

United States Department of Housing and Urban Development

**Brownfield Economic Development
Initiative Application**

Submitted by:

The City of Greensboro, North Carolina

July 16, 2003



July 16, 2003

Processing and Control Unit
Room 7251
Office of Community Planning and Development
Department of Housing and Urban Development
451 Seventh Street, SW
Washington, D.C. 20410

Dear Sir or Madam:

The City of Greensboro is pleased to submit the enclosed application for a Brownfield Economic Development Initiative grant and a Section 108 Loan for our South Elm Street area. As you will see, our proposal has strong support across the community, including the support of neighborhood residents and organizations, downtown business interests, the philanthropic sector, and local government.

The South Elm Street area is an excellent candidate for a BEDI grant and 108 Loan. Recognizing the importance of the site to Greensboro's continued economic revitalization, the Environmental Protection Agency awarded this site a \$200,000 Assessment Grant in June. With the EPA grant funds, we will be able to jump start this effort and will be in an ideal position to move forward quickly once HUD awards us the BEDI and 108 Loan funds.

The South Elm Street site sits in the midst of a number of ongoing community revitalization efforts, including our Ole Asheboro, Arlington Park and Southside neighborhoods where City and Federal funds have already leveraged over \$20 million of private development activities. The area is also adjacent to the central business district, where renewed community interest has led to numerous new initiatives, including new residential and mixed-use developments and a minor league ballpark.

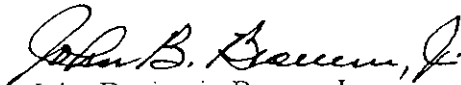
Unfortunately, concerns and fears about the environmental hazards in the South Elm area have diverted private investment away from this site to other locations, and we do not believe this will change without direct public intervention and a strong public/private partnership such as the one we are proposing in this application.

Our staff is ready and eager to initiate this effort. The Department of Housing and Community Development (HCD) will manage this project. HCD is well versed in administering competitive, Federally-funded and community-based activities of this

nature. Currently, they are managing a \$3 million HUD Lead-based Paint Remediation Grant, administering our seventh consecutive Continuum of Care grant, and are partnering with the Greensboro Housing Authority on a \$23 million HOPE VI development effort that will result in over \$50 million of private development activity.

The City of Greensboro is ready to move forward quickly with this effort. We are convinced that with the support and assistance of the Department of Housing and Urban Development along with the current Environmental Protection Agency participation and the strong support of the local community, we can leverage your grant and loan funds into a highly successful revitalized South Elm Street district.

Sincerely,



John Benjamin Brown, Jr.
Assistant City Manager for Economic Development

cc: Ed Kitchen, City Manager
Andy Scott, Housing & CD Director
Dan Curry
Caroline Wells
Larry Davis, Budget Director
Rick Lusk, Finance Director
Linda Miles, City Attorney

**Application for
Federal Assistance**

U.S. Department of Housing
and Urban Development

OMB Approval No.2501-0017 (exp. 03/31/2005)

1. Type of Submission

Application Preapplication

2. Date Submitted 7/16/2003	4. HUD Application Number
3. Date and Time Received by HUD	5. Existing Grant Number
[REDACTED]	6. Applicant Identification Number

7. Applicant's Legal Name City of Greensboro		8. Organizational Unit Dept. of Housing and Community Development	
9. Address (give city, county, State, and zip code) A. Address: PO Box 3136 B. City: Greensboro C. County: Guilford D. State: North Carolina E. Zip Code: 27402-3136		10. Name, title, telephone number, fax number, and e-mail of the person to be contacted on matters involving this application (including area codes) A. Name: Caroline Wells B. Title: Redevelopment Planner C. Phone: 336.373.2509 D. Fax: 336.412.6315 E. E-mail: caroline.wells@ci.greensboro.nc.us	
11. Employer Identification Number (EIN) or SSN 56-6000230		12. Type of Applicant (enter appropriate letter in box) <input type="checkbox"/> C	
13. Type of Application <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Renewal <input type="checkbox"/> Revision If Revision, enter appropriate letters in box(es) <input type="checkbox"/> <input type="checkbox"/> A. Increase Amount B. Decrease Amount C. Increase Duration D. Decrease Duration E. Other (Specify)		I. University or College J. Indian Tribe K. Tribally Designated Housing Entity (TDHE) L. Individual M. Profit Organization N. Non-profit O. Public Housing Authority P. Other (Specify)	
14. Name of Federal Agency U.S. Department of Housing and Urban Development		15. Catalog of Federal Domestic Assistance (CFDA) Number 14 --- 248 Title: Community Development Block Grant Component Title: Section 108 Loan Guarantee	
16. Descriptive Title of Applicant's Program South Elm Street Brownfield Development		17. Areas affected by Program (boroughs, cities, counties, States, Indian Reservation, etc.) City of Greensboro	
18a. Proposed Program start date 10/1/2003	18b. Proposed Program end date 10/1/2008	19a. Congressional Districts of Applicant 6th, 12th, 13th	19b. Congressional Districts of Program 12th
20. Estimated Funding: Applicant must complete the Funding Matrix on Page 2.			
21. Is Application subject to review by State Executive Order 12372 Process? A. Yes <input type="checkbox"/> This preapplication/application was made available to the State Executive Order 12372 Process for review on: Date _____ B. No <input checked="" type="checkbox"/> Program is not covered by E.O. 12372 <input type="checkbox"/> Program has not been selected by State for review.			
22. Is the Applicant delinquent on any Federal debt? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If "Yes," explain below or attach an explanation.			

Funding Matrix

The applicant must provide the funding matrix shown below, listing each program for which HUD funding is being requested, and complete the certifications.

Grant Program*	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	Total
Section 108	3,000,000	1,050,000	2,000,000 (BEDI)	200,000 (EPA)			325,000 (DGI)		6,575,000
Grand Totals	3,000,000	1,050,000	2,000,000	200,000	0	0	325,000	0	6,575,000

* For FHIPs, show both initiative and component

Certifications

I certify, to the best of my knowledge and belief, that no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage of the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

This application incorporates the Assurances and Certifications (HUD-424B) attached to this application or renews and incorporates for the funding you are seeking the Assurances and Certifications currently on file with HUD. To the best of my knowledge and belief, all information in this application is true and correct and constitutes material representation of fact upon which HUD may rely in awarding the agreement.

23. Signature of Authorized Official

Name (printed)

John B. Brown, Jr.

Title

Assistant City Manager for Economic Development

Date (mm/dd/yyyy)

7/16/2003

CHECKLIST AND SUBMISSION TABLE OF CONTENTS

Public reporting burden for this collection of information is estimated to average 01 hours per response including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information collection requirements contained in the Notice of Funding Availability, in the Federal Register for the Brownsfield Economic Development Initiative (BEDI) program have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

The following checklist helps you to ensure that all of the required items have been submitted in order to receive consideration for funding. The applicant should assemble the application package in the order shown below, check off each item included in its submission package and note the corresponding page number where the response is located.

Check Off		Page Number
<input checked="" type="checkbox"/>	Application for Federal Assistance (HUD-424)	cover page 1
<input checked="" type="checkbox"/>	Transmittal Letter	cover page 2
<input checked="" type="checkbox"/>	Checklist and Submission Table of Contents	p. 1
<input checked="" type="checkbox"/>	Applicant Narrative Statement (3 pages)	p. 2
<input checked="" type="checkbox"/>	EDI/BEDI/108/CDBG Funding Eligibility Statement form (2 pages)	p. 5
<input checked="" type="checkbox"/>	<u>Request for Loan Guarantee Assistance</u> (check off one of the four options)	p. 7
<input checked="" type="checkbox"/>	Formal application	
<input type="checkbox"/>	Brief description; formal application to be submitted in 60 days	
<input type="checkbox"/>	Copy of previously submitted, but not yet approved, Section 108 application.	
<input type="checkbox"/>	Request for Section 108 loan guarantee amendment to increase previously amount	approved
<u>Response to Rating Factors</u>		
<input checked="" type="checkbox"/>	#1 Capacity of the Applicant and Relevant Organizational Experience	p. 15
<input checked="" type="checkbox"/>	#2 Distress/Extent of the Problem	p. 17
<input checked="" type="checkbox"/>	Distress/Extent of the Problem form (optional)	p. 19
<input checked="" type="checkbox"/>	#3 Soundness of Approach	p. 20
<input checked="" type="checkbox"/>	Project Timeline form	p. 27
<input checked="" type="checkbox"/>	#4 Leveraging Resources/Financial Need	p. 29
<input checked="" type="checkbox"/>	Sources and Uses Statement form	p. 30
<input checked="" type="checkbox"/>	#5 Results and Program Evaluation	p. 31
<u>Application Forms and Certifications</u>		
<input checked="" type="checkbox"/>	Section 108 Certifications	p. 39
<input checked="" type="checkbox"/>	Applicant Assurances and Certifications (HUD-424B)	p. 41
<input type="checkbox"/>	Certification and Disclosure Form Regarding Lobbying (SF-LLL)	p. _____
<input checked="" type="checkbox"/>	Applicant/Recipient Disclosure Update Report (HUD-2880)	p. 43
<input checked="" type="checkbox"/>	Certification Regarding Debarment & Suspension (HUD-2992)	p. 45
<input type="checkbox"/>	Certification of Consistency with EZ/EC Strategic Plan (HUD-2990)	p. _____
<input checked="" type="checkbox"/>	Certification of Consistency with the Consolidated Plan (HUD-2991)	p. 48
<u>Appendices</u>		
<input type="checkbox"/>	Written Agreements or Signed Letters of Understanding - Rating Factor 1	p. _____
<input checked="" type="checkbox"/>	Third Party Funding Commitment Letters - Rating Factor 4, subfactor 3	p. 50
<input checked="" type="checkbox"/>	Acknowledgment Application Receipt	



BEDI Narrative Statement

The 10-acre South Elm Street site, now a mix of vacant industrial uses and commercial venues, stands at the entrance to downtown from two major highways—immediately welcoming the visitor with a view of abandonment and disinvestment (see Attachment A for map of South Elm Street). Perhaps more discouragingly, the site creates a “moat” that separates nearby public housing and low-income, African-American neighborhoods to the southeast from private downtown development (see Attachment B for photos of site). Numerous private business interests have investigated the site for potential development. When a Phase II Environmental Assessment Report exposed the presence of petroleum and other contaminants from service stations, auto repair shops, coal gasification facilities, print shops, and the prominent mill and bakery complexes on the site, financial backing for the proposed development dissolved and the investors moved their project to a more affluent and less contaminated portion of downtown (see Attachment C for description of contamination).

Unless local government advocates for the development of this site, the area will continue to decay and private investment will likely continue to locate far from the neighborhoods that need it the most. To pinpoint the location of contamination at the South Elm Street site and to leverage funds for remediation, the City of Greensboro received a \$200,000 EPA Assessment Grant and intends to move aggressively toward the acquisition, remediation and development of this site. BEDI grant funds will be used to fund pre-development activities associated with the project. These activities include:

- **Land Acquisition and relocation.** The City will acquire options of 13 properties out of 15 (the City owns two properties). Total land acquisition costs are estimated at \$1,600,000.

- **Remediation.** Phase I and Phase II Environmental Assessment reports indicate that eleven out of fifteen parcels have environmental concerns ranging from possible underground storage tanks, the presence of vent pipes, soil staining, solvents left from print shops, asbestos, and lead based paint. These concerns are “low risk” according to EPA standards, but the diversity of contamination suggests that remediation will be costly. In fact, the environmental firm performing the Phase I and Phase II Environmental Site Assessments (ECS Environmental) estimates total remediation costs at \$2 million.
- **Eligible demolition, clearance, and site preparation activities.** Substantial demolition, filling, and grading will be required to prepare the South Elm Street for development. Total estimated costs for this work are \$500,000.
- **Soft costs.** The site will require replatting and new and/or upgraded infrastructure that will require extensive professional survey and engineering services. Total estimated soft costs are \$825,000.

The construction phase of the project will be funded solely by private funds, although local non-profits and the state have assistance programs for residential and commercial developers in the southeast portion of downtown. When complete, the project will have replaced the existing two residential structures at the site with approximately 140 new residential units (mostly multi-family). In addition, 489,000 square feet of commercial and office space will be intermixed with the residential construction (see Attachment D for design). Finally, the project will involve substantial upgrades or new construction of a “plaza” center and small parks as well as improvements to lighting, pedestrian paths, and streetscapes. Total private investment generated from the project is estimated at about \$86 million.

Activities funded with BEDI grant funds meet the National Objective to aid in the prevention or elimination of slums or blight on an area basis. The area meets criteria 24 CFR 570.208(b)(1)(i) which states that the area must meet a definition of a slum, blighted, or deteriorated area under state or local law. Blight is defined by North Carolina state Urban Redevelopment Law as a location where “there is a predominance of buildings or improvements...by reason of dilapidation, deterioration, age or obsolescence...or any combination of such factors, [that] substantially impairs the sound growth of the community...and is detrimental to the public health, safety, morals or welfare...” Activities funded with these BEDI grant funds meet the objective to address deteriorated buildings and conditions which contributed to the deterioration of the area [24 CFR 570.208(b)(1)(iv)], including environmental contamination, absentee landlordism, substandard building construction and deficient infrastructure. The project also addresses the National Objective to benefit low- and moderate-income persons using area benefit activities and meets the criteria of 24 CFR 570.208(a)(1)(i), which states that the activity benefits all residents in a particular area where at least 51% are low- and moderate-income persons.

The proposed assistance will not be used to provide funding to parties to remediate conditions caused by their own actions for which they have been determined to be legally responsible, where the public entity has been determined responsible for causation, or is responsible for the remediation as part of a settlement approved by a court or agency as specified in Section IV (E)(3) of the HUD BEDI Program Requirements. The South Elm Street site is not listed or proposed to be listed on EPA’s National Priority List or subject to unilateral administrative orders, court orders, administrative consent orders or judicial consent decrees issued or entered into by parties under the CERCLA, as amended or subject to the jurisdiction, custody or control of the United States government as described in Section IV(E)(4).



Attachment B: The South Elm Street Area



Photo 1. Panoramic photo of the North State Milling Company looking northward on South Elm Street.

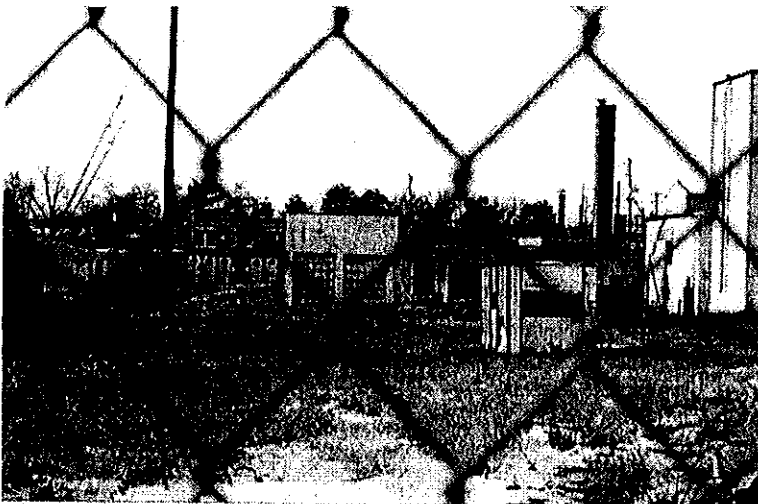


Photo 2. Vacant property behind the Jones Bakery Bakery complex.

Photo 3.
Picture of the
railroad line running
southward from
downtown and
separating the South
Elm Street site from
the adjacent St.
James
neighborhood.



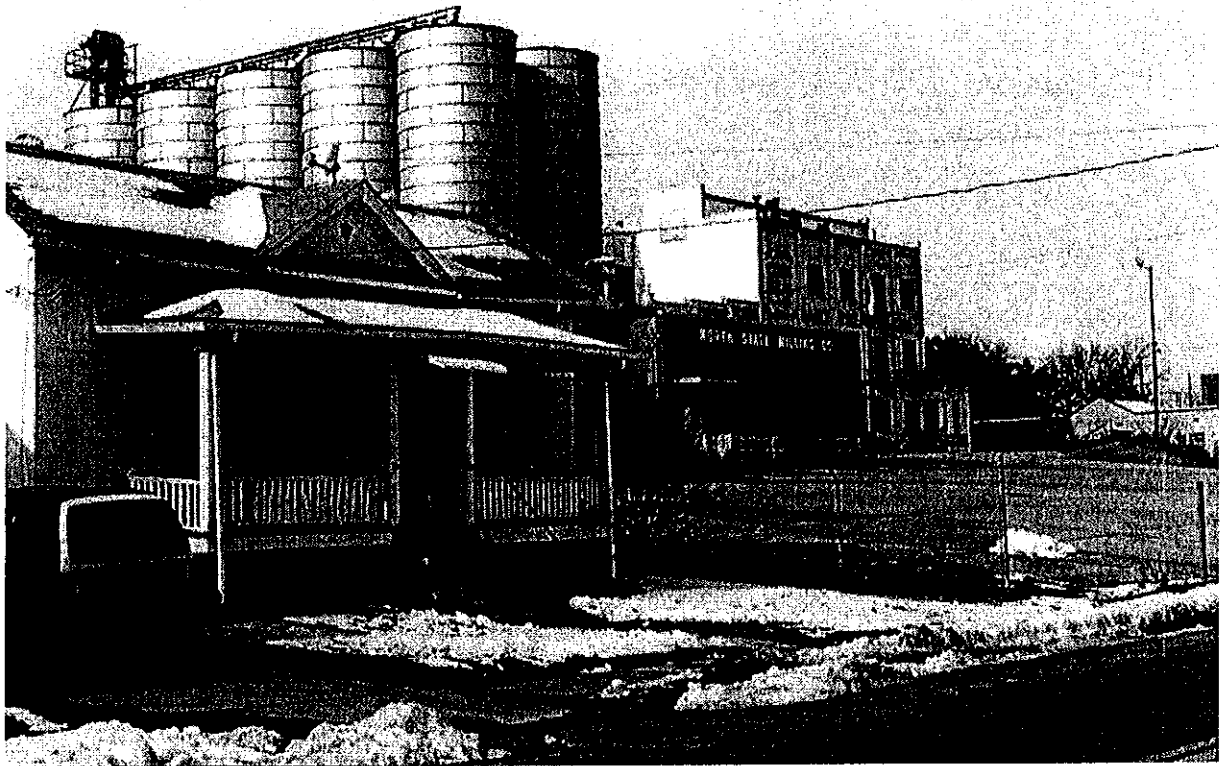


Photo 4. A rental house adjacent to the North State Milling Company Building. In the background stand grain silos that stored grain for distribution. Built in the 1910s, the building represents one of the oldest industrial buildings in the city. Because of its well-preserved condition, the building represents a key redevelopment opportunity for residential and/or office use.

Photo 5. A vacant lot with a view of the Southside Redevelopment Area in the background. The City of Greensboro has invested over \$5 million in the Southside Redevelopment Area and another \$20 million in the adjacent neighborhood of Ole Asheboro.



Attachment C: Description of South Elm Street Site Contaminants

Site Name, Address and Description

North State Milling Property

North State Mill, 800 – 820 South Elm Street (owned by North State Milling Company). The western portion of the site is developed with a four-story structure built in 1910, which operated as a roller mill. Until the last decade, the mill produced flour, bran, cornmeal, and livestock feed and was one of the oldest industrial enterprises in the city. The northeastern portion of the site was used as a gas station. Two underground storage tanks containing gasoline and diesel were removed from the mill in 1989. The entire site is currently vacant. Environmental concerns include the possible presence of existing underground storage tanks and asbestos and lead paint contaminants in the building structure.

Jones Brothers Bakery Complex

Jones Brothers Bakery Complex (owned by Wayne McDonald Contractor, Inc.), 701-723 South Elm Street, 424-506 Arlington Street, and 104-108 East Lee Street. The north and central portion of the property is developed with a large bakery and distribution complex built in 1925. The site was gutted by fire several years ago and remains vacant. At the northwestern portion of the property is an empty commercial building, formerly a seafood market. Prior to the market, a gasoline station once was located at the northwest corner. In addition, an auto repair shop was located at the southwestern portion of the bakery property. Environmental concerns at this site include the presence of several boiler rooms filled with drainage pipes, exhaust pipes, and vent pipes possibly associated with underground storage tanks. Additional vent pipes can be observed at the exterior of the building on the southwestern side. At least 5 underground storage tanks have been associated with the bakery complex containing both gasoline and fuel oil ranging in size between 3,000 and 6,000 gallons (none of the USTs appear to have been assessed for potential releases).

Gaddy Property

Gaddy Property, 112-124 East Lee Street. This site is developed with a commercial building occupied by an auto repair facility. The northern portion of the property consists of a pump island. To the south are propane tanks, an above ground storage tank, and several automobile tires. A cement cap can be seen in this area as well. Historically, several gasoline stations existed at the site prior to the auto shop. According to fire records, 5 underground storage tanks were removed from the site prior to 1990. Environmental concerns at this site include its historic use as a gas station and its current use as an auto repair shop.

Martin Property

William Martin property, 736 South Elm Street and 114 West Bragg Street. This site is developed with two large commercial buildings, one housing an auto repair facility and the other a Police Training Division. It appears that the property was formerly used by fuel companies and several generations of auto repair facilities. Environmental concerns include the presence of open concrete bins used as coal storage areas, approximately 30 abandoned automobiles, auto parts scattered across the site, a visible above-ground storage tank with staining and the possible presence of an underground storage tank. The auto repair facility is listed on the Resource Conservation and Recovery Act (RCRA) Notifiers List (no classification is listed for the facility).

Worth Property

Alex M. Worth, Jr. property, 730 South Elm Street. Prior to 1957, three coal companies and a stone crushing company occupied the western portion of the property. The eastern portion was developed with a residence and two commercial structures until the 1950s. After 1965, a Shamrock Gravure Products building, Atlantic Coal and Oil Company, and Innisbrook Wraps, Inc occupied two large commercial structures. Fire Department records indicate several paints, inks, pastes, powders, and 19 solvents associated with the printing presses on the property. It is currently developed with a commercial office building and a fenced-in warehouse with adjacent parking. Environmental concerns on this property include printing solvents, ink, waste, and the possible presence of two underground storage tanks and a large fuel oil tank.

Elm CCM Associates

Elm CCM Associates, 702, 714, 724, and 728 South Elm Street. Historically, this property was used by printing companies, and is now developed with a two-story commercial building and parking lot. Environmental concerns include

the use of inks, solvents, and wastes. The property at 728 South Elm Street (Shamrock Gravure Products) appears on the Resource Conservation and Recovery Act (RCRA) Notifiers List (no classification is listed).

Jeong Property

Dong Jeong property, 700 South Elm Street. This site was used as a residence until the 1950s, after which it was developed into a gas station and a motor repair facility. The property is currently undeveloped. In 1988, three underground storage tanks were removed from the site; however, Fire Department records indicate that four USTs were present at the site. Environmental concerns include documented petroleum impacted soil and groundwater contamination remaining on the property.

Agapion Property

William Agapion property, 121 and 123 West Lee Street. This site had been used primarily as a residential site until 1950, when it was developed with a storage building and a commercial building. A portion of the property is still currently developed with the vacant commercial building. Environmental concerns include the presence of monitoring wells on the site.

Dwiggins Property

Christopher Dwiggins property, 125 West Lee Street. Historically, the site appears to have been used by two coal companies as coal storage facilities for about 20 years, retail shops, and by several automobile repair shops. It is currently developed with a commercial building housing an auto repair facility. Environmental concerns include the possible presence of a 1000-gallon underground storage tank noted in Fire Department records. This property appears on the Resource Conservation and Recovery Act (RCRA) Notifiers List (no classification is listed).

Sierra Property

Cynthia Sierra property, 725 South Elm Street. The historic use of this property is not known. The site currently consists of a vacant gravel lot. Environmental concerns include an existing vent pipe and fill port at the northwestern portion of the property.

Gray Property

Stanley Gray property, 727 South Elm Street and 518 Arlington Street. The historic use of this property is not known. The site consists of a vacant gravel lot and undeveloped land. Environmental concerns include a large area of stained soil (12 by 8 feet) on the western portion of the property.

Harris Property

Kyle Harris property, 741 South Elm Street. Historically, this site has been used for several motor repair facilities. The site is currently developed with a commercial building, an auto repair shop and a storage facility. Environmental concerns include a large stained area visible behind the commercial building and the site's history of automotive repair activities.

Coe Property

Helen Harris Coe property, 113 East Bragg Street. This property is currently developed with a single-family residential building. This property does not appear to have visible or historically-based environmental concerns.

Walters Property

Charles Walters property, 520 Arlington Street. This property is developed with a single-family residential building. The property does not appear to have any visible or historically-based environmental concerns.

City of Greensboro Property

City of Greensboro property, 115 East Bragg Street and 524 Arlington Street. The historic use of this property is not known, except for a depressed square patch of grass and the remnants of a septic system that may indicate a residential use. The site is currently vacant and undeveloped. No other environmental concerns have been observed at this site.

EDI/BEDI/SECTION 108/CDBG FUNDING ELIGIBILITY STATEMENT

Page 1 of 2

Applicant: City of Greensboro, North Carolina
Project Name/Title: South Elm Street Brownfield Development

Public reporting burden for this collection of information is estimated to average 02 hours per response including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information collection requirements contained in the Notice of Funding Availability, in the Federal Register for the Brownsfield Economic Development Initiative (BEDI) program have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

Instructions: The applicant should first enter the total project cost (line 16). Then, working backwards, the applicant should enter the total costs paid with CDBG (line 14) and non CDBG-related funds (line 15). These two amounts should equal the total listed in line 16. Next, the applicant should enter dollar amounts on lines 1-13 in order to demonstrate among which eligible activities the EDI/BEDI, Section 108 or CDBG funds are to be allocated.

Eligible Activities 1/	EDI or BEDI	Section 108	CDBG 2/	Total
1 Acquisition of Real Property 24 CFR 570.703(a)	1,000,000	600,000		1,600,000
2 Rehabilitation of Publicly Owned Real Property 24 CFR 570.703(b)				
3 Payment of Interest 24 CFR 570.703(c)				
4 Relocation Payments 24 CFR 570.703(d)	250,000	150,000		400,000
5 Clearance, Demolition, Removal 24 CFR 570.703(e)	500,000	1,500,000		2,000,000
6 Site Preparation 24 CFR 570.703(f)	250,000	750,000		1,000,000
7 Payment of Issuance Fees 24 CFR 570.703(g)				
8 Housing Rehabilitation 24 CFR 570.703(h)				
* 9 Economic Development Activities 24 CFR 570.703(i) (and 570.203/.204)				
10 Construction of Housing 24 CFR 570.703(j)				
11 Debt Service Reserve 24 CFR 570.703(k)				
12 Public Facilities 24 CFR 570.703(l)				
13 Public Facilities - Colonias 24 CFR 570.703(m)				
14 Subtotal	2,000,000	3,000,000	0	5,000,000
15 Costs Paid with Non CDBG-Related Funds				1,575,000
16 Total Project Costs 3/				6,575,000

1/ The eligible Section 108 activities are defined in detail at 24 CFR 570.703.

2/ CDBG grants and program income other than EDI, BEDI or Section 108.

3/ This figure should match the total provided on the Sources & Uses statement.

EDI/BEDI/SECTION 108/CDBG FUNDING ELIGIBILITY STATEMENT

Applicant: City of Greensboro, North Carolina

Project Name/Title: South Elm Street Brownfield Development

National Objective 1/			
Single Project (check one only)		Loan Fund (check all that apply)	
<input type="checkbox"/>	Low-Mod Area Benefit	24 CFR 570.208(a)(1)	<input type="checkbox"/>
<input type="checkbox"/>	Low-Mod Limited Clientele	24 CFR 570.208(a)(2)	<input type="checkbox"/>
<input type="checkbox"/>	Low-Mod Area Housing	24 CFR 570.208(a)(3)	<input type="checkbox"/>
<input type="checkbox"/>	Low-Mod Job Creation/Retention	24 CFR 570.208(a)(4)	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Slum/Blight Area Basis	24 CFR 570.208(b)(1)	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Slum/Blight Spot Basis	24 CFR 570.208(b)(2)	<input type="checkbox"/>
<input type="checkbox"/>	Slum/Blight Urban Renewal	24 CFR 570.208(b)(3)	<input type="checkbox"/>
<input type="checkbox"/>	Urgent Need/Imminent Threat	24 CFR 570.208(c)	<input type="checkbox"/>

Public Benefit
<p>PLEASE NOTE: This section is applicable only to projects which plan to spend funds on eligible economic development activities as defined by 24 CFR 570.703(i).</p> <p>A. If this project will meet the public benefit standard based upon the number of jobs to be created [see 570.209(b)(3)(i)(A)], enter the total number of jobs:</p> <p style="text-align: center;"><input type="text"/></p> <p>B. If this project will meet the public benefit standard based upon the number of low- and moderate-income persons served in the project area [see 570.209(b)(3)(i)(B)], enter the number of low- and moderate-income persons living in the project area:</p> <p style="text-align: center;"><input type="text"/></p>

1/ The CDBG national objectives are defined in detail at 24 CFR 570.208.

Section 108 Guaranteed Loan Program

APPLICATION FORM

City of Greensboro, North Carolina

The City of Greensboro plans to borrow \$3,000,000 through the Section 108 Guaranteed Loan Program to fund the remediation, demolition, and site preparation for a mixed-use (residential, office and retail) center in the southern portion of downtown Greensboro.

1. Project Description

South Elm Street Redevelopment

Purpose: The South Elm Street Redevelopment project is brownfield redevelopment project in downtown Greensboro. The project area encompasses approximately 10 acres. The area currently contains three houses, a vacant mill building, a vacant and dilapidated bakery complex, and a number of small commercial buildings (mainly auto service shops).

The project includes the following principal activities:

- Acquisition of up to 13 properties for environmental remediation, clearance for new construction and rehabilitation.
- Demolition of up to 2 residential housing units.
- Construction of up to 10 new single-family homes.
- Construction of up to 200 new multifamily housing units (rental and sale).
- Rehabilitation of a mill building for 22-30 studio, office and/or residential units.
- Construction of approximately two miles of new streets and public utility systems.
- New sidewalks, street lighting and street trees.
- Provision of a large green space along with other smaller parks and open spaces throughout the area.
- Development of a “town center” with retail, office, residential and three large development anchors.
- Rezoning to allow for a mix of uses, building types and layouts as necessary.

Land and Improvement Ownership: The site is currently privately owned; however, Downtown Greensboro Incorporated (DGI), a subcontractor for the City of Greensboro tasked with downtown redevelopment activities, has made options for purchase previously on 13 of the 15 properties. The City of Greensboro will assume these options and purchase of the properties will be funded by the Section 108 loan and HUD BEDI grant funds. The City will be responsible for assessing and remediating environmental contamination, demolition and lot preparation, and ultimately selling the property for development (in coordination with DGI and other downtown agencies).

2. Sources and Uses

Pre-development

The project has an estimated pre-development budget of \$6.575 million.

**South Elm Street Redevelopment
Estimated Pre-development Budget (in millions rounded)**

Sources		Uses	
EPA Assessment Grant	\$0.2	Site Assessment	\$0.2
Section 108 Loan	3	Acquisition/Relocation	2
HUD BEDI	2	Environmental Remediation	2
City of Greensboro	1.05	Site Prep (demolition, grading)	1.325
DGI	0.325	Infrastructure	1.05
Total	\$6.575	Total	\$6.575

City of Greensboro Pre-development Funding

Sources	Amount
CDBG Section 108 Loan	3,000,000
City Transportation Funds (Powell Bill)	500,000
City of Greensboro Water Reserves	300,000
City of Greensboro Infill Development Fund	250,000
Total City Funding	\$4,250,000

Breakdown of Section 108 Loan Funds Allocation

Acquisition	600,000
Relocation	150,000
Remediation	1,500,000
Demolition, grading, property management	750,000
Total	3,000,000

Development

BEDI and Section 108 Loan funds have been designated for pre-development activities only. Private and philanthropic funds will be used for the actual development activities on the improved lots. Preliminary development plans for the site include 480,000 square feet of non-residential construction with a construction value of \$59 million and residential construction of 140 units with a construction value of \$12 million.

3. Project Structure and Participants

- The City will acquire property as necessary, assess and remediate contamination, and prepare sites for development, including any public infrastructure required. DGI, Inc. will assist with marketing and development services for private development activities.

4. Repayment Schedule

The preferred repayment schedule is a 10-year fully amortized loan with level payments. The loan principal will consist of \$3,000,000.

5. Collateral

The City of Greensboro will be proposing to offer as collateral the value of lots purchased with Section 108 Loan and BEDI grant funds as they are acquired. If additional collateral is required, the City will propose to offer the present value of our Housing & Community Development loan portfolio and the income stream off of that portfolio. As of June 30, 2003, this loan portfolio had a principle balance of \$25,781,899. The income stream off of this loan portfolio has averaged \$979,125 annually over the last five years.

6. Project Implementation

The City of Greensboro's goal in the redevelopment of South Elm Street is to sponsor a redevelopment process that unites several sectors of Greensboro's downtown community in a shared vision for the area. Adjacent neighborhoods, downtown economic development agencies, and local businesses have been invited into the planning process for the area. Downtown development agencies have sponsored programs and offered services to promote the redevelopment of the site.

In the pre-development phase, the City of Greensboro will purchase up to 30 privately owned properties at the site. Funds for the purchase of these sites will derive from Section 108 loan funds and HUD BEDI funds. Business and resident relocation processes will begin upon closing in accordance with HUD standards. These properties will be held during assessment activities and depending on the results of assessment, will move toward remediation in a phased process. The City will oversee the assessment and remediation and structure the phases for disposition. Finally, the City will prepare the site through demolition, grading, and infrastructure upgrades.

While the site is in the pre-development phase, the non-profit organization Downtown Greensboro, Inc. (a City contractor) will serve as the Master Developer for the development project, by coordinating private developers to complete each phase of the prepared property. Final ownership of property in this area will be mixed between private and non-profit developers, as well as individual homeowners. Some public ownership will likely remain, including any public buildings, open spaces, and public rights of way.

7. Eligible Activity

The proposed activities are eligible under Section 108, pursuant to 24 CFR 570.703 (a) acquisition; 24 CFR 570.703 (e) clearance and demolition; 24 CFR 570.703 (d) relocation; 24 CFR 570.703 (f) site preparation; and 24 CFR 570.703 (l) public infrastructure improvements.

8. National Objective

The redevelopment will accomplish the following primary objectives:

- Remove structurally substandard buildings;
- Eliminate blighting factors;
- Create a mixed-use, mixed-income downtown community;
- Provide improved lots for the construction of new homes and apartments; and
- Upgrade certain public improvements.

The activity(s) meet the national objective contained in 24 CFR 570.208 (b) (i) *Activities to aid in the prevention or elimination of slums or blight: Area basis*. There are few residents in the South Elm Street area and a handful of viable businesses. The area addresses criteria 24 CFR 570.208(b)(i) which states that the area must meet the definition of a slum, blighted or deteriorated area under state or local law. Blight is defined by North Carolina State Urban Redevelopment Law as a location where “there is a predominance of buildings or improvements...by reason of dilapidation, deterioration or obsolescence...or any combination of such factors, that substantially impairs the sound growth of the community, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals and welfare....”

Finally, the activities to be assisted with Section 108 Loan funds address one or more of the conditions which contributed to the deterioration of the area as stated in 24 CFR 570.208(b)(iv), including environmental contamination, absentee landlordism, substandard building construction and deficient infrastructure.

9. Public Benefit Standards

South Elm Street Redevelopment

Public benefit standards are not applicable.

10. Whom May We Contact

Caroline Wells, AICP
Redevelopment Planner
City of Greensboro, Housing and CD
300 W. Washington St., Room 315
Greensboro, NC 27402-3136
(336) 373-2509 phone
(336) 373-412-6315 fax
caroline.wells@ci.greenboro.nc.us

RESOLUTION AUTHORIZING CITY MANAGER TO SUBMIT A BROWNFIELD ECONOMIC DEVELOPMENT INITIATIVE (BEDI) GRANT APPLICATION AND A COMMUNITY DEVELOPMENT SECTION 108 LOAN APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE SOUTH ELM STREET AREA

WHEREAS, the City has recently been awarded a \$200,000 Brownfield Assessment Grant from the Environmental Protection Agency to initiate a more detailed study of the environmental conditions and potential reuse opportunities present in the South Elm Street area which was previously considered for a downtown stadium site;

WHEREAS, since the EPA grant is limited to assessment and planning activities, public funding identified for remediation of any contaminated sites is not yet available, nor is there any funding available for other initiatives to encourage new development;

WHEREAS, the U.S. Department of Housing and Urban Development is currently seeking applications from local governments for Brownfield Economic Development Initiative (BEDI) Grants;

WHEREAS, the maximum BEDI grant amount is \$2,000,000 and it must be requested in conjunction with a Section 108 Loan of at least equal amount;

WHEREAS, to be competitive, the Section 108 Loan should exceed the BEDI grant amount;

WHEREAS, eligible activities for the BEDI grant and Section 108 Loan funds include: site remediation, land write-downs, infrastructure improvements, funding reserves, enhancing the security of the 108 Loan, financing to businesses/developers, or any combination of these activities;

WHEREAS, City Staff are preparing a BEDI Grant and Section 108 Loan application for the South Elm Street area in collaboration with Downtown Greensboro, Inc., the City's lead agent for downtown planning and development;

WHEREAS, the Section 108 Loan application will require the City to guarantee payback of the principal and interest of the \$3,000,000 loan using future Community Development Block Grant (CDBG) funds;

WHEREAS, the City expects to realize a minimum of \$1,000,000 in lot sales revenues from the resale of the properties to private developers;

WHEREAS, the City is being asked to make a pre-development funding commitment in the amount of \$1,050,000 which would go towards preparing the project site for private development;

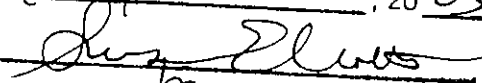
WHEREAS, it is in the best interest of the City to secure funding for the continued development of the downtown area.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

1. That the City Manager is hereby authorized to submit the application to the U.S. Department of Housing and Urban Development for a \$2,000,000 Brownfield Economics Development Initiative (BEDI) grant.
2. That the City Manager is hereby authorized to submit a Section 108 Loan application in the amount of \$3,000,000, including the commitment of \$1,050,000 of pre-development infrastructure improvement funding.
3. That the City intends to fund any remaining Section 108 loan debt service payments that are not covered by lot sales revenues from Community Development Block Grant Funds or the City General Fund.

The foregoing resolution was adopted
by the City Council of the City of
Greensboro, NC on

July 15, 2003


City Clerk

Responses to Rating Factors

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience

Applicant Capacity

a. CDBG/HOME/HUD programs

The City of Greensboro operates a comprehensive neighborhood revitalization and affordable housing development program using CDBG, HOME, local bond and general fund revenues. Twenty neighborhood revitalization areas have been designated, eleven of which have been completed. Within the nine currently active revitalization areas, the City has already utilized \$31 million in HUD and local funds to leverage over \$40 million in private investment in new housing, institutional and commercial development. Most of this investment has occurred within a one-mile radius of the South Elm Street area. Examples include “The Village” at Arlington Park, a new subdivision of 34 single family and twin home residences, and St. Leos Place, a 44-unit Low Income Housing Tax Credit development for seniors.

The City is currently implementing a \$3 million HUD Lead-Based Paint Elimination Grant, and has successfully implemented seven consecutive Continuum of Care funding awards (totaling over \$3.4 million) to provide homeless prevention facilities and services. As a key partner with the Greensboro Housing Authority, the City has also provided a \$12 million commitment to the Willow Oaks HOPE VI project and has successfully implemented a traditional neighborhood development plan (TND) for this \$75 million development effort.

b. Economic development projects

The City is currently implementing the redevelopment of the Southside neighborhood adjacent to the South Elm Street site. The Southside neighborhood combines existing historic house

rehabilitation with mixed-use new construction in a Neo-Traditional design. The neighborhood, which once contained significant contamination, has now sold 34 out of 117 total planned units and will begin a new phase of construction in September 2003. Tax revenues on the renovated historic houses have increased by 383% since 1997. Recently, the neighborhood won the American Planning Association's Implementation Award.

In addition, the City is working in the East Market Street redevelopment area, a historically African-American business corridor near North Carolina A & T State University, to promote the economic development of the corridor. Activities in this area include underwriting the construction of a new retail building on a former brownfield site, a façade loan program and the redevelopment of a federal Post Office distribution facility.

c. Timeliness

Greensboro consistently exceeds HUD requirements for timeliness in the commitment and expenditure of funds. The City maintains an aggressive project and expenditure monitoring system to ensure timely execution of all grant-funded programs, exceeding the 1.5 ratio requirement for expenditure of CDBG funds every year. As the lead entity of a HOME Consortium, the City also monitors and ensures compliance with HOME Program commitment and expenditure requirements for a five-jurisdiction housing consortium and has exceeded HOME requirements each year. Greensboro is also the lead entity for a successful eight-county HOPWA Consortium.

d. Community status

The City of Greensboro does not have Renewal Community/Empowerment Zone/Enterprise Community status; however, the South Elm Street site is located within a North Carolina State

Development Zone, an economic development program sponsored by the North Carolina Department of Commerce to stimulate investment in census tracts with 20% or more of its population at or below poverty level. Eligible businesses locating in the zone receive a \$4,000 tax credit per job created, 7% credit for investment in machinery and equipment, and up to \$1,000 per employee for worker training.

e. **Previous awards**

Greensboro has not previously received a BEDI or EDI award, but in April of 2002, the City received a Section 108-guaranteed loan commitment of \$7 million to complete work in its HOPE VI project. Expenditure of the 108 funds and the HOPE VI project as a whole has not experienced any significant delays. To date, almost \$3.5 million have been expended, primarily for site assembly and relocation. A prior \$1.3 million 108 loan project was completed and fully repaid.

Partner Capacity

Downtown Greensboro Inc. (DGI), the key economic development engine in Downtown Greensboro, is the City's primary partner in the redevelopment of South Elm Street. Since 1995, DGI has been directly involved in 17 completed projects, an estimated total investment for construction or renovation of almost \$35 million dollars. DGI is currently involved with 12 projects that will be completed within the next two years, accounting for a combined total of over \$50 million dollars investment in downtown revitalization. See Attachment E for a description of DGI's most recently completed and current projects.

Rating Factor 2: Distress/Extent of the Problem

1. **Current Levels of Distress:**

Greensboro has suffered substantial economic losses in the last five years, primarily affecting low and middle-income families working in the textile industry. While all of Greensboro would

certainly benefit from the redevelopment of South Elm Street, the area closest to the site will benefit most directly (see Attachment F for a map of area assessed and the “Distress/Extent of Problem” form on the next page). The South Elm Street area is based on proximity to the site up to a half-mile. All statistics cited below are derived from the 2000 U.S. Census unless otherwise specified.

2. Specific Indicators:

- **Poverty Rate.** The larger Elm Street area contains approximately 11,578 residents, 77% of which are minority. Poverty is pervasive in the South Elm Street community: 64% of individuals in the area live below the poverty level in 1999. Of all individuals living below the poverty level, 51% are children under the age of 18.
- **Unemployment Rate.** According to the U.S. Department of Labor statistics data, unemployment in the Greensboro--Winston-Salem--High Point metropolitan area has risen sharply from an annual rate of 2% in 1999 to 6.2% in 2002. Although unemployment information is not available at the census block level, the unemployment rate for the census tracts including the South Elm Street community (a population of 21,810) was 15% in 1999, far higher than Greensboro’s unemployment rate of 4% that year.
- **Consolidated Plan and Analysis of Impediments to Fair Housing Choice.** The City of Greensboro identified a number of housing and non-housing needs in the 2000-2004 Five Year Consolidated Plan. The 2000-2004 Plan cites the following needs, which in some cases may have become greater given recent economic downturns. It is expected that the South Elm Street redevelopment will have a positive impact on these unmet needs:
 - 1) **Need for quality affordable housing.** Land is scarce in Greensboro for affordable housing development. Half of Greensboro’s existing affordable housing stock was built

RATING FACTOR 2: DISTRESS/EXTENT OF PROBLEM
(optional form)

Public reporting burden for this collection of information is estimated to average 02 hours per response including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information collection requirements contained in the Notice of Funding Availability, in the Federal Register for the Brownsfield Economic Development Initiative (BEDI) program have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

Applicant: City of Greensboro, North Carolina

Project Name/Title: South Elm Street Redevelopment Area

Instructions: The applicant is required to provide information related to the poverty rate for the Target Neighborhood (the area in which EDI/BEDI assistance will be used) and the larger jurisdiction. In addition, the applicant may include optional indicators such as the unemployment rate, median income of persons each indicator. Use of data from the applicant's Consolidated Plan and/or its Analysis of Impediments to Fair Housing Choice (AI) is encouraged.

	Target		
Required Indicator	Neighborhood	Jurisdiction	Data Source & Date
1 <u>Poverty Rate</u>	<u>64%</u>	<u>12%</u>	<u>2000 U. S. Census</u>

	Target		
Optional Indicators	Neighborhood	Jurisdiction	Data Source & Date
2 <u>Unemployment</u>	<u>15% (Tract level)</u>	<u>4%</u>	<u>2000 U.S. Census</u>
3 <u>Median Income</u>	<u>20,504</u>	<u>\$34,681</u>	<u>2000 U.S. Census</u>
4 <u>Public Asst. Income</u>	<u>8%</u>	<u>3%</u>	<u>2000 U.S. Census</u>
5 <u>Children below Poverty Level</u>	<u>51%</u>	<u>16%</u>	<u>2000 U.S. Census</u>

Definitions: Describe how the areas are defined (i.e., city boundaries, census tracts, zip codes, etc.)

Neighborhood: 2000 U.S. Census blocks 1/2 mile from South Elm Street project site

Jurisdiction: City of Greensboro, North Carolina

before 1959, and new developments built by non-profit agencies are often several miles from the City's downtown, away from transportation networks, employment opportunities, and other city services and amenities.

- 2) **Need for affordable rentals.** Currently, 93% of Greensboro's rental units are occupied. A wide range of affordable rentals is necessary to meet the current need. According to the Consolidated Plan, 59% low and moderate income households have housing problems (either cost burdened or overcrowding).
- 3) **Need to improve the availability of commercial goods and services.** Both the lack of access to goods and services and the effect of a poor image on housing and commercial development were cited as needs in the Consolidated Plan.
- 4) **Predatory lending.** In addition to these unmet needs, Greensboro's Analysis of Impediments to Fair Housing Choice identified predatory lending as a major impediment to fair housing in Greensboro.

3. Other indicators. (included in discussion above)

Rating Factor 3: Soundness of Approach

1. Consistency/Appropriateness of Proposed Activities with Identified Needs

By controlling site acquisition, remediation, and disposition, the City of Greensboro will be able to control the outcome of the project and ensure that it addresses the identified needs of the local community. The project brings quantifiable measures to mitigate each of the factors indicating economic distress:

- **Poverty.** The South Elm Street area contains the most concentrated levels of poverty in the city. The proposed project will introduce new investment into the area and eliminate the perception that the area cannot support new investment. Moreover, it will enable children

now growing up in the area to see new housing and positive commercial venues within a walkable distance. A measure for understanding the effect of the project on poverty in the community is the number of households in the area living under the poverty level.

- **Unemployment.** With the introduction of three major development anchors and various commercial business spaces, the project will provide new employment opportunities for workers of all skill levels and educational backgrounds. In addition, the project will offer live-work units (residences over ground level businesses) that may offer self-employed workers affordable space to live and run a business.
- **Affordable housing (homeownership and rental).** Market rate and luxury units have had success in downtown residential construction; however the great need for housing priced between \$80,000-\$125,000 has not been addressed. The South Elm Street project will offer unit types for affordable homeownership. In addition, rental units for populations still working toward homeownership or in transition will be available. A measure for the success of the project is the number of affordable units for homeownership and rentals that are built and sold.
- **Availability of goods and services.** The South Elm Street area contains few services (mostly auto service) and one shop for goods (seafood). Just outside of the area are a number of restaurants, art galleries, and other downtown amenities; however, few offer the basic services needed by adjacent neighborhoods. By filling commercial spaces in South Elm with these services, residents will not have to travel to other areas of the city to meet basic needs. A measure for the project is the number of goods and service outlets locating to the South Elm Street project.

- **Fair Housing.** The City of Greensboro intends to further fair housing opportunities for persons on the basis of race, color, national origin, sex, familial status, or disability through requirements within the development agreement. This agreement will be enforced by the City with periodic assessments of the extent to which affordable and accessible housing opportunities are provided. In addition, the City will ensure that employment, housing and other benefits of the HUD BEDI grant are made available to those individuals and families living at or near the brownfields site prior to its development.

a. **National Objectives**

The redevelopment of South Elm Street meets the National Objective contained in 24 CFR 570.208 (b)(1)(i) *Activities to aid in the prevention or elimination of slums or blight: Area basis.* Few housing opportunities and only a handful of viable businesses currently exist in the South Elm Street area. The area meets the definition of a slum, blighted or deteriorated area as defined by North Carolina State Urban Redevelopment Law. Project activities will also address one or more of the conditions which contributed to the deterioration of the area as stated in 24 CFR 570.208(b)(1)(iv), including environmental contamination, absentee landlordism, substandard building construction and deficient infrastructure.

The South Elm Street project will alleviate the existing blight in the area, including health and safety hazards as well as functional and economic obsolescence. Specific measures to show how this National Objective is achieved include: the number of blighted properties assessed and remediated, the number of properties sold for disposition according to the development plan, and the number of dilapidated structures demolished or rehabilitated.

b. Policy Priorities

Bringing private capital into distressed communities. The South Elm Street site separates adjacent neighborhoods from private downtown development activities. Residents struggle to maintain existing investment and usually are forced to travel to other areas of the city for basic services. By offering remediated and development-ready space for new business location and growth, the South Elm Street project will bring a substantial amount of private capital into a community in desperate need of investment.

Construction and rehabilitation of housing. The South Elm Street project includes rehabilitation for housing (or studio space) and new construction of approximately 150 new housing units. These units will be designed and priced to serve all income levels and family types. The project will utilize designs and site plans that present a variety of housing options, including units for the disabled and the elderly. Design features include first floor units, handicapped-equipped kitchens and bathrooms, and accessibility to parking, shops, and greenspaces. In addition, programs to assist minority or Limited English Proficiency will be advertised throughout the marketing of the project. The City will encourage eligible buyers to enroll in its Housing Counseling Service and Affordable Home Loan program.

2. Feasibility and Demonstrable Benefits

The South Elm Street project should be completed within five years of receiving funds for pre-development work as outlined by the following implementation steps:

a. Implementation steps

- Environmental investigation. Because Phase I and Phase II Environmental Site Assessment Reports have already been performed at the site, the general location, nature and level of contamination have been identified. Additional assessment work will focus on those parcels

that appear to be particularly contaminated, such as the Jones Bakery parcel. No on-going litigation or environmental enforcement actions are known to exist at the site. As experienced in the Southside redevelopment area, however, assessments do not always locate every potential contamination source; therefore, additional assessment activities will begin in the fall of 2003.

- **Site control.** The City of Greensboro currently owns two parcels out of fifteen parcels within the project boundaries. Options on the remaining properties are currently being negotiated by DGI with property owners. This should be complete before the HUD BEDI awards are announced.
- **Regulatory approvals.** Most of the site is already zoned Central Business which permits all of the uses proposed for the project. Should additional zoning tools, such as a pedestrian overlay district, seem beneficial to the project, the City of Greensboro will present such information to the Zoning Board. The project is not expected to generate a need for general or special use permits, assessment district designations, or public easements beyond that which is routinely performed in all redevelopment projects. Environmental regulatory approvals will be acquired as each parcel completes the remediation process and is prepared for development.
- **User agreements.** No development agreements have been sought for the South Elm Street project at this time. Once environmental assessment has been completed and a schedule set for remediation, user agreements will be secured.

b. **Timing and delivery of project benefits**

- i. **Project benefits.** Environmental contamination, absentee landlordism, dilapidated structures, and inadequate infrastructure plague the South Elm Street site. In turn, the site itself inhibits

downtown economic development efforts from reaching nearby neighborhoods that are in need of services, affordable housing choices, job opportunities, and a promising cultural environment. Addressing these problems will require a phased schedule for completion and to achieve each benefit. Each phase of the project is described below

Assessment/Acquisition/Remediation Phase - (completed in 1-3 years) Environmental contamination is suspected to be most concentrated in five parcels at the site and range from the visible drainage pipes, exhaust pipes, numerous underground storage tanks, open concrete bins, 30 abandoned automobiles, and solvents from paint and printing presses. In addition, a number of the existing buildings are believed to contain asbestos, although testing has shown that this is not extensive. This phase will be funded by HUD BEDI and Section 108 funds. Measurable economic benefits of this phase include the approval of 15 formerly vacant and/or contaminated land parcels for development and the removal of 12 vacant or under-utilized structures.

Pre-Development Phase - (completed in 1-4 years) Because the infrastructure of the South Elm Street site is insufficient to support new development, the City will replace or upgrade existing water and sewer lines, sidewalks and bus stops, and streets and parking areas. Additional site work, such as grading and fill, may be needed to even out slopes at the site in preparation for disposition. Site preparation work will be funded through HUD BEDI and Section 108 funds. Infrastructure work, such as water and sewer improvements, park and streetscape improvements will be funded by general revenue and other City sources of funding. Measurable economic benefits of this phase include the preparation of 15 parcels for development and the percentage of increased capacity for new residential, commercial and office uses at the site.

Rehabilitation/Construction Phase – (completed in 1-5 years) The mixed use project must meet the needs of adjacent economically distressed neighborhoods while increasing the tax base and

contributing to quality downtown development. Rehabilitation on the North State Mill complex for studios or housing can begin as soon as the building is cleared for asbestos and lead paint (within 1 year). Measurable economic benefits of this effort include the creation of 27 new housing or studio units and the increased tax revenue derived from the rehabilitation. Construction on the remainder of the site will begin in year 3 and should be completed or substantially completed by year 5. This phase will be privately funded; however, the development will be required to comply with the City's development plan for the area. The development plan will require residential units to meet the Energy Star standard for energy efficiency as well as provide for affordability and quality in design. Measurable benefits of this phase include the creation of approximately 143 residential units, the percentage of these units that are affordable to low and moderate income households, the percentage of units that utilize increased energy efficiency, the creation of 489,000 square feet for office and commercial use, and the estimated leverage of \$86 million in private investment. Additional economic benefits include the number of jobs created at the site and the amount of new services or goods provided through new business.

- ii. **Project schedule** The pre-development phase of the project is expected to be completed in phases within five years (see Project Timeline next page). Assessment activities funded by the Environmental Protection Agency must be completed within two years of receipt of the grant funds (by fall 2005). Because assessment activities have already begun at the site, it is believed that they can be completed fully within one and one-half years. Acquisition will begin as soon as 108 funds and BEDI funds are received and are necessary to initiate relocation and remediation activities. Because options are already being negotiated, it is expected that land acquisition will be complete within two years, although some transactions may take more time to close and have been factored into the timeline. As sites move toward environmental clearance, site preparation

RATING FACTOR 3: SOUNDNESS OF APPROACH PROJECT TIMELINE

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Applicant: City of Greensboro, North Carolina

Project Name/Title: South Elm Street Redevelopment Area

Tasks/Activities	Year 1				Year 2				Year 3				Year 4				Year 5				EDI/BEDI/ 108 Funds for Task	Other Funds for Task				
	1Q		2Q		3Q		4Q		1Q		2Q		3Q		4Q		1Q		2Q				3Q		4Q	
1 Environmental Assessment																									\$200,000	
2 Land Acquisition																									\$1,600,000	
3 Relocation																									\$400,000	
4 Environmental Remediation																									\$2,000,000	
5 Site Preparation																									\$500,000	
7 Infrastructure Improvements																									1,050,000	
8 Soft Costs																									500,000	
TOTAL																									\$5,000,000	
																									\$1,575,000	

activities and infrastructure improvements will be added in phases. Finally, soft costs such as survey and engineering work will likely be necessary throughout the pre-development phase.

3. **Section 108 Application** This BEDI application is accompanied by a full and complete Section 108 application.

4. **Financial Feasibility/Need**

1. **Project costs and requirements.** The attached funding sources and uses statement specifies the sources of funds for each activity as well as project costs.

2. **Use of BEDI and 108 funds.** The critical gap in the South Elm Street project is in the site assembly and remediation phase. The City has located funds for assessment activities and has the resources and expertise available to upgrade infrastructure and prepare the site for redevelopment. Because most developers in Greensboro are unfamiliar with brownfield sites and environmental remediation of this scope, it is unlikely that the City could write-down the unimproved land enough to make it attractive for quality development by the private sector without City intervention.

3. **Funding criteria.** In estimating funding needs, the City of Greensboro assessed the costs associated with land assembly and relocation by examining the recent sales in the project area and the number of residents and businesses and comparing it to experiences on projects in similar areas (such as Southside). Remediation estimates are based on professional opinion provided by the environmental consultants performing the assessment work. Site preparation and infrastructure costs are based on previous experience, on rates charged by City contractors for this work, and on estimates from appropriate City departments (Transportation, Water and Sewer, and Engineering and Inspections). The City established how much debt service on the Section 108 loan it could reasonably afford, how much city revenue and other funding sources could be contributed to the

project. The remaining gap of \$2 million established the need for federal assistance in moving the development toward implementation.

Rating Factor 4: Leveraging Resources

1. **Leverage of Section 108 funds.** The City of Greensboro is applying for a \$3 million Section 108 loan in conjunction with this application. By City Council resolution (see Attachment G), the City has committed to the repayment of the 108 loan from either future CDBG grant funds or other City funding sources.
2. **Leverage of other financial resources.** The City of Greensboro is prepared to provide funds, administrative support, project management, mapping, and engineering services, and materials to ensure the success of the South Elm Street project (see Sources and Uses statement, next page). As mentioned above, the City has committed to \$1.05 million from General Revenue and Powell Bill funds (from the North Carolina Department of Transportation) to the improvement of utilities, infrastructure, and other site preparation work. In addition, the City has received an EPA Assessment Grant for \$200,000 and will have an agreement with the EPA in the fall. Finally, once land assembly is complete and prepared for disposition, the City expects revenue from land sales (depending on market value at that time) between \$3-5 million.

The City has financing and in-kind service commitments from private partners as well. Downtown Greensboro, Inc. will fund design consultant services for the project valued at \$75,000. In addition, the agency will donate in-kind services such as research, planning work, and marketing as needed throughout each phase of the project. These contributions have been

**RATING FACTOR 4: LEVERAGING RESOURCES/FINANCIAL NEED
SOURCES & USES STATEMENT**

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Applicant:		City of Greensboro, North Carolina	
Project Name/Title:		South Elm Street Redevelopment	
Sources		Amount	Uses
Federal			
	BEDI	2,000,000	Assessment
	Section 108	3,000,000	Acquisition of Real Property
	EPA	200,000	Relocation
			Site Preparation
			Infrastructure
			Remediation
			Soft Costs
State/Local			
	Powell Bill (Transportation) Funds	500,000	
	City Water Reserves	300,000	
	City Infill Development Fund	250,000	
Private (include debt financing)			
	Downtown Greensboro, Inc.	325,000	
TOTAL:		6,575,000	TOTAL:
			6,575,000

Instructions: Fill in the dollar amounts corresponding to each project source in the Amount column on the left half of the table. Sources of funding not listed should be added under the relevant category (Federal, State/Local, Private). For each of the project uses (on the right half of the table), fill in the dollar amount to be spent in the Amount column. Add additional uses in the blank lines at the bottom of the Uses column.

valued at \$250,000 for a total contribution of \$325,000 (see Appendix for third party funding commitment letter). Once the construction phase is underway, Downtown Greensboro will market its Downtown Residential Incentive program to developers building housing in the area. This program covers construction interest up to \$7000 over two years while housing is marketed. For 143 total planned units in the area, this contribution could be as high over \$1 million.

Rating Factor 5: Achieving Results and Program Evaluation

The City intends to maintain control over the outcome of the South Elm Street project to maintain the community vision, provide a level of affordability in housing, introduce new goods and service, and to strengthen the quality of life for residents in the area. Attached is a Logic Model that outlines the specific benchmarks and objectives that the City will monitor as the project moves through each phase. The most apparent problem that has been defined for the area include the presence of contaminated properties, vacant lots, and dilapidated structures located near downtown neighborhoods. Activities to address this problem include environmental assessment, land assembly, and environmental remediation. Benchmarks for these activities will be the approval for development of all 15 properties suspected of contamination. In addition, the removal of the 12 dilapidated, vacant, and underutilized buildings in the area will demonstrate improvement in addressing this problem. The end goal is to remediate the site completely within three years. This will be measured by quarterly monitoring system that will assess the number of environmental clearances received and structures demolished or rehabilitated and reported in a quarterly report and project database.

Additional problems defined for this project include the lack of affordable rentals and homeownership opportunities and the lack of neighborhood businesses near the downtown. Activities to address this problem include selling land for development for affordable housing construction or rehabilitation and selling land for the development of neighborhood service businesses. Benchmarks to measure these activities include the development of 50 new affordable rental/homeownership units and 7 new goods and neighborhood business service outlets. Outcomes expected in the project include the long-term redevelopment of the impacted area correlated with the needs of the local community. Achievement of this goal will be evaluated through annual evaluations of affordability and reported in the project's annual report.

Effective program management is the major goal for the South Elm Street project. This goal involves clear compliance and reporting to HUD and other agencies and adherence to the vision for the project by the community. The history of participation in planning for downtown neighborhoods has not been strong, but is seeing new interest with the South Elm Street project. Activities to foster strong program management include public planning sessions and demonstration of compliance with BEDI/HUD guidelines. Benchmarks include holding 5 public planning/information events, 100% compliance with BEDI/HUD guidelines, and 100% timely submissions of reports. In evaluating the level of achievement for this goal, the City will look at the project plan development (event feedback, numbers of attendees at public meetings) and quarterly evaluations to ensure that the tasks of the projects are completed efficiently. If tasks are not achieved within the expected timeframes, the City will have to assess the basis for the delay.

Program Name:		Brownfield Economic Development Initiative									
Community Development Block Grant		Component Name:									
Strategic Goals	Policy Priorities	Problem, Need, Situation	Service or Activity	Benchmarks		Outcomes		Measurement Reporting Tools	Evaluation Process		
				Output Goal	Output Result	Achievement Outcome Goals	End Results				
Policy		Planning		Intervention		Impact		Accountability			
3	2	1. Contaminated properties, vacant lots, and dilapidated structures located near neighborhoods and downtown business core. 2. Lack of affordable rentals and homeownership opportunities near downtown business core. 3. Lack of neighborhood service businesses. 4. Weak local participation in the planning process. 5. Effective program/project management.	1. Environmental assessment, land assembly, environmental remediation Land sale or transfer for development of affordable housing Land sale or transfer for development of neighborhood service businesses Public planning sessions Compliance with BED/HUD guidelines, submission of reports	4	5	6	7	8	9		
1,2,4,6	1,2,3,4,7,8			4	5	6	7	8	9		
3	2			4	5	6	7	8	9		
3,6	2,4			4	5	6	7	8	9		
5				4	5	6	7	8	9		

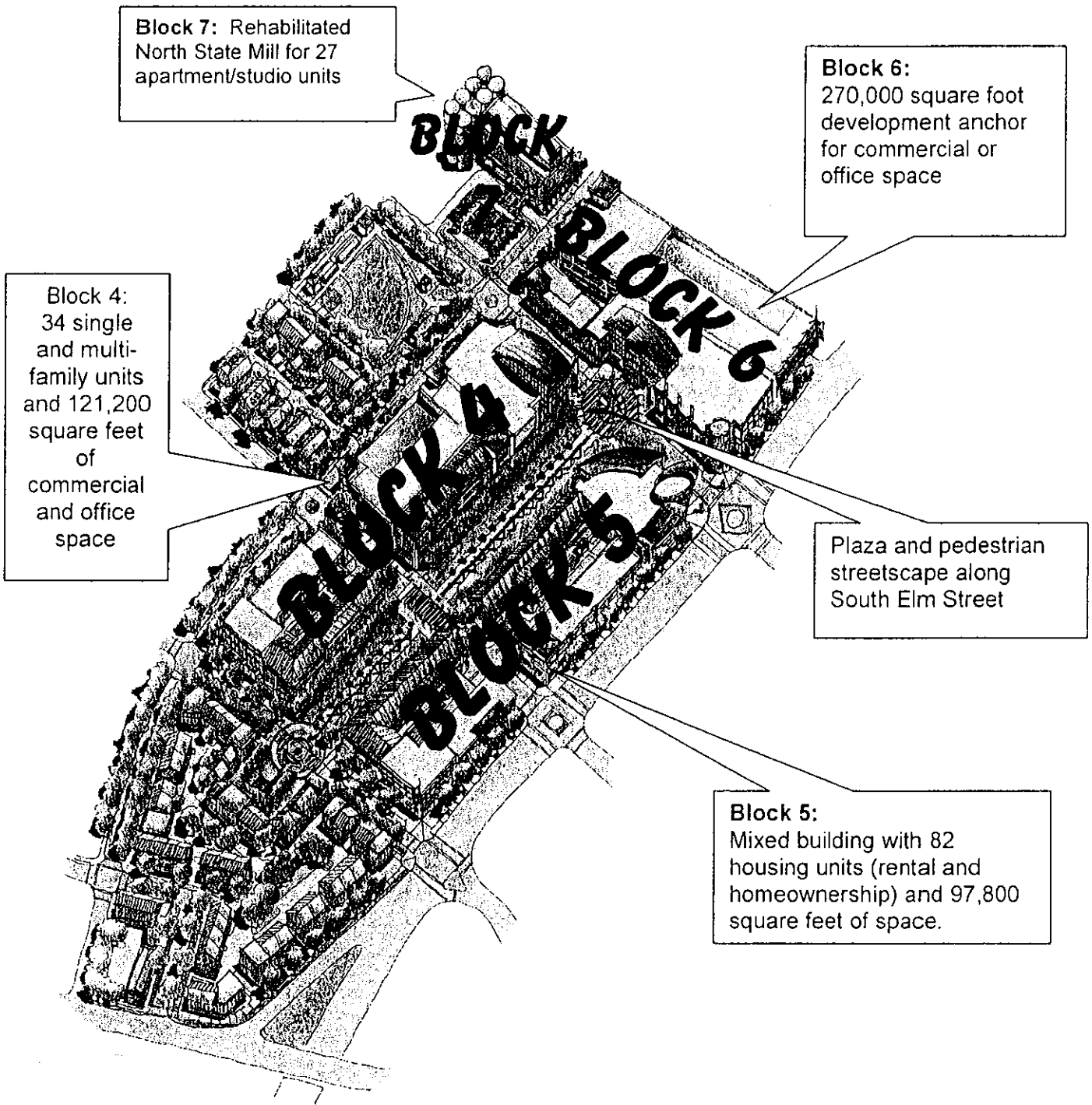
Policy Priorities

1. Providing Increased Homeownership and Rental Opportunities for Low- and Moderate-Income Persons, Persons with Disabilities, the Elderly, Minorities, and Families with Limited English Proficiency
2. Improving the Quality of Life in our Nation's Communities
3. Encouraging Accessible Design Features
4. Providing Full and Equal Access to Grass-Roots Faith-Based and Other Community-Based Organizations in HUD Program Implementation.
5. Improving Housing Conditions in Colonias
6. Increasing Participation of Minority Serving Institutions in HUD Programs
7. Increasing Participation in Energy Star
8. Ending Chronic Homelessness in Ten Years

HUD's Strategic Goals

1. Increase homeownership opportunities
2. Promote decent affordable housing
3. Strengthen communities
4. Ensure equal opportunity in housing
5. Embrace high standards of ethics, management, and accountability
6. Promote participation of grass-roots faith-based and other community-based organizations

Attachment D: South Elm Street Design



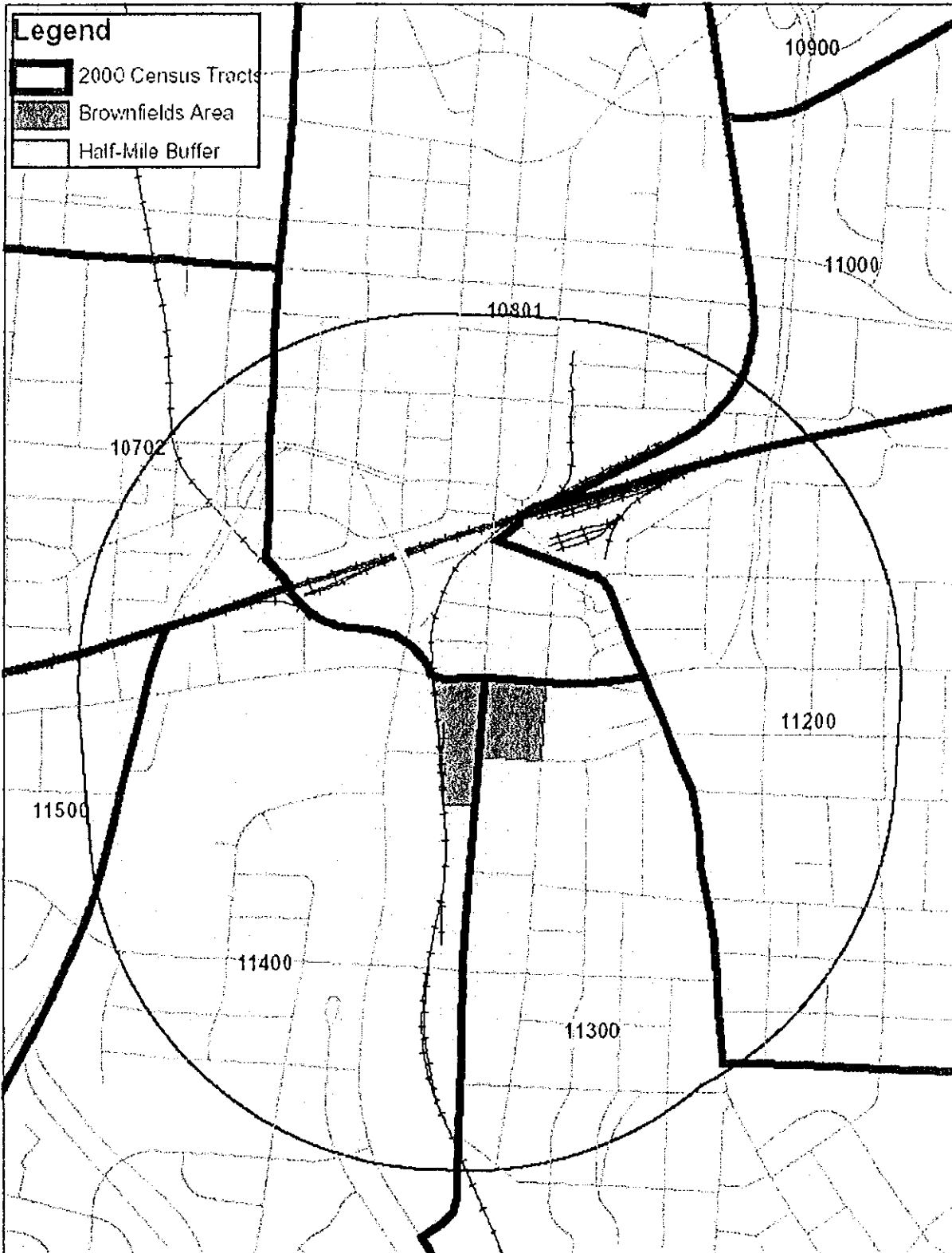
Attachment E: Downtown Greensboro, Inc. Projects

- **Elm Street Center:** A once abandoned department store in downtown adapted for reuse as a convention center with storefront restaurants, cafes and a comedy club. DGI purchased an option on the building, created a concept design for the building's reuse, assembled local private investment dollars, implemented the plan, and assisted the ownership in applying for National Historic Register standing and renovation tax credits. Elm Street Center is six blocks from the South Elm Street project site and was completed in just over a year.
- **Center City Park:** DGI is currently working with Action Greensboro and the Project for Public Spaces (consultants from New York) to facilitate the design and construction of an active, urban park at the confluence of downtown's two main streets. Site preparation is to begin within the next three months and the project's anticipated completion date is in July of 2005. The Downtown Park site is 8 blocks from the South Elm Street project site.
- **The Southside Neighborhood:** DGI facilitated the construction process through the management and operation of the "Residential Incentive Fund," a construction loan guaranty program that allows developers to borrow money to build spec units without pre-sales. Because banks would only fund two spec units at a time, this fund became particularly crucial when the project was just beginning and buyers were tentative about being the first to locate in this new downtown neighborhood. The residential fund enabled Southside's developer to build a "critical mass" of units to stimulate sales. As previously mentioned, Southside has now sold approximately one-third of its total planned units. The Southside Neighborhood borders the South Elm Street project site.



Attachment F: Map of Areas Assessed for Distress and Project Benefits

Census Tracts within One-Half Mile of Brownfields Site



RESOLUTION AUTHORIZING CITY MANAGER TO SUBMIT A BROWNFIELD ECONOMIC DEVELOPMENT INITIATIVE (BEDI) GRANT APPLICATION AND A COMMUNITY DEVELOPMENT SECTION 108 LOAN APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE SOUTH ELM STREET AREA

WHEREAS, the City has recently been awarded a \$200,000 Brownfield Assessment Grant from the Environmental Protection Agency to initiate a more detailed study of the environmental conditions and potential reuse opportunities present in the South Elm Street area which was previously considered for a downtown stadium site;

WHEREAS, since the EPA grant is limited to assessment and planning activities, public funding identified for remediation of any contaminated sites is not yet available, nor is there any funding available for other initiatives to encourage new development;

WHEREAS, the U.S. Department of Housing and Urban Development is currently seeking applications from local governments for Brownfield Economic Development Initiative (BEDI) Grants;

WHEREAS, the maximum BEDI grant amount is \$2,000,000 and it must be requested in conjunction with a Section 108 Loan of at least equal amount;

WHEREAS, to be competitive, the Section 108 Loan should exceed the BEDI grant amount;

WHEREAS, eligible activities for the BEDI grant and Section 108 Loan funds include: site remediation, land write-downs, infrastructure improvements, funding reserves, enhancing the security of the 108 Loan, financing to businesses/developers, or any combination of these activities;

WHEREAS, City Staff are preparing a BEDI Grant and Section 108 Loan application for the South Elm Street area in collaboration with Downtown Greensboro, Inc., the City's lead agent for downtown planning and development;

WHEREAS, the Section 108 Loan application will require the City to guarantee payback of the principal and interest of the \$3,000,000 loan using future Community Development Block Grant (CDBG) funds;

WHEREAS, the City expects to realize a minimum of \$1,000,000 in lot sales revenues from the resale of the properties to private developers;

WHEREAS, the City is being asked to make a pre-development funding commitment in the amount of \$1,050,000 which would go towards preparing the project site for private development;

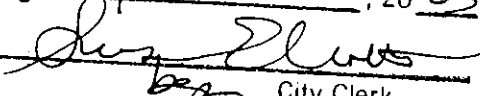
WHEREAS, it is in the best interest of the City to secure funding for the continued development of the downtown area.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

1. That the City Manager is hereby authorized to submit the application to the U.S. Department of Housing and Urban Development for a \$2,000,000 Brownfield Economics Development Initiative (BEDI) grant.
2. That the City Manager is hereby authorized to submit a Section 108 Loan application in the amount of \$3,000,000, including the commitment of \$1,050,000 of pre-development infrastructure improvement funding.
3. That the City intends to fund any remaining Section 108 loan debt service payments that are not covered by lot sales revenues from Community Development Block Grant Funds or the City General Fund.

The foregoing resolution was adopted
by the City Council of the City of
Greensboro, NC on

July 15, 2003


City Clerk

City of Greensboro, North Carolina
Section 108 Application

Certifications:

- In accordance with 24 CFR 570.704(b)(3), the City of Greensboro certifies that it possesses the legal authority to make the pledge of grants required under 24 CFR 570.705(b)(2).
- In accordance with 24 CFR 570.704(b)(4), the City of Greensboro certifies that it has made efforts to obtain financing for activities described in the application without the use of the loan guarantee, that it will maintain documentation of such efforts for the term of the loan guarantee, and that it cannot complete such financing consistent with the timely execution of the program plans without such guarantee.
- In accordance with 24 CFR 570.704(b)(8), the City of Greensboro certifies that:
 - It possesses the legal authority to submit the application for assistance under this subpart and to use the guaranteed loan funds in accordance with the requirements of this subpart.
 - Its governing body has duly adopted or passed as an official act a resolution, motion or similar official action:
 - Authorizing City Manager or Designee as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing City Manager or Designee to act in connection with the application to provide such additional information as may be required; and
 - Authorizing City Manager or Designee to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto.
 - Before submission of the application to HUD, it has:
 - Furnished citizens with information required by 24 CFR 570.704(a)(2)(i); and
 - Held at least one public hearing to obtain the views of citizens on community development and housing needs; and
 - Prepared its application in accordance with 24 CFR 570.704(a)(1)(iv) and made the application available to the public.
 - It is following a detailed citizen participation plan that meets the requirements described in 24 CFR 570.704(a)(2).
 - It will affirmatively further fair housing and the guaranteed loan funds will be administered in compliance with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq.) and the Fair Housing Act (42 USC 3601-3619).

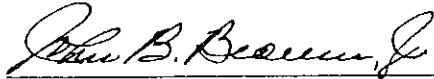
City of Greensboro, North Carolina
Section 108 Application

Certifications (Continued):

- In the aggregate, at least 70 percent of all CDBG funds, as defined at 24 CFR 570.3, to be expended during the three consecutive years following receipt of funds for its CDBG program will be for activities which benefit low and moderate income persons, as described in criteria at 24 CFR Section 570.208(a).
- It will comply with the requirements governing displacement, relocation, real property acquisition and the replacement of low- and moderate-income housing described in 24 CFR 570.606.
- It will comply with the requirements of 24 CFR 570.200(c)(2) with regard to the use of special assessments to recover the capital costs of activities assisted with guaranteed loan funds.
- It will comply with the other provisions of the Act and with other applicable laws.

John B. Brown, Jr.

Typed Name of Authorized Representative



Signature of Authorized Representative

Assistant City Manager

Title

7/16/03

Date

Applicant Assurances and Certifications U.S. Department of Housing and Urban Development

OMB Approval No. 2501-0017
(exp. 03/31/2005)

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or an individual must provide the following assurances and certifications. By signing this form, you are stating that to the best of your knowledge and belief, all assertions are true and correct.

As the duly authorized representative of the applicant, I certify that the applicant [Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature]:

Name: John B. Brown, Jr., Title: Asst. City Manager
Organization: City of Greensboro, Date: 7/16/03

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.
2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR Part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).
3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR Part 8, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.

6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.

7. Will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an on-going drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The applicant's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required in Paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

**Applicant Assurances and
Certifications (Continued)**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2501-0017
(exp. 03/31/2005)

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee has worked, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted--

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(h) The applicant may insert in the space provided below the site(s) for the performance of work or may provide this information in connection with each application.

(i) Place of Performance (street address, city, county, state, zip code)

8. In accordance with 24 CFR Part 24, and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three year period preceding this proposal, been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in the preceding paragraph of this certification; and

(d) Where the applicant is unable to certify to any of the statements in this certification, an explanation shall be attached.

(e) Will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the HUD without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

These certifications and assurances are material representations of the fact upon which HUD can rely when awarding a grant. If it is later determined that I, the applicant, knowingly made an erroneous certifications or assurance, I may be subject to criminal prosecution. HUD may also terminate the grant and take other available remedies.



Assistant City Manager
for Economic Development

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing
and Urban Development

OMB Approval No. 2510-0011 (exp. 06/30/2003)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information

Indicate whether this is an Initial Report or an Update Report

1. Applicant/Recipient Name, Address, and Phone (include area code): City of Greensboro, North Carolina PO Box 3136 Greensboro, NC 27402-3136 (336) 373-2349	2. Social Security Number or Employer ID Number: 56-6000230
3. HUD Program Name Community Development Block Grant/Brownfield Economic Development Initiative	4. Amount of HUD Assistance Requested/Received \$2,000,000.00
5. State the name and location (street address, City and State) of the project or activity: South Elm Street Brownfield Development, Greensboro, NC	

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. **However,** you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds
See attachment			

(Note: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

- All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)
Cooper Cary, Inc. 3520 Piedmont Parkway Road NE Suite 200 Atlanta, GA 30305 Attn: Kevin R. Cantley, AIA	58-086-3313	Consultant	\$75,000 (1.1%)

(Note: Use Additional pages if necessary.)

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

Signature: <i>John B. Beaman, Jr.</i>	Date: (mm/dd/yyyy) 7/16/2003
------------------------------------------	---------------------------------

Part II

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds
A. Governmental Assistance			
Environmental Protection Agency 1301 Constitution Avenue Rm. 2402 Washington DC 20004	Grant	\$200,000	Environmental Assessment
City of Greensboro PO Box 3136 Greensboro, NC 27402-3136	Grant	1,050,000	Site Acquisition, Remediation, Development
City of Greensboro PO Box 3136 Greensboro, NC 27402-3136	108 Loan Repayment	3,000,000	Debt Service
B. Non-governmental Assistance			
Downtown Greensboro, Inc. 122 N. Elm Street Greensboro, NC 27401 Raymond Gibbs, President 56-2011549	In-kind Services	250,000	Planning, Development Services

Certification Regarding Debarment and Suspension

U.S. Department of Housing
and Urban Development

Certification A: Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief that its principals;

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal debarment or agency;

b. Have not within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (A)

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of these regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines this eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

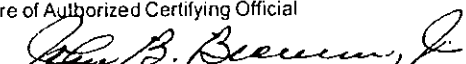
Certification B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (B)

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of these regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph (5) of these instructions, if a participant in a lower covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies including suspension and/or debarment.

Applicant City of Greensboro	Date July 16, 2003
Signature of Authorized Certifying Official 	Title Assistant City Manager

**Certification of Payments
to Influence Federal Transactions**

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Applicant Name

City of Greensboro

Program/Activity Receiving Federal Grant Funding

Section 108 Loan

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

John B. Brown, Jr.

Title

Assistant City Manager

Signature



Date (mm/dd/yyyy)

7/16/03

Certification of Consistency with the Consolidated Plan

U.S. Department of Housing
and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: City of Greensboro

Project Name: South Elm Street Brownfield Development

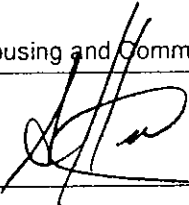
Location of the Project: 700 and 800 blocks of South Elm Street
Greensboro, North Carolina

Name of the Federal
Program to which the
applicant is applying: Brownfield Economic Development Initiative (BEDI)

Name of
Certifying Jurisdiction: City of Greensboro

Certifying Official
of the Jurisdiction
Name: Andrew S. Scott

Title: Director of Housing and Community Development

Signature:  _____

Date: July 16, 2003

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

City of Greensboro

Program/Activity Receiving Federal Grant Funding

Section 108 Loan

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

- (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official John B. Brown, Jr.	Title Assistant City Manager
Signature <i>John B. Brown, Jr.</i>	Date 2/16/03





July 14, 2003

Ed Kitchen, City Manager
City of Greensboro
201 West Washington Street
Greensboro, N.C. 27401

Re: Lee & Elm Redevelopment Area

Dear Mr. Kitchen,

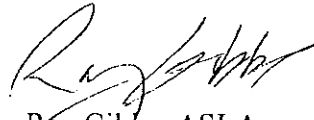
Downtown Greensboro Inc. is pleased to offer our assistance to the City of Greensboro as you seek to redevelop the area south of Lee Street and along Elm Street. This area is the southern entrance to our downtown. It should serve as an anchor to our historic district, which has seen significant reinvestment over the past several years. Unfortunately, due to the current blighted conditions and the environmental concerns, this area has not been a part of the revitalization currently underway. Downtown Greensboro Inc. views this opportunity, with the support of HUD-BEDI program funds, to be a catalyst for substantial investment and community activity in this area of our center city.

Downtown Greensboro Inc. (DGI) is prepared to offer the time, skills and expertise of its professional staff to assist with; (a) site analysis, (b) market analysis, (c) site design, (d) investment analysis, (e) real estate marketing to both developers and end users, and (f) general administrative support of this project. As you know, DGI's staff brings considerable knowledge, skills and expertise to this project. Members of our staff currently hold active licensure in North Carolina in; Law, Landscape Architecture and Real Estate Brokerage. We also have a staff member with over a decade of experience in real estate lending and banking administration. DGI, therefore, can bring the professional skills and private resources to this project to assure its completion and success.

To work with the City of Greensboro through the completion of this project, it is our estimate that DGI would contribute 3,000 hour of staff time (over a 3-4 year period). At our current operational cost (as a non-profit organization these are direct staff and overhead cost only) this assistance would have a value of approximately \$250,000. In addition, we have already retained Cooper Carry out of Atlanta to consult with us on project design. For the South Elm/Lee Street location we have budgeted, at minimum, \$75,000 in fees for this project.

We hope that your application is successful and we look forward to working with you and you staff. If you have any questions, please feel free to give me a call.

Sincerely,


Ray Gibbs, ASLA
President

