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## State awards Detroit developer \$3.5 million for \$21.1 million The Plaza project in Midtown

By [Lindsay VanHulle](#)



Photo by Quinn Evans Architects Inc. Planned renovations to the exterior of the Professional Plaza building at 3800 Woodward Ave. include a new glass façade, restoration of the masonry and improvement of the grounds. A \$68 million building to the south is under construction for Wayne State University Physician's Group.

LANSING — A developer won state financing in its bid to turn a former medical office tower in Detroit's Midtown neighborhood into a \$21 million mixed-use complex with apartments and retail.

The **Michigan Strategic Fund**, an arm of the **Michigan Economic Development Corp.**, today approved a \$3.5 million equity investment for Detroit developer **The Roxbury Group** to **redevelop the tower at 3800 Woodward Ave. into The Plaza**. Roxbury Group is backing the project through its ownership entity, **The Plaza Midtown LLC**.

The \$21.1 million project is expected to include 72 apartments — 51 one-bedroom units, 19 two-bedroom units and two three-bedroom units — and 2,000 square feet of ground-floor retail space, the MEDC said.

The developer also will update the building's mechanical, electrical and plumbing systems while restoring the façade in keeping

with its original mid-century modern architectural look. The MEDC said the building, built in 1965 and vacant since 2013, is considered functionally obsolete.

MEDC said The Plaza project, along with a \$68 million renovation of **Wayne State University Physician Group**'s clinical space next door, "represents the redeployment of nearly five acres in the heart of Midtown that as recently as last year sat entirely vacant, with a total investment across the two sites of over \$100 million."

The Plaza also will help link Woodward Avenue between Mack Avenue and the new **Detroit Red Wings** arena district development roughly bounded by Charlotte Street to Grand Circus Park, add residential units in a high-demand area along the new M-1 streetcar line and increase walkability through the corridor, the state said.

The MSF also approved a change to a state brownfield tax credit for the project previously approved in December 2010 — worth \$927,000 — to renovate the existing tower, rather than demolish it and rebuild. A construction timeline was not immediately available.

Roxbury Group also has \$12.2 million in financing from Arlington, Va.-based **Capital Impact Partners**, which has a Detroit office, plus an estimated \$3.2 million in equity from an unnamed historic tax credit investor, the MEDC said. The property owner will contribute another \$1.7 million.

The city of Detroit is contributing a 12-year tax credit worth \$4.2 million under the state's Obsolete Property Rehabilitation Act, the state said.

Roxbury Group's previous projects include:

- the \$94.5 million **David Whitney Building** into 108 apartments
- the 136-room **Aloft Detroit** hotel and **Grand Cirque Brasserie** restaurant
- the \$12.3 million renovation of **The Auburn** apartments, with 58 units and retail space
- redevelopment of the **Globe Trading Co.** building into a \$12.8 million outdoor activity center for the **Michigan Department of Natural Resources**.

The company received \$4.8 million in Michigan Strategic Fund equity financing for **The Griswold**, which will have residential units spanning five stories atop the **Westin Book Cadillac** hotel parking deck, according to the state. The MEDC said that project should close on its financing in the next month and start construction by early December.

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