

2007 Section 108 Guaranteed Loan Program Overview

In the fiscal year 2007, HUD approved thirty-seven Section 108 Guaranteed Loan commitments in the aggregate amount of \$200,719,000. The Section 108 Loan Guarantee Program provides local governments with a highly attractive option for financing a wide range of community and economic development activities, including housing rehabilitation, acquisition and site preparation, demolition, and commercial development. Generally, the financial demands of these activities exceed available local government resources, including HUD funds available through the [Community Development Block Grant program](#). In all cases, however, these development activities are well suited to the affordable, structured financing available through the Section 108 Loan Guarantee program. HUD further assisted local governments through the competitive award of Brownfields Economic Development Initiative (BEDI) funds, which were approved in conjunction with the Section 108 Loan Guarantee financing for development projects that need environmental remediation caused by contamination. For further program details, click here for the [Section 108 fact sheet](#) or the [Section 108 program home page](#).

Each of the Section 108 Loan Guarantee commitments are grouped into three categories of assisted project development: Economic Development, Housing, and Public Facilities. The assisted projects are described in the summaries below. In each category, there is introductory information followed by individual project financing summaries, which are listed alphabetically by borrower communities within states.

Economic Development Projects

HUD committed approximately \$148,081,000 in Section 108 Loan Guarantees to 26 local governments for economic development projects across the country. The Department's federal guarantees were in amounts from \$223,000 to Middletown, NY to provide financial assistance to a linen supply company, to \$20,890,000 to Ponce, PR for the development of a convention center and a public aquarium. Eleven of these projects also received BEDI grant awards as additional assistance for projects that needed some environmental remediation.

California

Oxford Plaza & David Brower Center

Berkeley, CA

Section 108 Guaranteed Loan- \$4,000,000

Brownfields Economic Development Initiative (BEDI) Grant- \$1,767,000



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www.wrtdesign.com/images/news/release/14/1.jpg

Oxford Street Development, LLC, which is composed of the non-profit housing developer, Resources for Community Development, and the David Brower Center, Inc., will acquire a 46,000 square foot, city owned site in the City's central business district. The developer will construct a mixed use complex, which will include a 105 space underground parking garage on top of which will be a mixed-use condominium development consisting of affordable housing, retail and commercial space. To provide needed financial assistance for this economic development project, the City will re-lend the Section 108 proceeds to the developer and provide BEDI grant funds.

One of the mixed-use components of this development complex will be Oxford Plaza, a six-story complex containing 41 spaces of ground-level parking, 8,100 square feet of first floor retail space, and 97 units of affordable housing on the upper five floors. Another mixed-use component will be the David Brower Center, which will consist of 33,000 square feet of office

space for non-profit organizations, a 7,400 square foot auditorium and conference center, and a 3,000 square foot restaurant. After project completion, the developer will convey the underground parking garage to the City for owning and operating.

Other funding for this economic development project will include New Market Tax Credit equity of approximately \$10,518,000, private bank financing of \$3,200,000, charitable contributions of \$11,717,000 and other loans of \$4,000,000 for a total project cost of approximately \$35,253,000. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The project will create an estimated 120 new full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year term and pay interest only for the first seven years. This interest only period is structured in support of the New Market Tax Credit equity funding, which requires that all the funds remain invested in the Qualified Low Income Community Business for seven years. The City will use revenues from the developer to repay its guaranteed loan. To secure repayment of its Guaranteed Loan, the City pledges its CDBG funds, its interest in the loan to the developer, which is secured by a shared first deed of trust on the David Brower Center, and a sole first deed of trust on other real property in the mixed use development.

The Lanzit Industrial Park

Los Angeles, CA

Section 108 Guaranteed Loan- \$6,000,000

Brownfields Economic Development Initiative (BEDI) Grant- \$950,000

The City of Los Angeles will re-lend the Section 108 proceeds to the Seventh Street Development Corporation and Lanzit BP, LLC for The Lanzit Industrial Park Project, a 9.02-acre brownfield site redevelopment located in the Watts area of Los Angeles. The City currently owns the site targeted for redevelopment and has selected the developers through a public Request-For-Proposal process. The developers will construct approximately 168,000 square feet in a series of six to nine industrial buildings ranging from 9,500 to 34,000 square feet.

The developers will use the Section 108 Guaranteed Loan to finance the project's construction costs. They will also utilize \$950,000 in BEDI grant funds for site remediation. The Section 108 and BEDI grant funds will be provided in conjunction with approximately \$4,000,000 in Community Development Block Grant (CDBG) funds, \$700,000 in City funds, \$4,400,000 in developer equity and \$8,900,000 in tenant and private financing for a total project cost of approximately \$24,500,000.

The CDBG national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 304 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. Project revenues will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and interest in the third-party loan to the developers, which will be secured by a second deed of trust on the project's land and improvements.

Iowa

Riverpoint West Redevelopment

Des Moines, IA

Section 108 Guaranteed Loan- \$17,500,000

Brownfields Economic Development Initiative (BEDI) Grant- \$2,000,000

The City of Des Moines will re-lend the Section 108 proceeds to Riverpoint West, LLC to acquire and assemble parcels within the northern portion of a 300-acre redevelopment area, which will be redeveloped into a mix of retail space and office/flex space. The City conducted Phase I and II studies of the site, which revealed high arsenic levels in the ground water, along with chromium and lead in the soils. Located south of the City's Central Business District, the developer will remediate and redevelop the site into 384,000 square feet of commercial/retail space and 143,000 square feet of office/flex space. This construction will conclude the first phase of the site's redevelopment. For the second phase, Riverpoint West will acquire the southern portion of the site from Norfolk Southern Railroad, upon which it will develop 642 market-rate condominiums and town homes. Neither Section 108 Guaranteed Loan proceeds nor BEDI funds will be used for residential activities.

Riverpoint West will use the Section 108 Guaranteed Loan to finance the project's hard construction costs and a portion of the project's acquisition and demolition costs. \$2,000,000 in BEDI grant funds will also be used to establish a debt service reserve. The Section 108 and BEDI grant funds will be provided in conjunction with \$1,155,000 in federal earmarks, \$6,625,000 in New Markets Tax Credit equity, \$500,000 in RISE grant funds and \$5,275,000 in developer funds for a total project cost of \$33,055,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 445 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first five years. Tax Increment Financing (TIF) from both the project's TIF district and the larger Metro Center TIF district will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and tax increment revenues from the Metro Center TIF district.

Massachusetts

Dudley Executive Plaza

Boston, MA

Section 108 Guaranteed Loan- \$5,050,000

Brownfields Economic Development Initiative (BEDI)- \$1,750,000

The City of Boston is collaborating with the Boston Redevelopment Authority (BRA) to redevelop the former Modern Electroplating facility and the abandoned Roxbury Children Services building. Upon completion of the site assembly and preparation by the BRA, the City will purchase a portion of the assembled site for the development of a \$20 million Roxbury police precinct. The remaining portion of the redeveloped Modern Electroplating facility will be used for 60,000 square feet of retail spaces and a 500 car parking garage.

The BRA will use the Section 108 Guaranteed Loan for soil remediation, building demolition and site assembly costs. \$1,750,000 in BEDI grant funds will also be used as a funding source where a portion of the grant funds will be used to pay interest on the Section 108 guaranteed loan. The Section 108 and BEDI grant funds will be provided in conjunction with New Market Tax Credit equity of approximately \$5,000,000, Mass Development Brownfields funding of \$2,000,000, developer equity of \$3,075,000 and other private bank financing of \$8,395,000 for a total project cost of \$25,270,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to provide area benefit to low-moderate income persons. The City estimates that 9,951 low-to moderate-income persons are located in the service area, equating to \$683.35 of public benefit per low-and moderate-income person.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and pay interest only for the first eight years. Project revenues from the development will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and a lien on the developed property.

North Carolina

The Oaks at Stephen's Place

Concord, NC

Section 108 Guaranteed Loan- \$1,974,000

Brownfields Economic Development Initiative (BEDI)- \$1,000,000



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The City of Concord will re-lend the Section 108 proceeds to the non-profit The Oaks at Stephen's Place, Inc, to develop The Oaks at Stephen's Place, an independent living facility for the elderly. The project will provide older adults the opportunity to remain independent and functioning members of society for as long as they are able. As residents of the facility grow older and become unable to live without assistance, residence can qualify for assisted living services and later, as needed, for skilled nursing services. Phase one of the project, for which Section 108 funding will be applied, will include 99 independent living units, a beauty shop/barber shop, a gift shop, and a community wellness center condominium. The Oaks Wellness Center, as a public facility, will be available not only to residents of The Oaks at Stephens Place, but also to the surrounding residential service area of which 82.9 percent of its residents are low and moderate income persons. Certain services, such as classes on health and nutrition are free to seniors. Access to the center's equipment will be made available to not only the residents of The Oaks, but also to residents of the service area, regardless of income, using a membership fee based on a sliding scale according to a person's income.

The Oaks at Stephen's Place, Inc will use the Section 108 Guaranteed Loan for construction of The Oaks Wellness Center condominium. Further, \$1,000,000 in BEDI funds will be used for additional pre-development activities such as demolition, soil removal, clearance, acquisition of real property, site preparation, debt service reserves, and payment of issuance fees. The Section 108 and BEDI grant funds will be provided in conjunction with equity contributions and other financing of \$16,326,000 for a total project cost of \$19,300,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to provide area benefit to low-moderate income persons. The City identifies several economic benefits that will result from this development, which include the creation of approximately 480 construction jobs and 53 new permanent jobs of which 51% will be available to low-or moderate-income persons. Further, there will be additional business for downtown merchants and vendors, further resulting in job creation and retention. The City anticipates the project will stimulate future investors and developers to further develop downtown Concord.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. The Section 108 loan will be repaid from principal and interest payments made by The Oaks at Stephen's Place, Inc. To secure repayment, the City pledges its future CDBG funds and its interest in the subrecipient loan, which is secured by a first mortgage on The Oaks Wellness Center condominium.

Douglas Block Revitalization

Rocky Mount, NC

Section 108 Guaranteed Loan- \$2,800,000

Brownfields Economic Development Initiative (BEDI)- \$1,000,000

The City of Rocky Mount will provide the Section 108 proceeds, through the City's Department of Planning and Development (DPD), to a consortium of six local banks to assist in establishing the Downtown Rocky Mount Revolving Loan Fund to promote economic development and revitalization. The local banks include RBC Centura, Wachovia, BB&T, First South Bank, Southern Bank & Trust, and First Carolina State Bank. The fund will

finance property acquisition and provide construction and renovation financing to for-profit development entities in the designated Douglas Block area of downtown Rocky Mount. Douglas Block is a three-block area of approximately 10 acres that is contaminated from the demolition of a former tobacco warehouse.

The DPD will use the Section 108 Guaranteed Loan to fund property acquisition, site preparation, remediation, and a loan guarantee reserve to support economic development activities. Additionally, \$1,000,000 in BEDI funds will be used for site remediation and cleanup. The Section 108 and BEDI grant funds will be provided in conjunction with \$2,000,000 in general funds, a \$4,800,000 revolving loan fund, \$4,800,000 in New Markets Tax Credit equity, \$382,750 in additional EPA grant funds and \$743,550 in private debt for a total project cost of \$17,026,300.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 102 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first three years. The City's CDBG funds, funds from the lease of real property in the Douglas Block area, and the City's general fund will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and local revenues equal to the original principal amount of the guaranteed loan.

New York

Ridgewood Plumbing

Middletown, NY

Section 108 Guaranteed Loan- \$320,000

The City of Middletown will re-lend the Section 108 proceeds to for-profit entities Ridgewood Corporation and its affiliate, MSJ Orange County Associates, LLC. The Ridgewood Corporation, founded in 1922, is a plumbing, heating, and HVAC distributor which proposes to expand and modernize its distribution facility in Middletown, NY. The company plans to demolish antiquated buildings, carry out an environmental cleanup, renovate existing structures and construct new office, warehouse, and showroom facilities. It also plans to install state of the art equipment for material handling and distribution.

The City will re-lend the Section 108 guaranteed loan proceeds to the for profit entity MSJ Orange County Associates, LLC for costs related to the expansion and modernization of Ridgewood's facility in Middletown. Provident Bank, through its Urban Aid Program, will also join with the City in financing Ridgewood's facility expansion and modernization with \$758,386 in funding for a total project cost of \$1,078,386.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 10 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and cash flow from Ridgewood Corporation and its affiliate, MSJ Orange County Associates, LLC will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds, will provide HUD the personal guarantees of Ridgewood's owners and will assign to HUD its interest in the third party loan that includes a second lien position on all land, improvements and equipment.

Superior Linen Supply, Inc.

Middletown, NY

Section 108 Guaranteed Loan- \$223,000

The City of Middletown will re-lend the Section 108 proceeds to the for profit entity Superior Linen Supply (SLS), Inc. for acquisition of a structure located at 12-16 Stanton Street. SLS, Inc. is presently located in Monroe, New York and is a linen rental and cleaning company to restaurants, caterers, hotels, country clubs and other users. It has less than five employees and its relocation to Middletown will not violate the anti-pirating regulations.

The City will lend the Section 108 guaranteed loan proceeds to the for profit entity SLS, Inc. for costs related to the property acquisition. SLS, Inc. will provide \$52,000 in equity financing along with \$285,000 in funding from Provident Bank for a total project cost of \$560,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 9 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. Debt service payments on the third party loan to SLS, Inc. will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds, its interest to HUD in its third party loan to SLS secured by a second lien on real property, machinery and equipment, and the personal guarantee of the owner of SLS.

Yonkers Pier

Yonkers, NY

Section 108 Guaranteed Loan- \$950,000



http://nationaldevelopmentcouncil.org/blog/wp-content/uploads/pier_photo_small2.bmp

The City of Yonkers will use the Section 108 loan proceeds to complete the second phase of a two-story mixed use redevelopment of the 20,000 square foot historic Victorian Pier in Yonkers. The completed first floor of this complex is occupied by a terminal for a ferry to and from New York City, which includes a 1,000 square foot concession and ticket area. The entire second floor, which will complete the second stage of the redevelopment, will be occupied by a 260 seat five-star restaurant named Xaviars on the Hudson.

The City will use the Section 108 Guaranteed Loan to purchase equipment, furniture and fixtures for the restaurant renovation. The Section 108 grant funds will be used in conjunction with HUD Economic Development Initiative grant funds, New Market Tax Credit equity, Port Authority of NY & NJ funds, City of Yonkers Capital Improvement Plan funds and other private and public funds for a total project cost of \$10,070,780.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income-persons through job creation. The project will create an estimated 35 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first seven years. Lease revenues from the redevelopment will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds.

Pennsylvania

Exide Battery Property

Allentown, PA

Section 108 Guaranteed Loan- \$2,500,000

Brownfields Economic Development Initiative (BEDI)- \$2,000,000

The City of Allentown will re-lend the Section 108 proceeds, through its Department of Community and Economic Development (DCED), to the Bennett Toyota car dealership to develop the former Exide Battery facility site. Bennett Toyota will acquire and develop a three phase 110,000 square foot retail automotive outlet on the property. Through relocation, Bennett Toyota will significantly expand its current automotive retail and service operations which will include expanded administrative and service capacity and ultimately a strip retail

center that will provide neighborhood services. The site has a history of soil and groundwater contamination associated with the former Exide Battery manufacturing operations.

The DCED will re-lend the Section 108 Guaranteed Loan for soil remediation, site work and construction costs. BEDI funds of \$2,000,000 will also be used for demolition, mobilization, soil remediation, hazardous materials removal and abatement. The Section 108 and BEDI grant funds will be used in conjunction with \$18,016,000 in owner equity/debt and PA Industrial Site Remediation Loans for a total project cost of \$22,516,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates the project will create 140 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first three years. The City will use third-party loan repayments it receives from Bennett Toyota to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and will provide HUD a second lien position on the project buildings.

Citywide Loan Pool #6

Philadelphia, PA

Section 108 Guaranteed Loan- \$15,000,000

The City of Philadelphia will use the Section 108 loan to expand the City's existing Loan Pool Program. The City's loan program is currently in its fifth round of funding and has provided \$103 million in loans and has leveraged \$289 million of other funds in 46 projects, which have created 1,803 new jobs. The City has developed an Economic Development Blueprint, a set of goals and strategic actions for economic growth and development. The priorities of the Blueprint include supporting civic and cultural development; making Philadelphia a model for minority and women-owned businesses; development of the riverfronts; sustaining advances in neighborhood economic development; and attracting and expanding businesses. The Philadelphia Industrial Development Corporation (PIDC), a private not-for-profit corporation, will lead development and implementation of economic development programs that support the City's blueprint.

The City will grant, through a subrecipient agreement, the Section 108 loan proceeds to PIDC, a private non-profit entity that contracts with the City to administer and manage the city-wide loan program. Through PIDC, The City plans to expend approximately \$10 million of the \$15 million in projects in the first 9 months. The Community Development Block Grant (CDBG) national objective will be met by benefiting low- and moderate-income persons through job creation, or area benefit activities, or the elimination of slums or blight.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first four years. Repayments from the loan pool program will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and interest in third party loans secured by real property, personal guarantees, equipment, accounts receivable, inventory and Tax Increment Financing.

Pittsburgh Technology Center

Pittsburgh, PA

Section 108 Guaranteed Loans- \$2,000,000 and \$5,500,000

Brownfields Economic Development Initiative (BEDI)- \$900,000 and \$1,000,000



<http://www.chem.cmu.edu/groups/washburn/images/labtour/ptc.jpg>

The City of Pittsburgh will re-lend the Section 108 proceeds to the City's Urban Redevelopment Authority (URA) to purchase a parcel of the Pittsburgh Technology Center (PTC) site to build and lease a 150,000 square foot office and laboratory facility. The URA will work with the Ferchill Group, a local for-profit developer, and their affiliated national developer, J. Christopher Enterprises. In 1983, the URA purchased the 48-acre former Jones & Laughlin Steel Mill facility and has since redeveloped the site into the Pittsburgh Technology Center. Thus far, the URA has developed eight of a possible 22 parcels for approximately 687,000 square feet of office space for commercial, office, and academic research activities. Since inception in 1993, the development has helped create almost 2,500 jobs.

To support the office and laboratory facility, existing nearby businesses, and future development, the URA will use Section 108 Guaranteed Loans to construct a 723-space parking garage adjacent to the facility. The URA will utilize a BEDI award of \$900,000 in conjunction with the \$2,000,000 Section 108 Guaranteed Loan and another \$1,000,000 BEDI grant in conjunction with the \$5,500,000 Section 108 Guaranteed Loan. Pending approval, the URA will provide one additional Section 108 Guaranteed Loan of \$3,000,000 in conjunction with a \$1,100,000 BEDI grant to fund street and utilities relocation within the PTC. The Section 108 and BEDI funds will be paired with URA internal funding, Pittsburgh Development Fund loans, State Infrastructure Development grants and contributions from the PTC Fund for a total project cost of approximately \$18,644,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that construction of the garage facility will create 386 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The URA will repay the Section 108 financing over a two-year term. At the end of the two year term, the URA will utilize a state Redevelopment Capital Assistance Program grant of \$5,400,000 to pay down the principal amount. The URA will utilize funds from Pittsburgh Technology Center Fund to repay the remaining principal balance and interest payments. To secure repayment, the City pledges its future CDBG funds and additional collateral from the URA.

Goggleworks II Arts Center

Reading, PA

Section 108 Guaranteed Loan- \$550,000

Brownfields Economic Development Initiative (BEDI)- \$500,000

The City of Reading will use the Section 108 proceeds, through the non-profit Our City Reading, Inc., to finance the Goggleworks II Arts Center project. Our City Reading will assist with the environmental remediation and redevelopment of the five story, 60,000 square foot former Wilson eyeglass factory building to transform the facility into a multi-purpose arts center. The Center is an expansion of Goggleworks I and will include 24,000 square feet of artist studios; 10,000 square feet of dance, photo, jewelers, and woodworking space; 4,000 square feet of art galleries; 3,800 square feet of rehearsal and creative writing space; 2,200 square feet of office space; 12,000 square feet of common are which includes corridors, stairs, elevators, and restrooms; and 1,000 square feet of storage space. The net usable building space is 57,000 square feet.

The City will use the Section 108 Guaranteed Loan to finance the project's construction costs and \$500,000 in BEDI funds will also be used to finance site remediation. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 46 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

Puerto Rico

Convention Center & Oceanographic Center

Ponce, PR

Section 108 Guaranteed Loan- \$20,890,000

The Municipality of Ponce will use the Section 108 funds to assist the following two public facilities projects:

The Ponce Convention Center. The Municipality will use \$17,600,000 of Section 108 funds to develop a 92,000 square foot convention center located within the former Multeado Estrella Farm on the Santiago de los Caballeros Avenue near the new Judicial Center Building, the

Workmen's Compensation Building and across the street from the University of Puerto Rico, Ponce Campus and Plaza del Caribe. The convention grand ballroom will seat 3,000 divided in 16 separate function areas and will include a full kitchen, six independent meeting rooms and parking spaces. The Municipality will own the convention center upon completion. The project is expected to create 221 full-time equivalent jobs of which at least 150 will be available for low-and moderate residents. The project will cost approximately \$25,140,548.

The Oceanographic Center of the Caribbean (Public Aquarium). The Municipality will use \$3,290,000 of Section 108 funds to construct a two-level building that will have an underground level for the machinery, life support and filtration systems and saltwater retaining tanks. The project will be constructed at an existing recreational facility know as La Guancha Recreational Complex and will have an observation tower, a boardwalk and will include 24 small businesses, a restaurant, a children's park, recreational plaza, a multiuse building and a fishermen association facility. The project will cost approximately \$9,000,000.

The Municipality will use the Section 108 Guaranteed Loan finance construction costs for the public facilities project. The Section 108 funds will be provided in conjunction with \$6,028,612 in Community Development Block Grant (CDBG) funds and \$7,221,936 in local funds for a total joint project cost of \$34,140,548. The CDBG national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The Municipality estimates that the projects will create 221 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The Municipality will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first four years. The Municipality will use CDBG funds and program income from previous CDBG funded projects to repay the guaranteed loan. To secure repayment, the Municipality pledges its future CDBG funds and a first-lien on the convention center property and equipment.

Sardinera Beach Hotel

Dorado, PR

Section 108 Guaranteed Loan- \$5,500,000

The Municipality of Dorado will use the Section 108 proceeds to acquire 1.54 acres of beachfront property, upon which it will develop a five-story, 48-room hotel on Sardinera Beach. The Project will include retail and a restaurant on the ground floor, and a 6,000 square foot convention center on the fifth floor.

The Municipality will use the Section 108 Guaranteed Loan for acquisition and construction costs associated with the project. The Community Development Block Grant (CDBG) national objective for the Municipality's use of guaranteed loan funds is to benefit low-moderate income- persons through job creation. The project will create an estimated 158 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The Municipality will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. Project revenues from the development will be used to

repay the guaranteed loan. To secure repayment, the Municipality pledges its future CDBG funds and a first lien on the developed property.

South Carolina

Ashley River Center

Charleston County, SC

Section 108 Guaranteed Loan- \$8,000,000

Brownfields Economic Development Initiative (BEDI)- \$1,430,000

The County of Charleston will re-lend the Section 108 proceeds to Ashley II of Charleston, LLC to redevelop a 78-acre abandoned brownfield site into the Ashley River Center, a multi-use facility in the Lowcountry area of the City of North Charleston. The Lowcountry area is physically and economically blighted, with a poverty rate in excess of 39% in the area that surrounds the Ashley River Center. Formerly the home of a fertilizer plant, the site's soil and ground water is contaminated with arsenic, lead, and high concentrations of acid due to low pH levels. Upon full build-out, the Ashley River Center will comprise 120,000 square feet of office space, 70,000 square feet of retail space, a 150-room hotel, and 250 for-sale condominiums and/or apartments, and public greenspace.

The County will use the Section 108 Guaranteed Loan in two ways. First, the County will utilize \$6,500,000 of the Section 108 funds towards land acquisition, site remediation, public infrastructure improvements, and the construction of public greenspace. Second, the County will lend \$1,500,000 of the Section 108 funds to the developer, who will utilize the proceeds towards the rehabilitation of an office building within the site. Additionally, the County will utilize \$1,430,000 in BEDI grant funds toward the payment of interest on the Section 108 loan. The Section 108 and BEDI grant funds will be provided in conjunction with \$3,800,200 in Municipal Improvement District Funds, \$14,238,984 in Tax Increment Financing (TIF) bonds, \$19,769,325 in private equity, a \$3,500,000 contribution from Exxon Mobil and \$105,651,175 in private debt and mortgages for a total project cost of \$156,389,484.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 575 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. For the \$1,500,000 third-party loan to the developer, the County will utilize the developer's rental income from the building towards debt service. To service the debt on the \$6,500,000 loan for improvements, the County will utilize revenues generated from the City of North Charleston's Municipal Improvement District (MID), which will create liens on those properties that benefit from the improvements. To secure repayment, the County pledges its future CDBG funds, interest in the third-party loan to the developer and MID and TIF revenues.

Texas

Neighborhood Commercial Management Loan Program

Austin, TX

Section 108 Guaranteed Loan- \$3,000,000

The City of Austin will fund a previously approved and existing Neighborhood Commercial Management Loan Program (NCMP). Section 108 Loan funds will be used to increase the volume of the revolving loan portfolio of NCMP, thereby increasing the number of available low-and moderate-income jobs. NCMP provides low interest loans to small businesses, primarily in less developed commercial districts, and to support the development of new commercial districts. The City will require that each business loan borrower create one job for every \$35,000 of funding. To date, NCMP has funded over \$4.7 million in small business loans and has been responsible for the creation of over 400 jobs. The loan program operates within a targeted low and moderate-income area and is administered by the City.

Through the NCMP, the City will use the Section 108 Guaranteed Loan proceeds for loans to small businesses. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that 86 full time or equivalent jobs, of which at least 51% will be held by or available to low-or moderate-income persons, will be created through the use of its guaranteed loan.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and program income generated from the small business loans will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and its interest in the NCMP loan portfolio.

Utah

Ogden Recreation Center

Ogden, UT

Section 108 Guaranteed Loan- \$2,000,000

The City of Ogden will re-lend the Section 108 proceeds to the Ogden Redevelopment Agency (RDA) to construct the Ogden Recreational Center. The recreation facility will be a 125,000 square foot recreational facility built on 1.56 acres in downtown Ogden. The facility is located within a HUD-approved Neighborhood Revitalization Strategy Area (NRSA). The center will include traditional and non-traditional recreation activities, such as a fitness center, flow rider/wave pool, a bowling alley, weight training area, aerobic room, basketball court, handball courts, lap pool, two dance studios, and an indoor track. The facility will also include three party rooms and two restaurants. Once complete, the RDA will lease the center to Health & Fitness Holding, LLC (HFH), which owns and operates Gold's Gym franchises and Fat Cats Bowling centers. HFH will operate and maintain the facility for a minimum of 20 years.

The RDA will use the Section 108 Guaranteed Loan for acquisition and installation of built-in specialized equipment needed for the Ogden Recreational Center. The City will also use a portion of the Section 108 proceeds to cover issuance costs associated with the guaranteed

loan. The Section 108 funds will be provided in conjunction with \$16,180,000 in public bond financing and \$285,000 in tax increment financing for a total project cost of \$18,465,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income-persons through job creation. The project will create an estimated 40 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. Lease revenues from the development will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and a first lien position on a public works center house.

Virginia

Economic Development Loan Pool

Richmond, VA

Section 108 Guaranteed Loan- \$9,875,000

The City of Richmond will use the Section 108 guaranteed loan proceeds, through the Department of Economic Development (DED) and the National Development Council (NDC), to create a business loan pool for financing projects that bring positive economic and community development benefits to targeted neighborhoods. The City will give funding priority to projects located in the City's Enterprise Zone Areas, Broad Street Community Development Area and Rocket's Landing Area. However, the City is willing to provide business loans to eligible borrowers outside of these targeted areas.

The City will use the Section 108 Guaranteed Loan for the business loan pool to assist for-profit businesses in carrying out a wide variety of activities including the acquisition of real property, construction, site preparation, demolition and clearance, and the purchase of machinery and equipment. The Community Development Block Grant (CDBG) national objective will be met through the creation of jobs for low-or moderate-income persons. The City estimates that its economic development loan pool will directly create 198 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first three years. Project revenues from the economic development activities will be used to repay the guaranteed loan. To secure repayment, the City will pledge its future CDBG funds and various sources of collateral based on individual third-party loans.

Vermont

The Burlington Business Loan Program

Burlington, VT

Section 108 Guaranteed Loan- \$609,000

The City of Burlington will use \$1,827,000 in Section 108 loan proceeds to equally finance eligible activities for the following three loan pools: Housing – Residential Development and Rehabilitation Loan Funds, Economic Development – The Burlington Business Loan Program (BBLP) and Public Infrastructure – General Buildings, Public Facilities, and City Improvements.

The Burlington Business Loan Program (BBLP) will provide targeted loans to the following three projects:

- a. Old North End - Direct loans to businesses to retain and create job opportunities to locate and expand in the Renewal Community of the Old North End. The Intervale, a 350-acre agricultural site located adjacent to the Renewal Community will also benefit from having business development funds available. A new “green” development, the Community Food Enterprise Center (an Enterprise Community Strategy), will house a cluster of businesses that will be potential borrowers of this economic development financing. Funding through this loan pool is anticipated to finance a community kitchen, day care center, hotel, business incubator facility, and upper story redevelopment in the Old North End.
- b. Pine Street Redevelopment – The City has made a strong commitment to brownfields redevelopment with many site conversions completed. Redeveloped brownfields in the City are directly contributing improvements in the ecological, economic, and social environments. The City will undertake the development of a Smart Grown Urban Revitalization District, to include the Pine Street Superfund Site and the Enterprise Zone (located in low- moderate income areas).
- c. North Street Revitalization – This project will be the reconstruction of the roadway and the Main Street of the Old North End and the improvement of infrastructure, including pedestrian and bicycle improvements. The area is in a designated Renewal Community as well as a low-income designated census tract neighborhood.

Guaranteed loan proceeds will be used for site acquisition, preparation and reconstruction, rehabilitation of public facilities, and economic development activities carried out by private for-profit businesses. The Community Development Block Grant (CDBG) national objective for the City’s use of guaranteed loan funds will be met through benefits to low-and moderate-income persons through job creation.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. For economic development activities, revenues from third party borrowers or the City’s CDBG funds will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and first or second lien positions on real property associated with the third party loans.

Washington

White Center Commercial Plaza

King County, WA

Section 108 Guaranteed Loan- \$5,250,000

King County will re-lend the Section 108 proceeds to White Center Square, LLC, a New Markets Tax Credit Qualified Active Low Income Community Business, to develop a multi-tenant commercial square known as White Center Commercial Plaza. The project includes the construction of two structures consisting of 41,800 square feet with surface and underground parking. The first building will contain an Asian grocery store and a Vietnamese noodle shop operated by the owner-developers, with approximately 17,400 square feet of office space on the second floor, underground parking and storage. The second building is approximately 5,000 square feet and will consist of retail space designed for four shops.

White Center Square will use the Section 108 Guaranteed Loan for construction costs associated with the project. The Section 108 fund proceeds will be used in conjunction with New Market Tax Credits of approximately \$2,251,000 and approximately \$1,391,000 in private financing for a total project cost of approximately \$9,466,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons in the area served. The area is primarily residential and the County estimates that 11,693 people or 64.5% of the population are residents earning low-to moderate-incomes. Based on these demographics, the \$5,250,000 loan will benefit one low to moderate income person per \$448 of Section 108 loan funds expended.

The County will repay the Section 108 Guaranteed Loan over a 20-year period. Lease revenues from the development will be used to repay the guaranteed loan. To secure repayment, the County pledges its future CDBG funds and interest in a third-party loan secured with a first lien position on the property.

Economic Development Loan Fund

Tacoma, WA

Section 108 Guaranteed Loan- \$10,000,000

The City will use the Section 108 guaranteed loan proceeds, through the Community and Economic Development (CED) Department, to fund an economic development loan fund to provide financing to various third-party business entities, primarily located in the City's HUD Designated Renewal Community (RC). The City has identified three potential commercial projects for which it will provide guaranteed loan assistance in the RC: Elks Building, Stadium Partner, and Sharp Project. The Elks Building is a vacant historic property that developer Williams and Dame intends to rehabilitate and put back in active use. Stadium Partners is a partnership between several local businesses to build a mixed use development with over 90,000 square feet of retail space, 150 market rate apartments and underground parking on an existing auto dealership car lot. Sharp Project is a mixed use development of approximately 526,000 square feet, including 140 residential units and over 100,000 square feet of commercial space.

The CED is eligible to use the Section 108 Guaranteed Loan for activities including property acquisition, clearance, demolition and removal, site preparation, housing rehabilitation, economic development and public facilities improvement. The Community Development Block Grant (CDBG) national objective will vary by individual loan and will be reviewed prior

to loan disbursement by HUD's Seattle Field Office. The City estimates that its economic development loan fund will cause the creation of approximately 200 new full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. Project revenues from the economic development activities will be used to repay the guaranteed loan. To secure repayment, the City will pledge its future CDBG funds and various sources of collateral based on individual third-party loans.

Economic Development Loan Fund

Vancouver, WA

Section 108 Guaranteed Loan- \$6,800,000

Brownfields Economic Development Initiative (BEDI)- \$1,000,000

The City will use the Section 108 proceeds to establish a business loan fund that will assist existing businesses and bring new business development to distressed areas of the City of Vancouver. The Loan Fund will also make financing available to non-profit service providers, via subrecipient agreements. While the Loan Fund will make financing available to Business Borrowers and Subrecipients for any and all distressed areas within the City, the Loan Fund will focus primarily on the Vancouver City Center, the Fourth Plain Area, and the Vancouver National Historic Reserve. The Vancouver City Center is part of a HUD-designated Neighborhood Revitalization Strategy Area ("NRSA"), which was approved on June 30, 2006. The City's Fourth Plain Area is the subject of a new NRSA, for which the City plans to submit an application to HUD in late April 2007.

The City will use the Section 108 loan to establish the Loan Fund, which will provide loans to for-profit entities and non-profit service providers. The City will also utilize \$1,000,000 in BEDI grant funds toward property acquisition and rehabilitation, interest payments on the Section 108 loan, clearance and demolition activities, economic development activities, and for the creation of a debt service reserve.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to assist low-moderate income persons through job creation, area benefit, limited clientele benefit and elimination of slums or blight on a spot basis. The City estimates that the project will create 200 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons. The Seattle Regional Office will review each loan from the Loan Fund to ensure that each loan will finance an appropriate eligible activity.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and repayments from business borrowers and subrecipients will be used to service the guaranteed loan. To secure repayment, the City will pledge its future CDBG funds and various sources of collateral including first liens on real property, personal guarantees, equipment, accounts receivable and inventory based on individual third-party loans.

Economic Development Assistance Program

Casper, WY

Section 108 Guaranteed Loan- \$1,665,000

The City of Casper will use the Section 108 proceeds for the Economic Development Assistance Program (EDAP) to spur development in distressed neighborhoods, build community wealth through local business ownership, create new jobs and attract businesses that provide needed goods and services in the targeted area. The EDAP will re-lend Section 108 proceeds to various third-party business entities and will be available to new or existing businesses desiring to locate, or relocate, to the targeted area. Financial assistance through the EDAP will generally range from \$60,000 to \$300,000, however, in certain cases assistance could be higher.

The EDAP will lend the Section 108 proceeds primarily to various for-profit businesses to assist with economic development activities. In addition, the EDAP may lend a portion of the Section 108 proceeds to public or private non-profit subrecipients to assist with economic development activities. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates it will create 64 full time or equivalent jobs of which at least 51% will be held by or available to low-or moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. Project revenues from the economic development activities will be used to repay the guaranteed loan. To secure repayment, the City will pledge its future CDBG funds and various sources of collateral based on individual third-party loans.

Housing Projects

Four housing projects received \$22,354,000 in Section 108 commitments in the fiscal year 2007. Project assistance included funding for the development of 123 affordable units of family housing adjacent to the Colma BART Station in San Mateo County, CA. None of the housing projects were further assisted with BEDI grant funds.

California

Colma Transit Village Apartments

San Mateo County, CA

Section 108 Guaranteed Loan- \$10,745,000

The County of San Mateo will re-lend the Section 108 proceeds to the BRIDGE Housing Corporation to develop, through its affiliate nonprofit, BRIDGE Regional Partners, 123 affordable units of family housing on a 2.7 acre parcel of triangular property adjacent to the Colma BART Station. The parcel of land acquired resides in unincorporated Colma, San Mateo County. The housing units are restricted to families at extremely-low and very-low incomes and the project conforms to the Colma Area Specific Plan for higher density housing. After acquiring the property, BRIDGE will off a small parcel of land to a market-rate housing builder to generate additional funds to support the project.

The County will re-lend the Section 108 proceeds for activities including acquisition, relocation, clearance, demolition and construction for a childcare facility that meets either a limited clientele or housing national objective. The Section 108 funds will be added to \$24,000,000 in New Market Tax Credits, \$3,000,000 in prior Community Development Block Grant (CDBG) and HOME grants, \$9,500,000 in private debt and \$3,000,000 in proceeds from the market-rate land parcel sale for a total project cost of approximately \$50,000,000.

The CDBG national objective for the County's use of guaranteed loan funds is to benefit low-moderate income persons through housing and community services. The childcare facility will principally benefit low and moderate income persons and serve 60 children.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. Project revenues and future CDBG funds will be used to pay principal and interest on the Section 108 loan. To secure repayment, the County has pledge a deed of trust for the amount of the Section 108 loan on the land.

Pennsylvania

Cecil B. Moore Homeownership Zone

Philadelphia, PA

Section 108 Guaranteed Loan- \$10,050,000

The City of Philadelphia will re-lend the Section 108 proceeds to the Housing Enrichment Renaissance Board Community Development Corporation (HERB CDC), a non-profit,

Community-Based Development Corporation and OKKS-Michael Development Corporation (OKKS-MDC) Joint Venture, LLC, to carryout site improvements and construction of 87 new houses, known as the Twin Homes at Oxford Commons. These homes will be occupied by low-and moderate-income families as part of the City's 1997 Cecil B. Moore Homeownership Zone project. This final phase of the City's Homeownership Zone development will include 73 single family units, with 3 bedrooms, 1.5 bathrooms and a garage. The remaining 14 housing units will comply with the Americans with Disabilities Act and will include 4 bedrooms, 2 bathrooms and a garage. The project site is located downtown between 19th and 20th Streets and extends from Cecil B. Moore Avenue to Montgomery Avenue. The site is located in a HUD approved Neighborhood Revitalization Strategy Area.

The City will grant the Section 108 loan proceeds to HERB CDC, through a subrecipient agreement, to assist with new housing construction. HERB CDC has entered into an agreement with OKKS-MDC to construct the new housing in the Homeownership Zone. OKKS-MDC was selected through a Request for Proposal in 2002 to carryout the construction of the new housing development. The Section 108 funds will be used in conjunction with \$5,619,700 in HOME funds, \$2,700,000 in State funds and a \$7,821,300 conventional loan for a total project cost of \$26,641,000.

The Community Development Block Grant (CDBG) national objective for the County's use of guaranteed loan funds is to benefit low-moderate income persons through housing activities. The City has identified 87 properties that will benefit from site improvements and construction.

The City will repay the Section 108 Guaranteed Loan over a 10-year period and will use future CDBG funds to service the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and a contract of loan guarantee assistance.

Texas

Home Improvement Program

Denton, TX

Section 108 Guaranteed Loan- \$500,000

The City of Denton will use the Section 108 proceeds to rehabilitate 14 to 20 homes under the City of Denton's existing Home Improvement Program (HIP). To qualify for the program, a property must exhibit one or more building code deficiencies and need at least \$5,000 in repairs. The first priority will be to correct building code violations. The HIP provides low interest loans to owner-occupied low-and moderate-income households.

The City will re-lend Section 108 guaranteed loan proceeds to qualified participants for housing rehabilitation. The Section 108 funds will be provided in conjunction with \$1,000 in owner funds for a total project cost of \$501,000. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through housing activities.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and will use program income from HIP to repay the guaranteed loan. To secure repayment, the City

pledges its future CDBG funds and first or second liens on the homes of program participants at 100 percent of the HIP loan amount.

Vermont

Residential Rehabilitation Loan Funds

Burlington, VT

Section 108 Guaranteed Loan- \$609,000

The City of Burlington will use \$1,827,000 in Section 108 loan proceeds to equally finance eligible activities for the following three loan pools: Housing – Residential Development and Rehabilitation Loan Funds, Economic Development – The Burlington Business Loan Program (BBLP) and Public Infrastructure – General Buildings, Public Facilities, and City Improvements.

Residential Rehabilitation Loan Funds will be used for residential rehabilitation loans and financing for low-income housing development and rehabilitation projects, including land acquisition. The maximum loan amount for any one project will be \$500,000. The 1997 Ordinance requires that Burlington’s residential rental properties be brought to a minimum level of energy efficiency at the time of property transfer, and Section 108 funds could also be used to help finance these improvements.

Guaranteed loan proceeds will be used to carry out site acquisition and housing rehabilitation. The Community Development Block Grant (CDBG) national objective for the City’s use of guaranteed loan funds will be met through housing activities and activities to eliminate or prevent slums or blight on a spot basis.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. For housing activities, revenues from individual renters, landlords or the City’s CDBG funds will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds, second lien positions on real property and repayment proceeds from its portfolio of housing loans.

Public Facilities

HUD approved a total of \$30,284,000 in Section 108 Loan Guarantee authority for nine public facilities projects. Guaranteed Loans between \$609,000 and \$8,000,000 were approved for communities to assist in financing a variety of public facility type projects. One of these projects was further assisted with BEDI grant funds.

California

Fire Station #7 Project

Oceanside, CA

Section 108 Guaranteed Loan- \$3,500,000



<http://www.orchidsandonions.org/files/imagecache/Full/files/images/Ext.%20SE%20view%205118.jpg>

The City of Oceanside will use the Section 108 proceeds, through The City of Oceanside Fire Department (OFD), to construct a new fire station that will replace an existing temporary station, which has limited capacity to meet the City's growing service needs. The new 18,362 square foot facility will be constructed on City-owned land and will house two engine companies, a medic company and a battalion chief for a total of eleven personnel housed at the site for each shift. The exterior style of the building will be Mission style as the station will be located in the Mission San Luis Rey Historic Overlay District. The Project will improve emergency service delivery for the north side of the City of Oceanside.

The OFD will use the Section 108 Guaranteed Loan for construction costs associated with the new fire station. The Section 108 funds will be provided in conjunction with approximately \$6,773,000 from the City Capital Improvement Program Fund for a total project cost of approximately \$10,273,000.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons in the area served. The fire station's service area covers five census tracts and includes 27,890 people, of which 54% are low-to moderate-income.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and CDBG entitlement grants will be used to repay the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and a first lien position on the project's real property.

Kaweah Delta Hospital Parking Facility

Visalia, CA

Section 108 Guaranteed Loan- \$2,039,000

Brownfields Economic Development Initiative (BEDI) Grant- \$244,000

The City of Visalia will use the Section 108 proceeds to construct a parking facility that will serve both the Kaweah Delta Hospital expansion and surrounding retail and office uses, and is specifically budgeted for design and engineering, land acquisition, relocation, demolition/site remediation, and new construction of the facility. The City will utilize \$244,000 in BEDI grant funds to complement the Section 108 assistance. The total estimated cost of the parking facility itself is \$12,008,750.

The City, through an interagency/subrecipient agreement, will provide both the Section 108 and BEDI funds to the City's Redevelopment Agency for the parking facility. The Kaweah Delta Hospital is the only major medical facility that provides services to the City of Visalia and the surrounding area. The project is located in the downtown area of the City and is within a Redevelopment Project area. The total cost of Phase I of the hospital development will be \$90 million.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through job creation. The City estimates that the project will create 200 full time or equivalent jobs, of which at least 51% will be available to or held by low-or moderate-income persons.

Indiana

Renaissance Pointe NRSA

Fort Wayne, IN

Section 108 Guaranteed Loan- \$8,000,000

The City of Fort Wayne will use the Section 108 proceeds for the Renaissance Pointe redevelopment initiative, a large scale housing project in the heart of Fort Wayne. The City will acquire approximately 230 parcels and develop the infrastructure within a 67-acre site in order to facilitate development of affordable housing opportunities, recreational amenities, and commercial services as part of the project. Upon buildout, The City expects the project to provide 400 new affordable homeownership opportunities, the rehabilitation of nearly 100 existing owner-occupied homes, the construction of 36 "live/work" townhouse units, and approximately 95,000 square feet of new commercial/retail space. Within the site, YMCA will

combine the Old Fort YMCA and the Southeast Families YMCA into a larger 60,000 square foot facility, which will feature a gym, exercise facilities, computer training and classrooms. The new YMCA facility will complement the Renaissance Project, while providing services to the impoverished Hanna-Creighton neighborhood.

The City will use \$6,250,000 of the Section 108 Guaranteed Loan proceeds towards acquisition, site preparation, and the construction of sidewalks, street improvements, and other infrastructure improvements. The YMCA facility is scheduled to begin construction in the summer of 2008, at which time The City will grant \$1,750,000 in Section 108 funds to the YMCA towards the construction of the YMCA Facility.

The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons in the area served. In addition to the creation of 400 affordable housing opportunities, the City expects the commercial portion of the Project to create 120 new jobs. It also expects the new YMCA facility to serve 16,911 persons, of which 70.7% are low- and moderate-income.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first three years. A combination of future CDBG annual entitlement grants, utility revenues, and land sales proceeds will be used for repayment of the Section 108 loan. To secure repayment, the City pledges its future CDBG funds, a first lien position on the site, a portfolio of notes from the City's loan pool and a stream of utilities revenues.

Maryland

Cumberland Senior Center Facility

Cumberland, MD

Section 108 Guaranteed Loan- \$1,400,000

The City of Cumberland will use the Section 108 proceeds, through the Human Resources Development Commission (HRDC), to develop a 20,000 square foot, two and a half story building in the City's Virginia Avenue Revitalization area, a low-income area of Cumberland. The City currently owns the site, but will gift the property in-kind to HRDC. HRDC provides a variety of services targeted to the low and extremely low income individuals and families in the County including affordable housing, housing for the elderly, meals and activity centers for seniors, work placement programs for hard to employ welfare recipients, asset building programs and special services for county nursing home residents and incapacitated adults. The building's first floor, with approximately 8,000 square feet, will accommodate a senior center community center room, small fitness center, common lobby, commercial kitchen and offices. The second floor, with approximately 12,000 square feet, will accommodate administrative offices for HRDC, conference rooms, training rooms and file rooms. The partial third floor will accommodate a staff break room, storage rooms and future expansion space.

The HRDC will use the Section 108 Guaranteed Loan to finance construction of the two and a half story public facility. The Section 108 and annual CDBG grant funds will be provided in conjunction with state, county and community financing of \$2,330,000 for a total project cost

of \$3,730,000. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit a limited clientele who are primarily low and very low income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. Sources of repayment of the City's Section 108 Guaranteed Loan will be HRDC payments on its loan and during the first seven years of the loan term, the City of Cumberland will pay \$60,000 of the annual principal payments. The City will repay the loan for the first seven years of Block Grant funds subject to annual appropriations, and the HRDC will make payments for the remaining thirteen years, pursuant to the agreement with the City. To secure repayment, the City will pledge its future CDBG funds and will collaterally assign HUD a first lien on the property.

Michigan

Public Facilities Project

Redford, MI

Section 108 Guaranteed Loan- \$3,700,000

The Township of Redford will use the Section 108 proceeds to pave existing gravel roads and streets throughout the Township to improve accessibility. The guaranteed loan proceeds will be used to support ongoing street paving activities which the Township has previously financed with Community Development Block Grant (CDBG) funds. The Township has signed an intergovernmental agreement with Wayne County, which will allow the County to carry out all street paving construction.

Through the County, the Township will conduct all street paving activity within low-and moderate-income neighborhoods. The CDBG national objective for the Township's use of guaranteed loan funds is to benefit low-moderate income persons in the area served.

The Township will repay the Section 108 Guaranteed Loan over a 15-year period and will use future CDBG funds to repay the loan. To secure repayment, the Township pledges its future CDBG funds and tax increment revenue from the Detroit Diesel Corporation Redevelopment project. If the tax increment revenue is deemed insufficient, the Township will additionally pledge general funds to repay the loan.

Puerto Rico

Municipal Parking & Cemetery Project

Toa Alta, PR

Section 108 Guaranteed Loan- \$7,886,000

The Municipality of Toa Alta will use the Section 108 proceeds to finance construction for the following two projects: The Municipal Parking with Multi-Purpose Facility and the Municipal Cemetery and Mausoleum. Each of these building will provide handicapped person accessibility in compliance with the Americans for Disability Act (ADA). The activities below serve the entire jurisdiction.

1. Municipal Parking and Multi-Purpose Community Building (\$6,221,000):

The Municipality will finance the construction of a three story building, approximately 99,729 sq. feet made up of steel structure and concrete walls located on a main corner street in the downtown area, Muñoz and Palmer Streets. The project site is owned by the Municipality. The first two levels will be public parking and the third level will be a multipurpose facility. The complex will include private visitors parking in the basement and ground level floors, Public Cars (Shuttles) Transportation Terminal, and multipurpose halls and individual meeting rooms on the third level floor to accommodate 1,500 persons. The Municipality does not have a public parking facility for local residents to park their vehicles to shop in the downtown business district and/or go for governmental and medical services.

2. Municipal Cemetery and Mausoleum (\$1,665,000): The Municipality will finance the construction of a Municipal Cemetery and mausoleum on approximately 18.027 acres of land owned by the Municipality located on State Road #165 at Contorno Ward. The complex will include construction of a two level building that will contain: chapel, shelter/meeting room, construction of a bridge connecting the Mausoleum and the Chapel, retaining walls, sidewalks and curbs, parking lot, roadways, access road to the Cemetery, and security fence.

The Municipality will use the Section 108 Guaranteed Loan to finance acquisition, construction, reconstruction, rehabilitation, or installation of public facilities, public streets, sidewalks, and other site improvements and public facilities. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons through area benefit. The service area for these eligible activities is primarily residential and encompasses the entire jurisdiction of the Municipality. According to the Census 2000, 51.2 percent of the Toa Alta population is comprised of low- and moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 20-year period, paying interest only for the first two years. CDBG funds will be used to repay the guaranteed loan and to secure repayment, the City pledges its future CDBG funds and a first lien position on the two project properties.

South Carolina

Downtown Redevelopment Fund

Florence, SC

Section 108 Guaranteed Loan- \$1,000,000

The City of Florence will use the Section 108 proceeds to establish the Downtown Redevelopment Fund. The fund will provide financing to the following two projects: the Barnes Street Recreational Facility and the Levy Park Recreational Center. The Barnes Street Recreational Facility is a \$700,000 project to convert an old warehouse into a youth recreational facility. After renovation, the facility will have a fully functional gymnasium, weight room, and computer room, as well as a lounge/TV room. The Levy Park Recreational Center is a \$300,000 project to renovate an existing youth and senior recreational center

located in the East Florence area. After renovations, the center will have an indoor basketball court and additional meeting rooms.

The City will use the Section 108 Guaranteed Loan to carry out rehabilitation activities on the properties. Section 108 funds will be used in conjunction with \$300,000 existing Community Development Block Grant (CDBG) funds for a total cost of \$1,300,000. The CDBG national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons in the area served. Both the Barnes Street Recreational Facility and the Levy Park Recreational Center are located in primarily residential areas where 51 percent or more of the residents are low- and moderate-income persons.

The City will repay the Section 108 Guaranteed Loan over a 15-year period. The City has agreed to repay the Section 108 loan and to secure repayment, the City will pledge its full faith and credit for repayment of the Section 108 Guaranteed Loan in the event CDBG funding is inadequate.

Vermont

Community Development Fund

Burlington, VT

Section 108 Guaranteed Loan- \$609,000

The City of Burlington will use \$1,827,000 in Section 108 loan proceeds to equally finance eligible activities for the following three loan pools: Housing – Residential Development and Rehabilitation Loan Funds, Economic Development – The Burlington Business Loan Program (BBLP) and Public Infrastructure – General Buildings, Public Facilities, and City Improvements.

Guaranteed loan funds used for public infrastructure and public facilities will provide support for water/sewer lines, utility lines, telecommunication networks, municipal parking garages/park and ride lots accessibility improvements, safety improvements, transportation linkages, multi-modal facilities, grading/erosion control, public lake access, recreation center, park improvements, conference center, brownfields redevelopment, public improvements in the waterfront urban renewal district, and school/public building improvements. These improvements will be located in low-moderate areas or will provide a benefit citywide, and/or will address slums and blight on a spot basis.

Guaranteed loan proceeds will be used for rehabilitation of real property, clearance, demolition, site preparation, public facilities and public improvements. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds will be met with eligible activities providing area benefit to low-and moderate-income persons and the elimination or prevention of slums or blight on a spot basis.

The City will repay the Section 108 Guaranteed Loan over a 20-year period. For public improvement activities, revenues from the City's tax increment district will be used to repay

the guaranteed loan. To secure repayment, the City pledges its future CDBG funds and improvement loans will be secured by Tax Increment District Revenues.

West Virginia

Point Park Public Facility

Parkersburg, WV

Section 108 Guaranteed Loan- \$2,150,000



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The City of Parkersburg will use the Section 108 proceeds to work together with the U.S. Army Corps of Engineers to finance the construction costs to revitalize the city's downtown riverfront area including Point Park. Point Park is a public day-use recreational facility that was built by the Corps in 1981. The park is operated and maintained by the City and lies between the Ohio River and Parkersburg flood wall.

The City will use the Section 108 Guaranteed Loan to fill a funding gap for the Point Park project. The Section 108 and funds will be provided in conjunction with state and local funds for a total project cost of approximately \$11,000,000. The Community Development Block Grant (CDBG) national objective for the City's use of guaranteed loan funds is to benefit low-moderate income persons in the area served. The City has determined that residents who live within 1.5 miles of the project have a low-to moderate-income percentage of 61.7%.

The City will repay the Section 108 Guaranteed Loan over a 20-year period and future CDBG funds will be used to repay the guaranteed loan. To secure repayment, the City has pledged general fund and Memorial Bridge toll proceeds.