

LIHTC MONTHLY REPORT

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'Timmy' Winners Showcase Excellence in Historic Rehabilitation

By Anne Townsend, Staff Writer, Novogradac & Company LLP

On Oct. 29, the National Housing & Rehabilitation Association (NH&RA) at its Fall Forum conference presented the winners of the 2007 J. Timothy Anderson Awards for Excellence in Historic Rehabilitation. The Timmy Awards honor outstanding real estate projects throughout the United States that involve rehabilitation of older, historic buildings using the federal historic rehabilitation tax credit (HTC), which is available for non-residential, income-producing buildings originally constructed before 1936. Furthermore, HTCs are often paired with other local, state and federal tax credits, such as the low-income housing tax credit (LIHTC); the HTC cannot be used to fund the rehabilitation of certified historic structures.

The Timmy Awards were named after the late Boston architect and preservation advocate J. Timothy Anderson, a leader in the historic rehabilitation business, and a pioneer in the adaptive reuse of historic buildings during the 1960s. Some of his notable Boston area projects include the conversion of the Prince Spaghetti Building into housing and the adaptation of Old City Hall for mixed use. His conversion of the old Central Grammar School in Gloucester, Mass. into housing for the elderly became a national prototype for the reuse of surplus schools in urban areas.

2007 Winners

Among this year's winners is WinnDevelopment's Whalers Place, a 75-unit, 100 percent affordable rental development for seniors located in New Bedford, Mass. The complex, known at one time as Whitman Mill, is very long and exactly half of the building had been developed as an assisted living facility when the space was sold for the creation of Whalers Place, said Jon Rudzinski, senior vice president at WinnDevelopment.

"Our project fit nicely with the assisted living facility, and there are obvious synergies between the two projects," Rudzinski said, referring to the connection between housing for seniors and their possible future need for living assistance.

The \$16.5 million structure was financed with more than \$9 million in federal LIHTCs and \$1.88 million in state LIHTCs; it also qualified for \$2.8 million in federal HTCs and \$1 million in state HTCs.

Rudzinski explained that the rehabilitation of Whitman Mill adds to the architectural richness of New Bedford, but that the town's economy demanded a development that could offer units at very low rents. This necessitated a financing structure with very little debt.

"New Bedford is a neat city in that it has a lot of historic buildings," Rudzinski said. "The downtown district of New Bedford is a National Historic Park, and Whalers Place is located in a beautiful building, but the local economy and real estate market is somewhat depressed. This deal is mostly equity because it is the only way it would work for the community."

Rudzinski is pleased for many reasons that Whalers Place was chosen. He is happy that the city of New Bedford is receiving coverage for its historic structures, and he is pleased that those who worked hard on the project

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'Timmy' Winners

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are being recognized for their dedication to the project. He is also thankful that the industry recognizes developments like Whalers Place because it lays the foundation for the rehabilitation of more historic buildings.

"The awards are important to us because a lot of our business is telling people who you are and what you do," he said. "People need a reason to work with you [on historic projects], and to be able to point to the Timmy Awards helps us do other quality developments — because someone has to believe in you, and these awards show that you have, and can, do the work."

The 2007 winners, by category, project name, project location and project developer, are:

- ◆ Affordable Housing (Small/Up to \$5 million total development cost): The Poster Nuetra, Los Angeles, Calif., Not-A-Box Housing Inc.
- ◆ Affordable Housing (Large/Over \$5 million total development cost): Whalers Place, New Bedford, Mass., WinnDevelopment.
- ◆ Mixed-Income Housing (Small/Up to \$5 million total development cost): Parkis/North Elmwood Homeowner's Group Phase I, Providence, R.I., Greater Elmwood Neighborhood Services Inc.
- ◆ Mixed-Income Housing (Large/Over \$5 million total development cost): Cold Storage Lofts, Kansas City, Mo., Garrison Development Company.
- ◆ Market-Rate Residential: Harmony Mills, Lawrence, N.Y., Harmony Hills Riverview LLC.
- ◆ Most Innovative Adaptive Re-Use and/or Commercial Rehabilitation: Clipper Mill, Baltimore, Md., Struever Bros. Eccles & Rouse.
- ◆ Best Historic Rehab or Adaptive Re-Use for Hotel/Hospitality: West Baden Springs Hotel, West Baden Springs, Ind., WBSH Acquisitions LLC.
- ◆ Best Sustainable/Green Historic Rehab: Heilig-Levine Project, Raleigh, N.C., Empire Properties.

Additionally, five developments received honorable mentions. By category, project name, project location and project developer, they are:

- ◆ Affordable Housing, Small: Weldon Small Town Development, Winston-Salem, N.C., The Landmark Group.
- ◆ Mixed-Income Housing, Large: Cupples Station Loft Apartments, St. Louis, Mo., HRI Properties.
- ◆ Most Innovative Adaptive Re-Use and/or Commercial Rehabilitation: Holyoke Health Center, Holyoke, Mass., Holyoke Health Center; and The Crane Building, Portland, Ore., Shiels Obletz Johnson.
- ◆ Best Historic Rehab or Adaptive Re-Use for Hotel Hospital-

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'Timmy' Winners

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ity: Renaissance Providence Hotel, Providence, R.I., Hospitality Resources LLC.

This year, the NH&RA also presented a special Judges Award to 90 West St. in New York City for its exceptional contribution to the economic recovery of lower Manhattan. This project applied in the Market Rate Residential category and was developed by Brack Capital Real Estate USA, Kibel Group and BD Hotels.

Judging

The finalists were judged and selected by a diverse panel of experts that included Josh Anderson of Cathartes Private Investment, Lisa Burcham of Burcham and Associates, John L. Kelly of Nixon Peabody LLP, John Mackey of Reznick Group, Paul McGinley of McGinley Kalsow & Associates LLP, and Karl Stumpf of RTKL Associates Inc.

Applicants submitted an application, a photo depicting the impact of the project, a narrative statement and a roster of all organizations involved in the transaction. Furthermore, applicants turned in marketing materials, supporting photographs, an outline of financing sources, and resources called upon in the development.

The judges considered the overall design and quality of the property, the interpretation and respect given to historic design elements, and the integration of architecture with historic character. Judges also considered innovative approaches to construction and use of building materials, the impact of the structure on the surrounding community, and the financial and market success of the project.

More information on the Timmy Awards is available online at www.housingonline.com. ❖

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