity generated by federal housing, new markets, and historic tax credits and state historic and brownfield tax credits; HOME funds from the city and county; multiple bridge loans and grants; and a deferred developer fee. The National Trust Community Investment Corporation syndicated the federal housing and historic tax credits. Morgan Stanley, which received the federal housing and historic tax credits, provided more than \$25 million in equity for the project (commercial and residential). Bank of America Merrill Lynch was the construction lender. A master tenant structure was utilized, allowing the pass-through of different tax credits to different investors and maximizing the pricing received for the historic tax credits. The Michigan State Housing Development Authority awarded federal housing tax credits for the project and provided 15-year project-based vouchers for all 155 apartments. The 273,000 square foot building was constructed during 1929-30 as a warehouse, garage, and office space for Western Electric. The firm used it as its headquarters until 1958. In 1959, Michigan Bell moved into the building and installed its iconic Michigan Yellow Pages sign on the exterior of the building that changed colors to indicate the weather forecast for passing motorists and pedestrians. Michigan Bell sold the building in 1995.

Architect: Fusco, Shaffer & Pappas, Inc.

Achievement in Sustainability (2 winners)

Lafayette Place Lofts

PONTIAC, MICHIGAN

Three developers including West Construction Services renovated this 80,000-square-foot low-rise commercial building to create 46 market-rate and affordable loft-style apartments and space for commercial tenants, which include a fitness club and a market that sells affordable groceries and has a café. Constructed in 1929, the downtown building was once a Sears, Roebuck & Company department store but had been vacant for decades. Lafayette Place Lofts, which has received LEED Platinum certification, used recycled, sustainable, and



Lafayette Place Lofts, Pontiac, Michigan

low-VOC building materials; has a geothermal heating and cooling system; and boasts of electric car charging stations. It is also close to public transit and has access to a bike path. The \$19.2 million project utilized numerous funding sources, included equity generated by federal and state historic tax credits, federal new markets tax credits, and state brownfield tax credits; local tax-increment financing; bank and bridge loans; and federal Neighborhood Stabilization Program dollars. West Construction Services partnered with Grace Centers of Hope and the Power Company Kids Club to hire at-risk youth to fill some of the jobs generated by the project, which was placed in service in December 2012.

Architect: TDG Architects

Harvest Commons Apartments

CHICAGO, ILLINOIS

This project also won a 2013 Timmy Award in the category of Most Innovative Adaptive Reuse. Co-developers Heartland Housing and First Baptist Congregational Church created this affordable apartment community containing 89 studio units by renovating the former Viceroy Hotel. The development serves near homeless individuals as well as women recently released from prison seeking to rebuild their lives; offers support services to residents; and has an urban agriculture component and a training kitchen to teach residents about growing food, nutrition, and food preparation. Among the numerous green elements are rooftop solar panels for domestic hot water and a geothermal

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heating and cooling system. The structure was built in 1929-30 as the Union Park Hotel, a combination apartment-hotel later converted to a single-room occupancy facility attracting transient and near homeless individuals. The subsequent Viceroy Hotel became a place of last resort for down-on-their-luck tenants and Chicagoans struggling to pay the \$20 per night rate. The building fell into disrepair, was closed, and was purchased by the city in 2006 with the intent to preserve it as affordable housing. The city sold the six-story Art Deco property for \$1 in 2011 to Heartland Housing, which in conjunction with the Baptist church renovated the buildings and placed the project in service in April 2013. Funding sources for the \$22.3 million project included equity generated by federal historic and housing tax credits and federal solar tax credits, the Illinois Affordable Housing Tax Credit, tax-increment financing from the city, and a state grant. The federal tax credits



Harvest Commons Apartments, Chicago, Illinois

Photo by Wayne Cable

were syndicated by Enterprise Community Investment, Inc. and the state tax credits taken by U.S. Bancorp Community Development Corporation.
Architect: Landon Bone **TCA**

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