Livable Regions and Communities Workshop

Leveraging & Integrating Resources

Ann Arnold, CMSM
Director, Office of Downtown Development
City of Rome
May 15, 2012
Rome ... the City of Seven Hills and Three Rivers

Clocktower Hill
Myrtle Hill
Jackson Hill
Lumpkin Hill
Blossom Hill
Old Shorter Hill
Mount Aventine
Established 1834

Confluence of the Etowah and Oostanaula Rivers headwaters of the Coosa River

Downtown
Georgia’s Rome
Rome- ca. 1885
First steamboat arrived in 1836 . . . quickly became a center of commerce with over 70 riverboats and three railroads
Largest intact Victorian Era District
1981 Designated Main Street City
2003 Great American Main Street City
Broad Street ... then
- 1988 Library $7,000,000
- 1994 Forum, County Administration, Courthouse Complex $17,000,000
- 1997 Police Dept & Parking Deck $11,000,000; Midtown Prkg Lot $1,000,000
- 1998 Unity Point and Mitchell Plaza
- 2000 Blight Elimination Project $350,000 12 properties
- 2007 Pedestrian Bridge $2,500,000 Roman Holiday $200,000
- 2008 Parking Deck $8,000,000
- 2009 Town Green $1,700,000
- 2012 River Front $3,000,000
Forrest Place
River Crossing
West Lofts
Forrest Place

- Project $3,000,000
- GA Cities $250,000
- DDRLF $250,000
- 27 Apartments
- 5 Commercial Spaces
- NO VACANCY
River Crossing
Hawthorne Suites

Total Project $4,000,000

- GA Cities $250,000
- DDRLF $250,000
- Rdvlpmnt Fund $250,000

10 Commercial Spaces
Hawthorne Suites – 32 units
DCA RLF and GCF RLF Programs

Loan Terms
- Maximum Loan Amount = $250,000
- Interest Rate: Below Market Rate (currently 3%)
- Repayment Period: 10-year term with 15-year amortization

Loan Structure
- Loan to a DDA
- Loan to a DDA with a simultaneous loan to:
  - Private Business
  - Developer

Loan Security
Collateral: Project Property
- 2nd lien position behind bank
- Personal guaranties are normally required
50-40-10 Financing Structure

Example: $1,000,000 Project Cost
   Acquisition: $350,000
   Rehabilitation: $650,000

Conventional Financing (Bank): $500,000
Low-Interest Loan (GCF/DD RLF): $400,000
Owner/Developer’s Equity: $100,000
Eligible Activities:

- Land acquisition
- Rehabilitation of existing building
- New construction
- Green Space/Parks
- Combinations

Ineligible Activities:

- Operating expenses
- Local revolving loan funds
- Refinancing of Permanent Loans
- Streetscape and façade projects

Eligibility Considerations:

- Community support for downtown revitalization
- Consistency with community’s plans for downtown development
- Realistic project budget & time frame for completion
- Public Benefits / Project Impacts
- Underwriting review
  - Historical financial information/Business Plan
Things to Remember

- Does the proposed project produce any of the following benefits?
  - Rehabilitation of dilapidated structures
  - New business creation/business expansion
  - New job creation
  - Historic Preservation
  - Downtown Housing
  - Elimination of slum and blight

- Invite all parties, including lenders (GCF, DCA, etc.) early in the process to discuss project and address issues.
  - Initial Project Assessment (IPA) – DCA
  - GCF and DCA loans cannot be used to refinance permanent debt.

- Remember the 50-40-10 financing structure.
  - The low-interest incentive programs (GCF, DCA) won’t work unless:
    - A Senior Lender (Bank) is willing to lend; and
    - The developer has “skin in the game” (equity participation).
Financial Resources

Others?

- Façade Grant Program
- Local Revolving Loan Fund
- SPLOST
- Business Improvement District
- Community Improvement District
- Tax Allocation District
- Special Tax District
- Merchants/Downtown Association – 501 (c) 3 charitable organizations
- Private and Corporate Foundations
- Hotel/Motel Tax
- Enterprise Zone
- Opportunity Zone
West Lofts
Curry Bldg
1880
Total Project $4,100,00
GA Cities $250,000
DDRLF $250,000
Redevelopment $250,000
18 Apartments
LUXURY LIVING
RICH IN HISTORY

Once every 100 Years,
Luxury Is Reborn...

For the Carruth and West buildings in Downtown Rome, a luxurious
retreat is now here. The Carruth and West buildings were built in
the 1890's and 1906. Now connected, the newly renovated
buildings are known as the West Lofts. Developer Duane Green, Jr.,
of Lauren Michael & Calloway, LLC has not only brought
new life to this historic address, but has also added features that
make Rome's West Lofts one of the most exclusive and luxurious
places to call home. Residents will enjoy historic charm with
modern luxury that is unmatched.

From the welcoming West Lofts lobby to a breathtaking view from
the rooftop of the building, residents and guests are treated to visual
splendor. Residences feature granite countertops, custom
cabinetry and beautiful hardwoods. From the large windows,
unbelievable views of Downtown Rome provide a beautiful backdrop.

Residents enjoy modern technology in The West Lofts' exclusive,
secured environment. History meets high speed with pre-wired high
speed Internet. The lobby entry features a call panel that allows
residents to call serving guests from the lobby. As an additional
measure to ensure a secure environment, individual security
systems are available.

As the West Lofts approach completion, Lauren Michael & Calloway
invite you to make your reservation to tour this exclusive address
and find your new home in luxury. To schedule an appointment,
please call the office of Lauren Michael & Calloway at 770-382-7200.

To learn more about the West Lofts, please visit www.lmcproperties.com.

UNFORGETTABLE FEATURES
Exclusive, Secured Environment with High-Tech Security
Secure Lobby with call-speed and video display
Pre-Wired High-Speed Internet
Granite Countertops, Custom Cabinetry, Beautiful Hardwoods
Beautiful Sunroom and Rooftop Deck provide magnificent views of Downtown Rome
Private parking on site
To ensure a secure environment, background checks are required

Space Is Limited!

Located At The Corner of Broad Street &
East 2nd Avenue, Rome, GA

CALL TODAY, 770-382-7200
<table>
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<th>PROJECT</th>
<th>DDRLF</th>
<th>Rdvlpmnt</th>
<th>Ga Cities</th>
<th>ARC</th>
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$2,714,250 $500,000 $2,176,900 175,000 107,000
Combined DCA/RDVMT/GACities/ARC

$ 5,673,150

Reinvestment

$22,144,519

Jobs

312
Rome wasn’t built in a day!