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## **FOR IMMEDIATE RELEASE**

### **GLOBE MILLS PROJECT AWARDED LOW INCOME HOUSING TAX CREDITS**

*\$28 million downtown gateway project preserves historic landmark  
and creates affordable and market rate housing*

*Sacramento, California. June 8, 2005.* The State Tax Credit Allocation Committee today awarded \$16 million in federal low-income housing tax credits for construction of 114 senior housing units at the City Landmark Globe Mills site at 12<sup>th</sup> and C Streets. The award comes one year after the Sacramento Housing and Redevelopment Agency (SHRA) selected GMA Investors, a limited partnership formed by local developers Cyrus Youssefi and Skip Rosenbloom, to rehabilitate the historic Globe Mills. The mixed income housing project has received all of its local development approvals and is fully financed. The highly competitive tax credit award completes the financing for the project and allows construction to begin in fall 2005.

In addition to new construction of 114 senior units, the Globe Mills project will preserve the historic flour/cereal mill buildings and convert them to 31 market rate loft-style apartments. Other structures on the site will be demolished to make room for one of two new five-story senior housing buildings. A second new five-story building will be constructed on the corner of the site next to 12<sup>th</sup> and C streets. The historic barley mill will be preserved as a pavilion covering an indoor/outdoor swimming pool. A group of 24 grain silos known as the south silos fronting 11<sup>th</sup> and C Streets will be preserved and the "head house" on top of the silos will be converted to an activity room for senior tenants. The project will include tenant-serving retail and common area facilities.

In March 2005 the City Council voted unanimously to approve SHRA's recommendation of \$12.5 million in financing for the project. That financing includes a \$2 million grant award under HUD's Brownfields Economic Development Initiative (BEDI) and \$5.5 million low-interest loan from HUD's Section 108 loan program. The project was one of 17 nationwide that received BEDI funding, which is designed to encourage adaptive reuse of abandoned industrial sites. Other funding includes \$3.5 million in Alkali Flat redevelopment funds and a \$1.4 million federal HOME fund loan. With the exception of \$1.5 million in City fees that will be paid by the SHRA, all public financing for the project is in the form of loans which will be repaid by the project's operating revenues.

(more)

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The project preserves and adaptively reuses a City-designated historic landmark and one of the oldest mill structures west of the Mississippi. Once under construction, Globe Mills will be one of the larger projects in the greater downtown area. The complete development will result in a dynamic entrance at one of the City's major gateways and provides a catalyst for the Alkali Flat neighborhood, bringing new residents to the area.

Mr. Youssefi is president of CFY Development, Inc., which has more than 20 years of experience developing and managing affordable housing. Mr. Rosenbloom owns two of the four parcels within the Globe Mills development site, which will be combined with two parcels owned by Sacramento Housing and Redevelopment Agency. The project architect is Michael Malinowski, president of Applied Architecture. Mr. Malinowski has designed a number of projects in the greater Sacramento area and recently served on the city's development oversight commission.

The Globe Mills project is currently being processed for City building permits. Demolition will start within 90 days, with new construction underway in October. Completion and occupancy is scheduled for late 2007.

**SHRA** ([www.shra.org](http://www.shra.org)) is a Joint Powers Authority created by the City and County of Sacramento to represent both jurisdictions for affordable housing and community redevelopment needs. SHRA oversees residential and commercial revitalization activities in 13 redevelopment areas throughout the City and County. The Agency is the leading public developer of affordable housing. SHRA has a FY 2005 budget of \$222 million and approximately 325 employees. The Agency approximately 3,200 units of public housing and is one of the largest landlords in Sacramento. SHRA also administers about 11,000 rental assisted vouchers per month.