

County OKs loan for Land Bank's Tech Centre deal

FLINT

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FLINT - For better or worse, Genesee County taxpayers are about to marry into the deal to buy part of the Great Lakes Technology Centre.

The county Land Bank has tentative approval on a \$400,000 loan from the county Board of Commissioners. It's money that Land Bank Chairman Daniel T. Kildee said would be used to keep the center fully open and ready to lease.

The Technology Centre was built at the site of the former Fisher Body plant where the Sit-Down Strike of 1936-37 occurred. General Motors has leased most of the space in the facility since it was redeveloped in the late 1980s but has no need for office space in the southern-most part of the development.

The Land Bank and Genesee Regional Chamber of Commerce are close to taking over that part of the complex and plan to market office, industrial and commercial space. But they need the county's money to get started.

"If we don't do something to stabilize our economy, all our other work is for naught," Kildee told commissioners Wednesday just before they approved the deal.

Kildee said the Land Bank can't pay for the operating cost of the center because it must concentrate its money on its mission of improving neighborhoods.

Commissioners voted in a committee meeting Wednesday to invest in the Technology Centre by buying into an interest-bearing note issued by the Land Bank.

Under terms of the deal, the three-year note's principal and interest would be due at maturity but can be prepaid without a penalty, officials said.

The county hopes its loan will be repaid by businesses that move into the complex. In a worst-case scenario, the note would be repaid by other Land Bank assets. The agency manages properties lost in foreclosure and also has demolished hundreds of vacant houses.

Nell Taylor of the Genesee Regional Chamber of Commerce said the Land Bank could realize a \$1.4 million annual profit even if only half the 485,000-square-foot space is leased in the building's southern portion.

Existing businesses such as Hurley Health and Fitness Center will generate about \$200,000 in rent to help offset a built-in operating cost of about \$600,000 annually, Taylor said.

"We can be profitable ... with just a couple of new tenants," Kildee told commissioners.

In all, the Technology Centre is composed of 1.25 million square feet. The Land Bank is prepared to close on the sale of the southern-most part of the complex as early as next week despite what have been tedious negotiations so far.

Under the terms of a lease between General Motors and the owners of the property, the southern half of the complex will be demolished unless the property is transferred to a new owner.

QUICK TAKE

Slicing up the Technology Centre

Here's how a representative of the Genesee Regional Chamber of Commerce described the potential division of part of the Great Lakes Technology Centre being taken over by county leaders:

- 140,000 square feet, office space
- 100,000 square feet, retail
- 167,000 square feet, industrial
- 78,000 square feet, research and development

Richard E. Hammel, chairman of the county board, said he feels comfortable with the loan and the Great Lakes takeover.

Hammel, a Delphi Corp. employee, once worked on the site and so did his grandfather.

"If we don't partner with the Land Bank on this ... this project will go away," Hammel said. "I feel pretty good about this one."

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