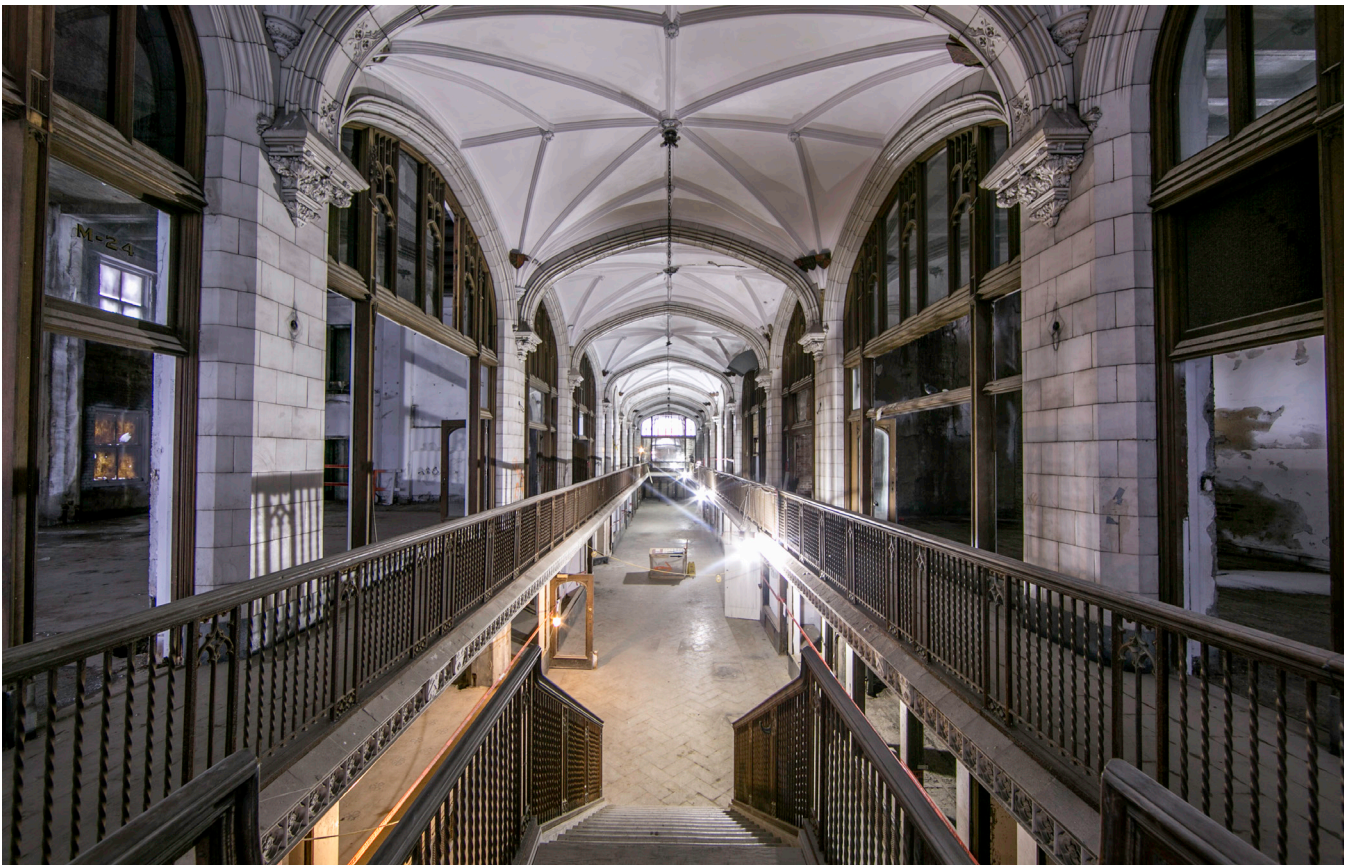


LIHTCs Make Veterans Housing Available in Kansas City



Photos: Courtesy of Ebersoldt + Associates Architecture

Historic St. Louis Buildings Transform Into Affordable Housing for Artists

Downtown St. Louis will soon be the home of a mixed-use development in one of the most recognizable historic structures in the city. Part of that will be 202 affordable rental homes, made possible by the low-income housing tax credit (LIHTC).

The Arcade Building, built in 1919, had been vacant for 20 years until it was purchased by Dominionium in August 2014. The owner, developer and property manager is transforming it into a mixed-used development that features affordable and market-rate housing as well as classroom space for nearby Webster University. “When people say they don’t build them like that anymore, they are referring to the Arcade Building,” said Dominionium partner and vice president Jeff Huggett, speaking of the Gothic structure with ornate terra cotta work.

The 18-story, 500,000-square foot Arcade Building and the adjacent Wright Building, which was built in 1906 and connects to the Arcade Building’s lower levels, will also have 80 market-rate apartments. The affordable rental homes are specifically designed to meet the needs of local artists and the property will feature more than 13,000 square feet of artist studio space that will be made available to dancers, musicians, painters and other types of artists.

The affordable housing options will include 130 one-bedroom, 65 two-bedroom and seven three-bedroom rental homes. The development will feature a fitness center and club room, a community room and a barbecue area on the roof of the Arcade Building, with views of the St. Louis Arch and Mississippi River. Webster University will occupy 55,000 square feet on the first two floors and on the mezzanine level of the Arcade and Wright buildings under a long-term lease.

The combination of new markets tax credits (NMTCs), historic tax credits (HTCs) and LIHTCs made it complicated for all involved, but they said it was well worth it. “This was the last building that needed to be redeveloped in the Old Post Office Square, said Bill Seddon, director of the New Markets Tax Credit program at St. Louis Development Corporation. “To keep it intact was very important to us. To find uses in an old urban setting like this is not easy. So when you can hit a home run like this, you go for it.”

The construction is expected to be complete in late 2015 or early 2016. ❖

LEAD DEVELOPER DOMINIUM	CONGRESSIONAL DISTRICT MISSOURI 1ST
CATEGORY ARTISTS, HISTORIC PRESERVATION	RENTAL HOMES 202
FINANCING LIHTC INVESTMENT	
<ul style="list-style-type: none"> \$44 million construction loan from U.S. Bank Community Lending Division \$19.7 million federal LIHTC equity investment from U.S. Bank \$14.2 million federal historic tax credit (HTC) equity investment from U.S. Bank \$12.8 million state HTC equity investment from U.S. Bank \$8.9 million permanent loan from Cornerstone Permanent Mortgage Fund (Boston Capital Finance) \$4.2 million in U.S. Department of Housing and Urban Development (HUD) HOME funds from the Missouri Housing Development Corporation \$4 million loan from the St. Louis Development Corporation 	
NMTC INVESTMENT	
<ul style="list-style-type: none"> \$12.8 million federal NMTC equity investment from U.S. Bank \$12.7 million permanent loan from BMO Harris Bank \$11.3 million construction loan from BMO Harris Bank \$9.7 million in federal HTC equity provided by U.S. Bank \$8.3 million state HTC equity investment from U.S. Bank \$800,000 loan from the St. Louis Development Corporation 	