

# KING STREET HOUSING

Burlington, Vermont

Located on a largely vacant lot in the heart of Burlington, the King Street Redevelopment is a 41,000 square foot four-story, mixed-use, new-development completed in partnership with Champlain Housing Trust and Housing Vermont.

The first and second floors of the project consist of a NMTC-financed commercial space of approximately 25,000 square feet. Slightly over half of this space is home for the offices for the Champlain Housing Trust (CHT). The third and fourth floors, which were funded through Low Income Housing Tax Credits (LIHTC) of the building will house 20 affordable rental apartments organized as a cooperative, with 17 of the units reserved for low and low-moderate income residents. The entire building, which opened in 2009, was built LEED-certified “green-building” standards.

Without New Market Tax Credit (NMTC) financing it would have been impossible for CHT to build stand-alone office space or find reasonable office space to lease in Burlington, but thanks to NMTC financing, CHT rent for the space will effectively be 55% of the reported market rate for similar commercial space. The new office space allows CHT to keep 80 of its employees, primarily from the property management division, located in proximity to its clients and managed properties, which includes the housing portion of the King Street project.

In an area long-slated for development, the King Street project will serve as an anchor, particularly for the other service organizations nearby and an example for further redevelopment in the adjoining area.

CEI Capital Management (CCML) provided \$4.7 million in NMTCs, while Key Bank and The City of Burlington, along with Champlain Housing Trust and Housing Vermont provided leveraged debt, while Key Bank provided the equity for this deal, which closed November 7, 2008.

## Qualifying Features

- Area income at 51.2% of area median family income
- CDFI Fund Housing Hot Zone
- Unemployment at 1.43 times national rate
- Locally designated development zone

## Key Benefits

- Allows an affordable housing/ community development organization to keep most of its employees in the downtown area, near its units & clients.
- Anchors the immediate area with a social service organization
- 20 low-income, affordable new housing units.
- Demonstrates viability of green redevelopment in area
- Retains 80 jobs in area
- The associated affordable housing will allow families to remain in the Burlington CBD and will facilitate their employment in the area.
- built to LEED-certified “green building” standards.

**CEI CAPITAL MANAGEMENT LLC**

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