



BIRMINGHAM, ALABAMA

DOWNTOWN REVITALIZATION & WORKFORCE HOUSING

Birmingham, AL
Downtown Loft District

Population: 200,000

County: Jefferson

- Project Details: 140,000+ sq ft historic revitalization; mixed-use retail and 192 units of workforce housing
- Impact: Historic revitalization, creation of 192 units of workforce housing, and strong participation by MWBEs on job site

In the late 1990s, Birmingham's downtown core had virtually no residential population. Since then, however, downtown has undergone a renaissance. Growth of the University of Alabama at Birmingham (UAB) and UAB Hospital, a generational shift in attitudes towards urban living, a new baseball stadium and public park, and the introduction of the Alabama Historic Rehabilitation Tax Credit in 2013 have all fueled new investment in the "Loft District," where upper-story residential, restaurants, bars, and entertainment venues have created a nightlife destination for the region. As the name implies, stock of residential units has grown to meet demand, but housing units for households near the median income are rare and difficult to finance.

Market Lofts on 3rd is bringing 192 units of naturally-occurring workforce housing and 5,000 feet of retail space, which will deliver in mid-2023. With a substantial number of units renting at or below \$1,000 per month, Market Lofts on 3rd will serve residents who make too much income to qualify for subsidized housing but too little to afford much of the available residential in the city center. It has been designed to meet the needs of the thousands of service workers, municipal employees, and hospital staff that work in the city center. The project has revitalized a 140,000 square foot historic building that has been vacant since the American Red Cross left in 1998.

The project, developed by Ed Ticheli, Phil Caccese, and Bradley Creasy, was funded with Opportunity Fund equity and historic rehabilitation tax credits. The project's greatest equity investment came from the Alabama-based OPAL Fund, a nearly \$19M OZ Fund raised by a wholly owned for profit benefit corporation subsidiary of Opportunity Alabama.



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Market Lofts on 3rd secured \$5M in refundable Alabama state historic tax credits, a necessary subsidy to keep rents accessible while producing market rate returns for investors. The development team also secured nonrefundable federal historic tax credits, which were syndicated to bring additional equity to the project.

Creating opportunity for historically disadvantaged business enterprises has been a priority for the development team and the OPAL Fund. Birmingham-based and woman-owned Wyatt Builds is the general contractor for Market Lofts on 3rd, and the project has achieved 35% participation by minority- and women-owned businesses (MWBs) on the job site. In the summer of 2021, the development team recruited seven students from Tuskegee University's Taylor School of Architecture and Construction Science (TSAC) for paid internships on the project, learning from professionals in the construction industry while working with the Birmingham Public Library to develop a mobile library resource.