

Rebuild America Partnership of Concord

February 1998

Introduction

Concord is a city of 42,431 residents within a 50.63 square mile area. Located north of Charlotte, Concord is served by Interstate 85 and Highways 29 and 49. Traditionally a mill town, Concord has undergone substantial socioeconomic changes in the past that have resulted in a business decline in the downtown district. The formation of the Concord Downtown Development Corporation began the turn around for the downtown business district. A special tax district was created to reinvest downtown funds back into the area. These taxes have been used to build brick sidewalks, improve parking, plant trees and shrubs, install decorative light poles and street lights as well as provide building facade grants. The result is that several buildings in the district have been completely renovated and the downtown business district has a hundred percent occupancy rate for offices. The downtown district has several festivals each year to attract residents to the area. Recently, the downtown business district was declared a state and federal tax credit district and is also one of the state's Main Street Cities. However, downtown districts need many incentives to continue thriving and competing in the market place.

There are many businesses and organizations in the City of Concord that are concerned with downtown revitalization efforts as well as energy efficiency efforts. The local government, small businesses, financial institutions, and non-profits all have an interest in developing and maintaining the downtown business district in Concord. The Rebuild America Partnership in this community seeks to enrich the downtown area .enabling it to continue to draw new businesses and public interest to the area, therefore, Concord's Rebuild America Program will be limited to the downtown business district at this time.

The Rebuild America Partnership of Concord consists of several partners that have an interest in downtown Concord. The lead partner is the City of Concord Community Development Department. Other members include: the Concord Downtown Development Corporation, Cabarrus County, Wachovia Bank, First Union Bank, First Charter National Bank, Cabarrus Bank, Central Carolina Bank, SouthTrust Bank and many private businessmen and property owners in the downtown district. All of these members bring valuable resources to the partnership which can be used to pursue the goals of the Rebuild America Partnership of Concord.

Goals and Priorities

The Rebuild America Partnership of Concord's goals include increasing the economic viability of downtown businesses. Steps to improve the economic viability of the downtown district include attracting new businesses and jobs to the downtown area. The partnership will further these goals in any way possible. Energy retrofits support the goals and priorities of the Rebuild America Partnership and this community. Some proposed energy conservation plans include improved insulation, more efficient HVAC systems, replacement windows, doors, weather stripping, and reflecting roofing. Energy retrofits can reduce the costs of doing business for small businesses and can increase comfort and productivity in downtown businesses. It is expected that energy retrofits will save 15-20% on energy costs for these downtown businesses.

The partnership is already in place due to the existence of the Concord Downtown Development Loan Pool which provides loans to businesses or property owners in the downtown business district at reduced rates. These loans go toward acquiring the property, remodeling, and permanent fixtures. Energy retrofits are included as acceptable projects for the Downtown Loan Pool as well as facade improvements. The Downtown Development Loan Pool program naturally lends itself to energy retrofits due to provisions for physical improvements. The City of Concord, as an electricity, is currently attempting to alter energy efficiency programs to make them fully compatible with the Partnership's goals. Given the economic development goals of this partnership, the downtown business district will be the focus group of the Rebuild America of Concord campaign.

Responsibilities of Rebuild America Partners

The City of Concord will be the lead entity of the Rebuild America Partnership in Concord. The City will

write the grants, provide low interest loans, oversee rehabilitation work and facilitate Rebuild America training. Concord Downtown Development Corporation will be responsible for screening applicants, gathering loan information, and publicizing the Rebuild America Program. The financial institutions' role in the partnership will be to provide loans for the participants in Rebuild America Partnership of Concord. Cabarrus County's contribution to the partnership will be to sell two dilapidated buildings in the downtown business district at tax value to a private investor to kick off the program. These two buildings will be the pilot projects for the Rebuild America Partnership of Concord. After these buildings are completed, the partnership will focus on other buildings that are in need of retrofits or improvements in the downtown district. There are a total of 107 buildings in the downtown business district which consists of 13 public offices, 37 professional offices, 7 banks, 6 churches, 1 utility, and 43 retail stores. Loans or grants will be offered to property owners and businesses who would like to have a downtown building retrofitted for energy efficiency. The two proposed buildings for the first project were selected due to the immediate need and the owner's interest in the Rebuild America Program. Both buildings are registered historic sites and one is deteriorating rapidly. The two buildings are being purchased by a private investor to rehabilitate for commercial use. There will be \$365,000 in loan pool funds as well as \$80,000 of the developer's own funds to match Rebuild America Grant funds. Future projects will be offered low interest loans as match for the program. The renovations will be extensive and energy retrofits will be conducive to the project. Furthermore, the proposed buildings are located at a highly visible site; directly across from the county courthouse. This project will eliminate slum and blight in the downtown area as well as attract new businesses and create jobs. These proposed buildings perfectly fit the goals and priorities of Concord's Rebuild America Program.

The goals of the partnership include making downtown Concord a more viable location to do business, thereby, revitalizing the downtown business district as well as increasing energy savings, and continuing historic preservation objectives. The downtown business district is also a great location for Rebuild America Projects due to the visibility of the downtown buildings. Priority is being given to downtown in an effort to encourage private revitalization efforts as well. Incentives such as energy retrofits, low interest loans for acquisition, remodeling, and loans for start up costs are important factors in attracting businesses to the downtown business district. The partnership would like to see five buildings over the next five years retrofitted for energy efficiency. The Rebuild America project will be starting in the Spring of 1998 and end in the Spring of 2003. The Rebuild America Partnership of Concord hopes to see reduced energy costs in downtown buildings as well as an increase in the number of new businesses locating in the downtown area.

Candidate Buildings

There are several factors that will be considered in choosing locations for energy retrofits through the Rebuild America Partnership. The downtown business district was selected as the program's focus area for several reasons such as economic development, visibility, and the number of deteriorating and inefficient buildings. Any building in this district will be eligible for energy retrofits subject to approval in other Rebuild America Program categories. The categories for program eligibility will be: ability to reach and communicate with the recipient organization's decision makers, plans for other renovations, the track record of the business or property owners, past cooperation with city and county officials as well as with the Downtown Development Corporation, and building vacancy or current use.

The members of the Partnership bring many resources and experiences to the Rebuild America Program. The City of Concord Community Development Department has rehabilitation programs which include energy efficient retrofits. This experience will be invaluable to the program. The financial institutions provide financial support for many projects in the downtown area. The institutions will rely on the City of Concord - Community Development Department to inspect the workmanship and progress of the projects. The private investor in the first proposed energy retrofit project at 70-82 Union Street South has considerable experience in the rehabilitation of historical commercial buildings such as the two proposed buildings. The total square footage of the first two proposed building is 19,430. The proposed buildings for the first project are similar in size to most buildings in Concord's downtown business district which is targeted by this program. These combined resources and experiences will ensure a successful program. The level of investment versus the return in the Rebuild America Partnership of Concord will be measured in new businesses, jobs and estimated energy dollars saved in the downtown area.

There will be some barriers to the Rebuild America Partnership in the City of Concord. The downtown

business district is also located in Concord's beautiful historic district. Due to the location of the downtown business district, there will be difficulties in creating a cohesive rehabilitation plan for modernization, historic preservation, and energy efficiency in this district. Furthermore, this community does not currently have the technical skills necessary to plan, implement and evaluate energy efficiency projects. However, these are issues that can be overcome with comprehensive planning by the Partnership.

Monitoring and Evaluation

Monitoring and Evaluation will be carried out through the City of Concord Community Development Department. The City of Concord Community Development will serve as the contractor for the Rebuild America project. The monitoring procedure will be the "Whole Building Monitoring System" which will analyze the entire building's energy usage after the retrofit and compare it to similar buildings that have not been retrofitted. However, the first two proposed projects are on two dilapidated buildings that have been vacant for several years in the downtown district. The Rebuild America Partnership can monitor energy costs after the retrofits have occurred, however, there will be no prior costs to compare. In the future, obtaining the energy costs each month will be relatively easy for the City of Concord. The City is an electric utility, therefore, has access to all energy usage information. Additionally, the selection process for businesses receiving this kind of assistance will ensure that recipients are willing to provide the necessary information to monitor performance. The monthly energy use will be traced and evaluated on a basis of comparable buildings in the district. Reports will be made annually to the Rebuild America Partnership in Concord. These reports will provide hard numbers on energy use and any narrative necessary to further explain successes and failures of the individual projects and the program as a whole. Attraction of new small businesses and job creation will also be considered in the monitoring procedure. This form of monitoring can be administered by the City of Concord Community Development Corporation and professional technical assistance.

The Rebuild America Partnership in Concord will have some built-in sustaining strategies to enable the program to exist beyond the grant availability. For instance, the Downtown Loan Pool has been in place for several years. This will serve as the loan committee for the Rebuild America projects. The loan committee administers the revolving loan pool which will grow and facilitate more retrofits and rehabilitation in the future. Finally, a non-profit, the Downtown Development Corporation, will function as an advocate or facilitator for the recipients of energy retrofit assistance. All of these factors combine to create a self sustaining program for many years to come.

Promotion and Expansion

The Rebuild America Partnership will be promoted through the Concord Downtown Development Corporation. This organization has contact with all eligible property and business owners and will inform them of the availability of the Rebuild America program. The Concord Downtown Development Corporation will advertise and hold training seminars when needed. Additionally, the City of Concord will provide incentives such as reductions in utility rates or low interest loans. Each year at the annual reporting, the partnership will recognize achievements made by Rebuild America Program property owners and businesses in energy efficiency and business expansion or creation.

Conclusions

The Rebuild America Partnership of Concord has a strong base through the Concord Downtown Development Corporation, the City of Concord, downtown merchants and loan pool financial institutions. The relationships between the partners have been in place for several years and are very stable. The City anticipates many successful projects through this valuable program and looks forward to improving the energy efficiency of downtown structures. Due to the number of units and extensive retrofitting required, the City of Concord requests \$100,000 for Rebuild America activities.