

Palmer Park Square Wins 'Best Demonstrates Financial Innovation' at the Novogradac Journal of Tax Credits Historic Rehabilitation Awards

Detroit-based Shelborne Development Company was honored during the Novogradac Journal of Tax Credits conference, held at the MGM Grand Detroit. Kathy Makino-Leipsitz, owner of Shelborne, received the '2013 Historic Tax Credit Development that Best Demonstrates Financial Innovation' award for Palmer Park Square, a \$35 million, affordable housing development.

Ms. Makino-Leipsitz in conjunction with the Michigan State Housing Development Authority (MSHDA), City of Detroit and Great Lakes Capital Fund, assembled a complex financial package to rehabilitate six historically significant, blighted/vacant apartment buildings in the Palmer Park area of Detroit. Detroit-based Malino Construction, owned by Ms. Makino-Leipsitz and husband Mark Leipsitz, is experienced in historic building rehabilitation and is responsible for all construction at the development.

Palmer Park Square, a grand scale rehabilitation project in Detroit, Mich., was recognized for its exemplary use of innovative financing. The project bundled six blighted and vacant properties to create a revitalized neighborhood corridor containing 65 buildings that added to the National Register of Historic Places. Despite the slow economy and few tax credit investors in Michigan, the Shelborne Development Company was able to combine seven different funding sources from local organizations, various tax credit programs and the public and private sectors to fund the \$34 million project.

Novogradac stated that 'In a time of economic instability, in an area where investors were few and far between, this partnership combined seven different financing sources to transform six vacant, historic buildings into 202 apartment units. The rehabilitation of Palmer Park Square demonstrated creative resourcefulness by examining the development from all angles to procure various incentives from all levels of government. In addition to demonstrating financial innovation, this grand-scale rehabilitation of six buildings in the historic, National Register-listed Palmer Park District ensures that the cultural, historical and architectural spirit of Detroit will remain preserved for future generations.'

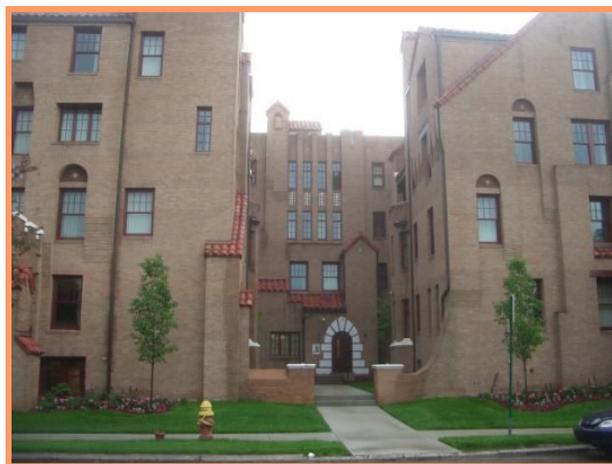
“Great Lakes Capital Fund would like to congratulate the entire development team for their outstanding efforts in producing a world-class, award-winning development,” said President and CEO Mark McDaniel of Palmer. “This project is a shining example of what Detroit neighborhoods could be.”

“Since its inception in the 1970s, the historic tax credit has contributed to rehabilitation projects that revitalize communities, stimulate economic activity and preserve iconic communities. This year’s award-winning developments are proven success stories of how the historic tax credit program has been used as a valuable tool for economic resurgence and historic preservation,” says Thomas Boccia, CPA, conference chair and partner in Novogradac & Company LLP’s Cleveland, Ohio office. “I salute this year’s award winners for their remarkable contributions and welcome all to submit nominations next year.”

Great Lakes Capital Fund invested over \$15 million of Federal Historic Tax Credit and Federal Housing Tax Credit equity into Palmer Park. The State of Michigan also provided State Historic Tax Credits and Brownfield Tax Credits to support the expansive redevelopment of Palmer Park.

The project’s development team is comprised of Developer, Sponsor and Guarantor Shelborne Development, General Contractor Malino Construction, Property Management KMG Prestige, Architect Economides Architects Inc., and Development Consultants Pung and Read Housing Consultants LLC.

The Historic Rehabilitation Awards were created to commemorate outstanding achievement in the rehabilitation of developments using the historic tax credit and highlight projects that exemplify financial innovation, major community impact, and success in overcoming significant challenges. The winning developments were awarded before hundreds of historic tax credit professionals at the Novogradac Historic Tax Credit Conference in Detroit, Michigan on September 19.



Article:

“Detroit’s Palmer Park Square Receives National Recognition”

By: Kelly Bernero