

DETAILS ON RECIPIENTS OF FY05 BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE (BEDI) GRANTS AND SECTION 108 LOAN GUARANTEES

California

PROJECT HIGHLIGHTS: The city of **Bakersfield, CA** will receive a BEDI grant of \$750,000, and a Section 108 Loan for \$3.75 million for the Mill Creek South Mixed-Use project. Funds will go toward the acquisition and clean-up of a six acre parcel of land that will replace several empty and abandoned commercial structures with 65,000 square feet of retail space and 100 units of affordable rental housing in the old downtown area. The project is located in the Southeast Redevelopment Project Area, alongside the southern tip of Mill Creek, and is the first phase of what eventually will become a mixed-use retail and housing project on a total of 59 acres. This first phase is scheduled to be completed within 36 months, and will result in the creation of approximately 156 jobs along with the 100 units of housing. The total project cost is \$33.4 million. In addition to the BEDI and 108 funds, the Redevelopment Agency will provide \$6.5 million in tax increment and housing set-a-sides, the State FHA will provide \$1.4 million for the housing, EPA will provide a grant of \$250,000 to the city, and the developer will provide private equity of \$4.9 million and private debt of \$15.7 million.

PROJECT HIGHLIGHTS: The city of **Berkeley, CA** will receive a BEDI grant of \$1,767,630, and a Section 108 Loan for \$4 million for the Oxford Plaza and David Brower Center, a \$65 million mixed use development that will include 96 units of affordable housing, a world class environmental center, and an underground garage. The environmental center will house retail and office space as well as an art gallery, a 200-seat auditorium with state-of-the-art media equipment and a restaurant created by famed Berkeley chef Alice Waters. The project will be built on a city-owned site currently used for surface parking. The garage will replace the current parking lot. The site is adjacent to both the Berkeley campus of the University of California and the Bay Area Rapid Transit (BART) system. The BEDI grant will be used as secondary financing for the non-housing components of the project. The Section 108 loan proceeds will be used for construction of the garage and environmental center.

PROJECT HIGHLIGHTS: The city of **Los Angeles, CA** will receive a BEDI grant of \$950,000 and a Section 108 Loan for \$6 million for the Lanzit Industrial Project. Funds will go toward preparation of a 9.02 site in the heart of the Watts community for redevelopment as a light industrial park. The development will create 168,000 square feet of new space in buildings ranging in size from 9,500 to 34,000 square feet. The grant funds will be used for environmental remediation and the Section 108 funds will be in the form of secondary financing. When completed, the project is expected to generate 304 new jobs, \$140,000 of new property tax increment revenue, and serve as a catalyst for redevelopment of other, adjacent underutilized and abandoned industrial sites.

Colorado

PROJECT HIGHLIGHTS: The city and County of **Denver, CO**, will receive a BEDI grant of \$2 million and a Section 108 Loan for \$6 million to clean up a former landfill and former home of the Denver Yellow Cab Company as the second phase of the TAXI project. The project will remediate and complete infrastructure on the approximately nine-acre site along the South Platte River in the emerging River North / Globeville neighborhood north of downtown Denver. The private developer will then construct a 500-foot long three-story building with 60,000 square feet of commercial space on the first two floors and 44 “live/work” loft condominium units on the third floor, for use by low-to moderate-income residents. Denver is a federally-designated Brownfields Showcase Community, and the project is located in a HUD-designated Enterprise Community. At a total cost of \$16.8 million, the project is expected to create 200 new jobs. BEDI and Section 108 funds will be used to lower interest rates for both the homeowners and small business entrepreneurs.

Florida

PROJECT HIGHLIGHTS: The city of **Cocoa, FL**, will receive a BEDI grant of \$347,500, and a Section 108 Loan for \$1,390,000 for the Magnolia Point project. The mixed-use project will replace a deteriorated public housing project the Diamond Square Redevelopment Area. The planned development includes a 33,500 square foot commercial center to house a supermarket, pharmacy and medical and professional offices; 48 elderly housing units with a “core” of offices to house non-profit agencies that serve the community; 70 new single family first-time homebuyer units; and a 3,200 square foot community center. The BEDI will cover part of the cost of site preparation and interest payments on the Section 108 loan. The Section 108 loan will pay for another part of the cost of site preparation as well as a portion of the non-residential construction.

PROJECT HIGHLIGHTS: **Hillsborough County, FL**, will receive a BEDI grant of \$1.5 million and a Section 108 Loan for \$13,290,000 to support the development of a new downtown (“Temple Terrace”) on a 38-acre site where none exists now. This project represents the first two phases of what will eventually be a four-phase redevelopment effort. The public dollars, including the HUD funds, for the beginning phases involve the construction of a 900-space parking structure and public improvements, which will make possible the creation of 915,000 square feet of office space, 200,000 square feet of retail, grocery and restaurant space, and 223 units of housing, costing more than \$126 million in private investments. The BEDI will cover interest payments on the Section 108 loan for the first two years until the project begins generating tax increment revenue. The Section 108 loan will fund the construction of the parking garage serving the commercial and office space, as well as some costs of relocation and off-site infrastructure improvements. The plan projects the creation and retention of 547 jobs for the first two phases.

New Jersey

PROJECT HIGHLIGHTS: The city of **Camden, NJ**, will receive a BEDI grant of \$2 million and a Section 108 Loan for \$12 million to be used as a portion of the development cost of the Admiral Wilson Retail Project. The plan calls for 450,000 square feet of retail and restaurant space and infrastructure improvements to include extending an existing public greenway along the Cooper River that is adjacent to the site. The development will remediate and return to productive use 45 acres of brownfield property. The project is projected to generate almost \$70 million of new capital investment, 960 new jobs and \$7 million in new tax revenue. The BEDI will cover early years' interest payments on the Section 108 loan. The Section 108 will be used by the city for site acquisition, relocation expenses and remediation costs.

North Carolina

PROJECT HIGHLIGHTS: The city of **Concord, NC**, will receive a BEDI grant of \$1 million and a Section 108 Loan for \$2 million to cover most of the non-construction costs for The Oaks at St. Stephen's Place, an elderly housing development to be located in downtown Concord. Plans call for the 99-unit facility to open in late 2007. Projections are for an initial staff of 37 employees, an annual payroll of \$765,000, and annual purchases of goods and services from local vendors of \$343,000. The BEDI will serve as working capital and an interest reserve. The Section 108 loan will assist in financing many elements of the project including site acquisition, demolition, remediation and various soft costs associated with the development.

Oregon

PROJECT HIGHLIGHTS: The city of **Eugene, OR**, will receive a BEDI grant of \$2 million and a Section 108 Loan for \$7,895,000 to fund a loan pool that will assist with financing, infrastructure, land acquisition and public facilities necessary to attract private investment to brownfield sites in the downtown area. Potential development partners include Whole Foods, Oregon Research Institute, McKenzie-Willamette Medical Center and an as yet unnamed developer of a multi-block mixed-use complex.

Pennsylvania

PROJECT HIGHLIGHTS: The city of **Reading, PA** will receive a BEDI grant of \$1 million and a Section 108 Loan for \$1.5 million for site remediation and development of a new 200-room hotel on Penn Street in downtown Reading, across the street from the Sovereign Arena. The hotel will include 9,000 square feet of flexible meeting space, club dining, a pool and spa, a fitness center and a 17,000 square foot ballroom. The facility will create 110 new jobs and cost a total of \$29 million. The BEDI and Section 108 funds will both be used for remediation and construction activities.

South Carolina

PROJECT HIGHLIGHTS: Charleston County, SC will receive a BEDI grant of \$1.43 million and a Section 108 Loan for \$8 million in the initial phase of the Ashley River Center, a mixed-use project to be developed on a brownfield site in the city of North Charleston. The first phase of the project will include construction of 60,000 square feet of retail and restaurant space, a 120- 150 room hotel, 700 residential condominium units, as well as rehabilitation of a vacant 100,000 square foot hospital into office space. This phase of the project will eliminate 10 acres of brownfields, attract \$144 million in new investment, create 447 jobs and generate over \$2 million in annual tax revenue. The BEDI will cover interest payments on the Section 108 loan in its early years. The Section 108 loan proceeds will be used both to provide infrastructure and as a portion of the cost of non-residential construction.