



## News Release

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### **Special projects fund created for River District**

The Danville Office of Economic Development today announced the creation of a new financing tool for high-impact historic redevelopment projects in the River District. The program, named the Special Projects Loan Fund (SPLF), has been established to help provide short-term financing through the Industrial Development Authority (IDA) to spur the development of catalyst or high impact projects.

“Numerous developers have expressed interest in investing substantial capital in real estate development projects in Danville’s River District. To accomplish their redevelopment goals, they need a suite of creative financing tools to take on some of the more sizeable properties located within the district,” said Telly Tucker, director for the Office of Economic Development. “This new tool will allow the City to be a conduit for continued investment which increases the tax base, while simultaneously earning interest on those investments. The goal is to have this fund revolve which will enable it to support more projects in the future.”

The SPLF will provide bridge financing, over a three to five year period, for projects that are over 30,000 square feet in size, unique in concept or amenities, and help accomplish the goals of the River District Revitalization Plan. A qualifying project should be characterized as being difficult to finance with only traditional bank underwriting criteria; however, it would be well-suited for traditional bank refinancing once operating successfully over a period of time.

“The City of Danville is interested in attracting investments that help the City achieve its growth goals,” Tucker added. “The River District Redevelopment Plan (2011) identified examples of projects that should be considered, including hospitality, entertainment, and employment generators.”

Prospective applicants will need to be creditworthy, have a proven track record of successfully redeveloping multiple projects of this scale, demonstrate evidence of market demand for the concept, and exhibit the financial sources of capital and reserves



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necessary to successfully complete a project of this magnitude. Applications will be accepted on a rolling basis and as funds are available.

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