

Two Detroit classic buildings get funding boosts

Louis Aguilar, The Detroit News 1:33 p.m. EDT October 27, 2015



(Photo: MEDC)

The conversions of a mid-century modern building in Midtown and the former Detroit Fire Department headquarters downtown got funding boosts Tuesday from the state's economic development agency.

The Midtown development is the former "hammer and nail" building at Woodward Avenue and Selden Street, a 12-story building that was known for its neon hammer and nail sign. The building, built in 1965, was headed for demolition after being vacant since 2013. But in January, a plan emerged to redevelop the 130,000 square-foot office building into 72 apartments and ground floor retail.

On Tuesday, that development plan, which will rename the building The Plaza, received a \$3.5 million boost by the State of Michigan Strategic Fund. The board of the state's economic development agency approved the funding, which will come in the form of a "performance-based equity investment." The developer of the estimated \$21.1 million project is Detroit-based Roxbury Group.

The state agency also approved funding for the makeover of the former fire department headquarters into a boutique hotel. The building at 250 W. Larned, across from Cobo Center, dates back to 1929. The project also includes the adjacent building that once housed the Pontchartrain Wine Cellars restaurant.

The state re-approved a \$5.8 million grant for the project. The state had to re-approve the grant, originally awarded last year, because the project has been delayed because the developers were still working on securing a key tax credit. Also, construction costs were higher than anticipated, according to information provided by the state on Tuesday. The original cost of the project was \$28 million. A new estimate wasn't given Tuesday.

The building will be called the Fountain Hotel with a first-floor restaurant and retail space on West Larned Avenue. The principals behind the development are Walter Cohen of 21st Century Holdings and Chicago-based Aparium Group, led by Mario Tricoci.

The project should secure all its financing by the end of the year, according to information provided by the state.

laguilar@detroitnews.com

Twitter: LouisAguilar_DN

Read or Share this story: <http://detne.ws/1N5Kf4q>