

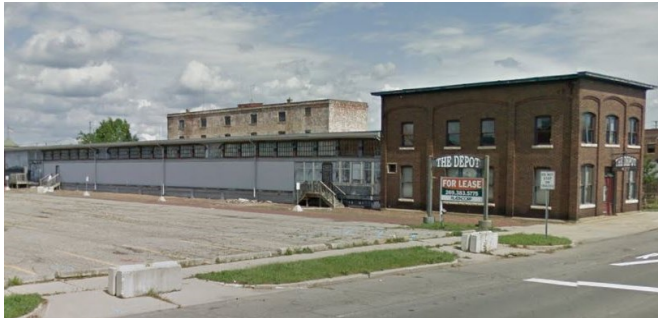
brownfield success



case study of Depot Building

427 East Michigan Avenue

City of Kalamazoo
Kalamazoo County, MI



The Developers

Established in 1988, PlazaCorp Realty Advisors, Inc. is a leading developer in the City of Kalamazoo and greater southwest Michigan region. They have invested hundreds of millions of dollars into the region through property acquisitions and redevelopment projects. From major downtown developments to neighborhood enterprises, PlazaCorp's portfolio grows more diverse every year. Their latest completed project is the Depot Building. Located in a once neglected section of downtown, and formerly characterized by active and shuttered industrial and warehouse facilities and vacant land tracts, the east end of downtown is becoming a hub for redevelopment.

Project Background

427 East Michigan Avenue was built in the mid-1920s and originally served as a freight office for Grand Trunk Western Railroad. The head house facing East Michigan provided a space for passengers and offices for the clerks who did the paper work for shipments leaving or coming to Kalamazoo. The large back part of the building was a freight house. The building is a long and narrow wood and brick building that has served as the home of a used furniture store, a guitar shop and other businesses over the years.

The Depot's basis for brownfield incentives was due to its listing as a "facility". PlazaCorp's agreement with the Brownfield Redevelopment Authority (BRA) included a capital investment of \$2.9 million and

created between

20-30 Full-Time jobs. In return, the BRA will provide up to \$89,230 from captured tax increment revenues over 10 years to assist with the costs of the asbestos removal, demolition work, and site preparation. Additionally, the project received a \$484,435 Michigan Community Revitalization Program performance-based grant, as authorized by the Michigan Strategic Fund.

PlazaCorp began renovation on this building during the second half of 2015, shoring up the existing wood and brick building, as well as adding a new deck and square footage along the western wall. Many of the building components, floors, paving bricks, hardware, and rolling freight doors have all been retained or reused. Two main commercial tenants, HopCat and Maru Sushi & Grill, will occupy 12,000 sq. ft. of the building and the remaining will be leased for office use.

Address:	427 E. Michigan Ave., Kalamazoo, MI
Building Size:	13,733 square feet
Former Use:	Freight House
Current Use:	Commercial / Office Mixed Use

By the Numbers:
BRA Assistance: Approximately \$89,000 incentive with Tax Increment Financing
Tenants: HopCat, Maru Sushi & Grill, Cherry Tree Financial
Total Investment: \$3.6 Million
Jobs Created: 20-30 Full-Time Equivalent

Project Partners:
Brownfield Redevelopment Authority of the City of Kalamazoo MI Economic Development Corporation/ MI Strategic Fund PlazaCorp Realty Advisors, Inc.