

Empowerment Zone Update

Mayor's Budget Retreat
February 2, 2010

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City of Knoxville

Background

- ❑ Knoxville is one of 15 cities competitively selected for Round II of EZ program
 - ❑ 10-year EZ designation period (2000 to Dec. 31, 2009)
 - ❑ Benefits:
 - Certain tax credits and tax exempt bonds
 - ❑ Congress may extend for another year....
 - HUD grant to implement EZ plan over 10 years.
 - ❑ Supposedly: \$100,000,000
 - ❑ Reality: \$25,615,300 – in sporadic installments
 - By July 2, 2010 – all expenses must be incurred
 - By Aug 15, 2010 – final draw downs, report, close-out
 - Generate Program Income – must be spent first before drawing down HUD funds
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Completed EZ Projects

		Total Spent	
1	EZ Admin - PNI	1,276,138	
2	CND - Zone Advisory Councils	1,162,120	
3	Stephen Property Acquisition	369,973	
4	Stephen Business Expansion	199,999	
5	Beck Cultural Heritage	250,100	
6	Inner City Ventures	104,412	
7	KAUL Workforce Technology	320,224	
8	Food City	1,400,216	
9	Five Points Metro Village	1,750,000	
10	Urban Farm	31,957	
11	Tech 2020	67,397	
12	ETCDC Inner Net	25,115	
13	Project Grad	534,920	
14	Academy of Finance	99,300	*
15	CAC Workforce Connections	128,320	*
Subtotal - Completed Projects		7,720,192	
* estimated; awaiting final invoice			

Active EZ Projects

		Allocation	Recent Prog Income	Balance to spend
1	EZ Administration - City	688,867		291,398
2	EZ Administration - MPC	463,000		59,360
3	PSTCC Career Center	2,857,788		89,104
4	Façade Program	1,885,000		509,139
5	Brownfields Redevelopment	2,300,000		362,420
6	Business Expansion Loan Program (BELP)	550,000		550,000
7	Blighted Property Redevelopment (BPRP)	1,961,327	668,562	625,962
8	Minor Home Repair	978,218	monthly	356,583
9	Lonsdale Redevelopment	1,200,000		1,143,554
10	Vestal Redevelopment	1,000,000		566,938
11	KAUL Administration - EZ Loan Program	642,019		82,248
12	EZ Loan Pool	3,068,888	monthly	393,533
13	Loan Loss Reserve	300,000		300,000
Subtotal Active Projects		17,895,108	668,562	5,330,240
Grand Total: Completed & Active		25,615,300		

Organization

- ❑ HUD grant to City of Knoxville
 - ❑ Governed by the Board of the Partnership for Neighborhood Improvement (PNI)
 - Selected projects and allocated funding
 - Planning and evaluation
 - ❑ Project implementation by subrecipients and Comm Dev staff
 - ❑ Council approval of subrecipient contracts
 - ❑ Day-to-day administration
 - by PNI staff until January 2007
 - then by city Community Development staff
 - ❑ Grant is monitored and managed by City of Knoxville; responsible to HUD; all reporting and finances
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