

Renovation work could start soon at Durant Hotel

by Ron Fonger | The Flint Journal

Thursday September 13, 2007, 7:50 PM

FLINT -- Interior demolition and construction could start within weeks at the old Durant Hotel, the most visible step so far in a planned \$23-million redevelopment of what was once one of the city's grandest hotels.

The [Genesee County Land Bank](#) Board of Directors agreed Thursday to create a new holding company to push the project forward and agreed to sign a contract with Lansing-based real estate developer Karp & Associates to take the lead in the project.

Earlier this week, the county Board of Commissioners agreed to stand behind about \$7-million in new borrowing for the Land Bank, including about \$4 million for the Durant.

"Karp is in the driver's seat," said Land Bank Chairman and county Treasurer Daniel T. Kildee. "Other than the purchase, the ... steps we took today were the most significant we've taken so far."

Karp has a track record of renovating historic buildings in Lansing and elsewhere, and Kevin Prater, a representative of the company, told Land Bank officials Thursday it's possible the building could be open for business by early 2009.

"Next spring I'd like to be starting construction," Prater said.

Under the agreement, the Land Bank would invest about 5 percent in the project and remain a kind of silent partner -- taking neither losses nor profits, officials said.

Before building starts, Kildee said, Karp would reimburse the county for its expenses -- including the purchase price it paid for the hotel in 2005.

Karp would reap most of the benefits of redeveloping the building into rental housing aimed at young professionals and college students and commercial space.

The Land Bank's involvement would qualify the developer for tax credits and up-front spending at the property by the agency.

Kildee said the arrangement is fair because Karp is taking most of the risk of what's estimated to be a \$23-million job.

About the Durant Hotel

- Located at 607 E. Second Ave. in downtown Flint, the building was constructed in 1920.
- Named for General Motors founder William C. Durant, it has been vacant since 1973.
- Standing eight stories high, a preliminary engineering report earlier this year indicated the building can be saved and redeveloped.

Land Bank board member and county Commissioner Woodrow Stanley, D-Flint, said he supports the redevelopment but believes Karp isn't getting involved as an act of charity.

"Developers don't do deals unless there's the opportunity to do well," Stanley said. "(But) I appreciate the fact that we do have a developer that has stepped up. People are not lined up along I-75 to do deals" here.

The redevelopment still could fall apart, officials said, and either side could still terminate the agreement. If that happened, Kildee said he would support demolishing the eight-story building and starting over with one of a handful of other developers who have been interested in demolition of the Durant and construction of a new building.

"We're months away from the point of no return," Kildee said.