

PROJECT PROFILE

The Freelon at Sugar Hill

Detroit, MI



THE PROJECT:

Building America CDE, Inc. (Building America), a subsidiary of the AFL-CIO Housing Investment Trust (HIT) allocated \$14.5 million of New Markets Tax Credits (NMTC) to the \$35.1 million mixed use Sugar Hill Arts District development in the Midtown area of Detroit, Michigan.







The Freelon at Sugar Hill development will create an inclusive community, reinforcing urban vitality in one of Detroit’s most dynamic districts. It will offer workforce, market-rate, and affordable housing, including for previously homeless veterans. The Freelon at Sugar Hill will also provide wraparound supportive services to veterans. The development is located across the street from the John Dingell Veterans Administration Medical Center, which provides primary care and other services.

The remaining units will be marketed to artists, teachers, and professionals from the surrounding cultural district and medical campuses. New commercial space with a green pedestrian walkway will serve neighborhood patrons.

FINANCING:

The complex package of financing for the \$35.1 million Freelon at Sugar Hill project included a total of \$29.5 million in NTMC (\$15 million in addition to Building America’s allocation) and also benefited from other significant subsidies.

ECONOMIC IMPACT OF INVESTMENT*

 <p>Building America NMTC Allocation \$14.5 Million</p>	 <p>Total Development Cost \$35.1 Million</p>	 <p>68 Units of housing, with 20 affordable units (12 for veterans at 60-80% AMI)</p>	 <p>314,560 Hours of Union Construction Work Generated</p>	 <p>\$9.8 Million Tax revenue generated</p>	 <p>\$67.8 Million Total economic benefit</p>
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**Job and economic impact figures are estimates calculated using IMPLAN, an input-output model, based on HIT and HIT subsidiary Building America CDE, Inc. project data. Data is current as of July 2020. Economic impact data is in 2020 dollars and all other figures are nominal.*

"This project is an important milestone for Detroit and for our union workforce in the city. The employment opportunities created at the Freelon at Sugar Hill will bring construction workers and their families the wages and benefits they deserve, especially important in the midst of the COVID pandemic. We are proud to be part of the Sugar Hill project."

— Patrick Devlin, Secretary Treasurer
Michigan Building and Construction Trades Council

COMMUNITY IMPACT:

The Freelon at Sugar Hill project is part of a larger master plan revitalization effort in the Midtown neighborhood intended to increase housing stock and create a vibrant street front. The development will further the revitalization of Midtown and help ensure that lower income households and local businesses are supported and not supplanted.

The Honorable Jack F. Quinn, a member of the HIT Board of Trustees stated "We are especially pleased that, in addition to apartment units, the veterans at the Freelon at Sugar Hill will have access to vouchers to obtain health care, mental health treatment and counseling, to help them in the recovery process and maintain their ability to stay housed in the community."

ABOUT BUILDING AMERICA:

HIT established Building America as a subsidiary in 2010. The U.S. Treasury Department's Community Development Financial Institutions Fund (CDFI) certified Building America as a Community Development Entity, making it eligible to offer federal NMTC to investors. CDFI has awarded Building America \$185 million of these tax credits since 2011.