



Developer enters Durant discussions

FLINT

THE FLINT JOURNAL FIRST EDITION

Friday, July 20, 2007

By Lindsey Poisson

lpoisson@flintjournal.com • 810.766.6249

FLINT - The old Durant Hotel is inching closer to revitalization.

Land Bank Authority members voted Thursday to start a partnership with Lansing-based real estate developer Karp & Associates, which expressed interest in redeveloping the downtown Flint building.

The decision is a step toward making the company the primary developer of the project - but it's not permanent yet, said Genesee County Treasurer Daniel Kildee, chairman of the Land Bank Authority.

"This is the first step of many that cements this relationship," he said. "At some point along the way, if we decide not to do this, we're free to go a different direction."

The proposed arrangement would give Karp & Associates most of the financial risk, but the Land Bank would retain some investment and control, Kildee said.

Although it's still under discussion, the Land Bank would invest about 5 percent into the project and remain part owner, he said.

"This is what we hoped would happen," Kildee said. "We would expect to be a minority owner. We'll have a good deal of control in the pre-development and construction phase."

Richard Karp of Karp & Associates - which has a history of renovating historic buildings - said his organization is pleased and honored by the Land Bank's vote, but stressed this is just the first step.

"The entire development community has had the opportunity to pursue the Durant Hotel as a project, but apparently we are the ones who believe in the market the most," he said. "We feel this project will be compatible with the university in providing housing for a wide variety of demographics and will in no way compete with campus-based housing projects."

He said more partners are likely to be brought into the project, and local sub-contractors will be used.

Vacant for more than 30 years, the old Durant Hotel was purchased by the Land Bank in 2005. Since then, members have tried to move forward with what is an estimated \$23-million redevelopment.

In May 2006, the Land Bank asked developers if they were interested in redeveloping the property. But developers so far aren't "beating down the door," Kildee said.

The plan for the building includes a mix of residential and commercial space.

The finished apartment building likely would attract upperclassmen and staff from the nearby University of Michigan-Flint, but housing would not be limited to any particular tenants, Kildee said.

The partnership process was approved by a unanimous vote - five out of six Land Bank members were present for the Thursday meeting. A special meeting to discuss the matter was recommended.

Commissioner Woodrow Stanley said he's "100 percent" supportive of what the alliance could offer, but expressed concerns about the potential partnership before the vote.

"I support the development. I just want to make sure we dot all I's and cross all the T's - that we not accelerate and not consider some other kinds of things," he said. "We want to make sure the public's concerns are attended to."

©2007 Flint Journal

© 2007 Michigan Live. All Rights Reserved.