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## Downtown agency pursuing funding for commercial loans, Fourth Street ventures

Downtown officials have rounded up more than \$4 million for a commercial loan fund to spur center city business and development but say they want to build on the effort by raising millions more.

They also have commitments for \$150,000 from several private sources that they are declining to identify toward the cost of developing a new downtown master plan. They are looking for an additional \$200,000, mainly from foundations, to hire a master-planning consultant team.

Additional funds sought by the Louisville Downtown Development Corp. include \$2 million for streetscape improvements along Fourth Street between Broadway and Muhammad Ali Boulevard, an area targeted for a commercial district, along with \$3 million for an incentive program to attract investors to that district.

Yet another goal is to find an additional \$3 million to replenish a downtown housing-assistance fund, said Alan DeLisle, executive director of the Downtown Development Corp.

The fundraising goals are contained in a

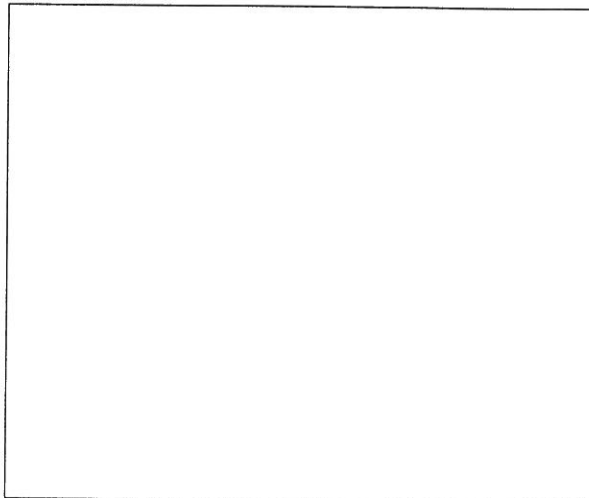
2012 "work plan" recently released by the development agency.

DeLisle said the organization, a public-private partnership that serves as metro government's point agency on downtown projects, has asked the city for money. But, realizing that city — as well as state — budgets are tight, DeLisle said he is looking at every source for funding, including federal, foundation and corporate.

Mayor Greg Fischer's spokesman, Chris Poynter, said Fischer has taken a downtown funding and project list given to him recently by DeLisle under advisement. But Poynter affirmed that, at a time when the city is facing a multimillion-dollar budget shortfall, "unfortunately, right now, we are in a cutting mode, but it is good that the corporation is setting long-term priorities."

DeLisle's agency recently secured commitments for more than \$4 million for the commercial loan fund. The corporation chipped in \$500,000 and a total of eight other entities — including banks and

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corporations — pledged the rest. DeLisle said officials haven't given up on trying to raise as much as \$5 million.

He said guidelines — including interest rates, maximum loan amounts, collateral requirements — for awarding the money are not final. But he estimated the first loans might be available this spring, at below prime rate and with flexible terms. DeLisle predicted the loans would serve as gap financing or seed money for developers on downtown ventures.

Meanwhile, the development corporation also is pursuing:

**Development on Fourth Street.** DeLisle said the funds for the Fourth Street area are as important as the commercial-loan fund.

Urban expert and consultant Rick Hill of Village Solutions did a study last year for the corporation on the potential of developing Fourth between Broadway and Muhammad Ali Boulevard. It estimated a potential of \$450 million in annual retail sales downtown, nearly twice the current level.

To help make the area more appealing to prospective businesses and patrons, a streetscape improvement plan was developed for the corporation that would require finding about \$2 million to upgrade the area between Muhammad Ali Boulevard and Broadway.

The plan would provide new trees and

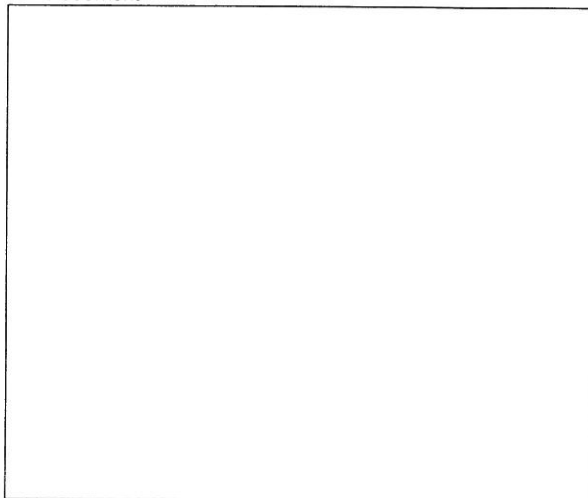
other landscaping, new energy-efficient lighting and new street furniture.

DeLisle also hopes to establish an incentive program to bring investors to the area.

**Additional housing.** The corporation wants to replenish a downtown housing-assistance fund, raising perhaps as much as \$3 million. The housing fund was established in 2001 and once held as much as \$5.5 million. It has been tapped to assist a dozen or more downtown projects over the past decade and is down to around \$800,000.

The corporation disclosed that the fund has been recently tapped for three new ventures: \$320,000 to help renovate the Guthrie-Coke Building on the northwest corner of Fourth and Chestnut streets; \$160,000 to support development of eight rental units in a project named the Park Edge at Liberty Green, along Liberty Street near the medical center; and \$380,000 to help a group develop the planned 19-unit Falls City Lofts on Market Street near

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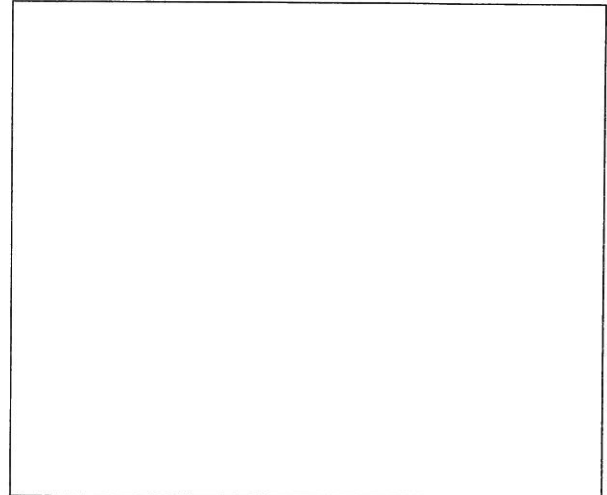
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Jackson Street.

**Downtown master plan.** Rebecca Matheny, the development corporation's deputy director, said the goal is to have the consultant team hired by this fall. The new 10-year plan would take 18 to 24 months to craft and have an extensive public-input component, she said. It will probably propose specific capital investments.

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