

## Malino Construction LLC: An Urban Revival

By: Jeanee Dudley

Kathy Makino-Leipsitz and Mark Leipsitz are the husband-and-wife team behind Malino Construction LLC (Malino). The Detroit, Mich.-based construction firm was founded in 2001, allowing the Leipsitz family to celebrate Malino's 11-year anniversary in 2012. Malino's niche is affordable housing, and many projects involve historic housing and neighborhood renewal projects.

Malino employs 16 people to serve southeastern Michigan and the Detroit metropolitan area. "We're foremost a construction management operation," explains Kathy. "We do some demolition, finishing and installation in house."

Malino utilizes a network of trusted subcontractors for specialty trades, which include plumbing, electrical, HVAC and landscaping work. "Strong partnerships with our subcontractors, suppliers and strategic partners are the key to our success," says Kathy.

Kathy and Mark have both spent the majority of their adult lives in the development and construction business. "I've been in this industry for my entire professional career in one aspect or another," explains Kathy. "We have experience and history with affordable housing projects, many of which are owned and operated by Malino's sister company, Shelborne Development."

Kathy has a degree from the University of Michigan in economics and began purchasing real estate at the age of 19, which helped Malino grow significantly. Complementing Kathy's expertise, Mark is a graduate of Detroit Institute of Technology with a degree in construction engineering, and has over 30 years of construction industry experience.

### The Palmer Park Project

Shelborne Development has purchased 14 dilapidated apartment buildings and several vacant lots in the Palmer Park Historic District on the north side of Detroit. Accordingly, Kathy and Mark are approaching the redevelopment of the buildings with architectural firm Economides Architects along with the design work of Jim DuRussell. The trio has established a long-term plan centered on the area's potential for growth and a rebirth of nationally designated historic neighborhoods. The proposed end product is a mixed-income neighborhood with high-quality housing, as well as retail, restaurant and commercial space.

The Palmer Park neighborhood is full of historically significant buildings that feature diverse architectural influences. The area experienced a boom in the 1920s, spurring rows of Art Deco

structures designed by regionally renowned architects such as Albert Kahn and Robert West. The Malino team is striving to restore the elegant integrity of the buildings and bring the neighborhood back to its former glory, while upgrading the buildings and infrastructure to suit modern, urban life.

The LaVogue Square apartment building was the first of the Palmer Park buildings to receive a makeover in the ambitious renewal project. The original structure was designed by architect Cyril Schley and built around 1929. A \$6 million renovation incorporated federal stimulus funds provided through the Michigan State Housing Development Authority, HOME funds provided by the city of Detroit, federal and state historic tax credits and Brownfield tax credits.

The structure was gutted and redesigned into 41 apartment units with modern amenities, including Energy Star stainless steel appliances, granite countertops, full ceramic kitchens and baths, energy-efficient windows and blown-in insulation. Malino has constructed LaVogue Square with sustainability in mind, and has successfully met the specifications and requirements to be Society of Environmentally Responsible Facilities (SERF) certified.

### **More Urban Renewal**

Malino is currently involved with several projects following a similar plan. Mark and Kathy have purchased 12 other vacant boarded multifamily buildings in two key historic neighborhoods: New Center and along the East Jefferson Corridor.

According to Kathy, Detroit is full of beautiful historic apartment buildings, many of which have had trouble with occupancy for years due to becoming functionally obsolete. In cooperation with architectural firm EBH Architectural, the Malino team is redeveloping three buildings at Chalmers and East Jefferson located on the Far East side of Detroit near the entrance to the Pointes. When the project is complete, the neighborhood will gain 49 residential units and over 15,000 square feet of retail space. Some of Malino's work included preserving the classic architectural integrity and details of the buildings, while adding modern amenities along with environmental sustainability on the classic historic structures.

Shelborne Development and Malino have utilized stimulus money for many of its urban renewal projects through the American Recovery Act. Kathy and Mark combine their experience and knowledge to make a positive impact in communities that have been neglected for years by offering affordable housing and historic restoration that boosts infrastructure, creates jobs and improves important neighborhoods within Detroit.

Over the past few years, as with much of the construction industry, Malino has faced a few obstacles related to the economic downturn. However, Kathy says stimulus funding has helped nudge the region back into the swing of business. "A few years ago the credit market nearly dried up," explains Kathy. "The American Recovery and Reinvestment put us back to work, along with a number of other contractors in our area."

Malino's projects have brought business to contractors, designers and suppliers, as the renewal projects utilize designers, planners and a host of construction specialists to breathe new life into Detroit's historic neighborhoods.

Malino is making an investment in Detroit's future, building economic infrastructure that serves varying demographics by opening up space for living and working. The projects combine affordable and market-rate housing along with commercial space. Fittingly, Kathy and Mark are working with the city that they love to ensure safe, financially productive, quality and sustainable neighborhoods.

Kathy and Mark are proud to be combining history with the present and the future of Detroit by salvaging historic buildings that might otherwise remain abandoned, while providing present opportunities for families, as well as businesses, to thrive.

Sustainable building practices and materials reduce environmental impact and put the structures on the cutting edge of energy efficiency, while keeping utilities affordable. Malino Construction LLC is leading the urban revival of the city, and Kathy says she plans to continue to build opportunities for the future of Detroit.