



### *What is SPARC?*

Alexandria is embarking on the largest redevelopment project in its history, the SPARC project. S.P.A.R.C. (or Special Planned Activity Redevelopment Corridors) is a \$96 Million infrastructure investment project in three separate Cultural Restoration Areas (CRAs). The City has identified these distinct “activity corridors,” which will form the backbone for redevelopment. The three corridors are: CRA-1: Downtown, Riverfront, and Lower Third; CRA-2: North MacArthur Drive and Bolton Avenue; and CRA-3: Masonic Drive and Lee Street.

### **SPARC Developmental Criteria and Goals Background**

The City intends developers to assess the following goals in their proposals:

- Adherence to existing master planning and facilitation of immediate development action as well as increase the guarantee of long-term success.
- Leverage financial value with the immediate influx of substantial public spending, provided business plans are sound.
- Create the opportunity for rehabilitation tax credits and/or New Market Tax Credits for restoring significant and historic structures, particularly as they relate to preserving community character, affordable housing, central business districts, and Main Street economic development activity.
- In the case of any listed project, relate to alleviating urban flight (and blight), property abandonment, and economically distressed neighborhoods—and as a tool for sustainable and environmentally-conscious development.
- Provide the potential for mixed-use.
- Promote diverse ownership and partnering.
- Preserve not displace, separate or marginalize our city and its neighborhoods and people.

Moreover, the City Administration concurs with the American Society of Civil Engineers (ASCE), which has publicized its “Principles for Infrastructure Stimulus Investment.” ASCE believes that all projects supported by an economic stimulus investment must meet the following fundamental criteria:

- Projects must create and sustain employment increases;
- Investments must provide long term benefits to the public (such as congestion relief);
- Long term maintenance and upkeep needs of all infrastructure projects— existing and new—must be taken into account; and
- To ensure accountability and transparency an auditing program must be established to review the program and measure desired outcomes.

In order to ensure the above criteria are met, the following principles will guide SPARC selection decisions:

- The project should deliver measurable improvements in public health, safety and quality of life;
- The project should provide substantial, broad-based economic benefit;
- The project should be designed and built in a sustainable and cost-effective manner, and proper consideration must be given to life-cycle costs; and
- The project should have a significant environmental benefit such as area restoration, improved air quality through reduced congestion and better watershed management through eliminating vulnerabilities in a system.

Alexandria is in a strong position to make this investment, with no new taxes despite the current economic conditions. Across the nation, cities that invest in their inner cores are cities that succeed, are better able to attract and retain a modern workforce, and can best combat poverty, unemployment, and blight.

The best way to ensure future success is to invest right now. The money is budgeted and available, now, for ready projects involving transportation and hard infrastructure support to major transportation improvements. The City seeks matching to go along with the substantial commitments from the City.

- Alexandria will bond: \$50M (has \$40M in the bank, now, since September 2008)
- Alexandria will seek to leverage from other sources: \$30M (federal and state)
- Alexandria will fund from municipal capital outlay program: \$16M (available)
- Total package of investment: **\$96M**

The state of Alexandria is very sound as it moves into 2009. The City has achieved an AA(-) bond rating, which is in the highest range for Louisiana governmental entities. To maintain that stability, particularly during this time of economic uncertainty, our community must be efficient and responsive, and truly create stimulus opportunities. Infrastructure reinvestment is nearly always appropriate spending because it invests in our future, augmenting capacity. It is the community's ability to handle increasing economic activity—from a trained workforce, to drainage, to the ability of public safety to provide adequate protection and services—that the City focuses on with SPARC.

SPARC addresses areas that have been neglected: roadways need attention and severed passages need to be reconnected. Forty years of sprawl development in Alexandria have created enormous opportunity for some, though, at the same time, it has drained significant resources and attention away from Alexandria’s historic neighborhoods and inner city. SPARC is no give away; it is reinvestment in business and capital improvements. SPARC is about sustainability over time, not fixes on the cheap. SPARC addresses our problems in three ways: targeting help to identified areas where change has the greatest impact (CRA corridors 1-3), providing those areas with new or enhanced transportation improvements, and offering unique incentives to business entrepreneurs.

### Signature Projects Demographic Information and Declaration of Need

Area	Project	Status
CRA-1	6th and Foisy Streets	Phase I awarded. Phase II in need of community planning.
	Sugarhouse Road	Phase I awarded.
	Downtown Hotels Initiative	RFP issued.
	Ruston Foundry	Awaiting donation of adjacent property.
	Hodges Stockbarn	RFP issued. Funding request submitted.
	Lower Third Housing Initiative	Revitalization Master Plan adopted.
	Lower Third Corridor Enhancements	Phase I in design phase.
CRA-2	Bolton Avenue Corridor Enhancements	In planning phase.
	N. MacArthur Drive Corridor Enhancements	In planning phase.
CRA-3	Masonic Drive Corridor Enhancements	Project approved.
	Lee Street Corridor Enhancements	In planning phase.
	City Park and Zoo Improvements	In implementation phase.
	South Alexandria Housing Initiative	Revitalization Master Plan adopted.

According to the 2000 Census, the population of Alexandria was 46,342. This was down from the 1990 Census, which recorded a population of 49,188, though the 2008 population for the City has been estimated to be 50,236. There were 17,816 households in the City in 2000, nearly 66 percent of which were family households. While elderly householders are relatively evenly dispersed in the City, SPARC areas have a higher concentration of female-headed households with children. In 2000, median household income for the City was over \$26,000, with 27.6 percent of Alexandrians living below the poverty level. Most census tracts within the SPARC-CRAs, however, had median incomes below \$20,000 and over 40 percent of residents below poverty. 55 percent of residents within the City of Alexandria are African-American, and in many SPARC areas the African-American population is over

80 percent.

As a whole, 27.6 percent of Alexandrians over 25 had less than a high school education in 2000; in much of the SPARC area, that number was over 40 percent. Unemployment in Alexandria has impacted African-Americans most significantly, recorded in 2000 as being 13.5 percent, compared to less than 4.5 percent for whites.

The home ownership rate in the City of Alexandria was 57 percent in 2000. For whites, the rate was over 68 percent, while it was under 47 percent for African-Americans. Residents in most areas of the SPARC-CRAs live in rental units, though in some pockets home ownership is strong. The overall median home value in the City in 2000 was \$72,200, up significantly from 1990, though in most of the SPARC area median home values were below \$50,000. In most areas, 20-40 percent of homeowners were paying over 30 percent of household income on housing; in some areas, over 40 percent of ownership households were cost burdened with housing expenses. For renters, the cost burden of housing was more pronounced. In all but one census tract in the SPARC-CRAs, between 30 to 50 percent of renters paid more than 30 percent of household income for housing; in three tracts, over 50 percent of renters were cost burdened. In the inner-core neighborhoods of Alexandria, between 60 and 80 percent of the housing stock was constructed prior to 1960.

A recent housing survey conducted by J-Quad Planning Group identified a total of 8,839 parcels in the City's CDBG target areas. J-Quad found: The survey documented 3,869 residential buildings in need of minor repairs, 1,249 major repairs needed, 468 dilapidated buildings, and 2,223 vacant lots. Therefore, 84.4% of residential buildings are in need of minor or major repairs, or dilapidated and vacant lots account for 25.1% of total parcels in the target areas. A large number of these vacant lots and some properties with structures are also a part of the adjudicated property inventory of tax foreclosure properties transferred to the City or properties awaiting Sheriff's sale.

This survey, taken in light of the above demographic information, led the Administration of the City of Alexandria on September 17, 2008, to preliminarily find the existence of blighted and depreciated areas in the City of Alexandria, declare the elimination of this blight to be a matter of public policy, and set forth a workable program to rehabilitate and redevelop blighted areas. On February 24, 2009, the Alexandria City Council declared by resolution two Declarations of Need, one for the general elimination of blight and the other to specifically address housing deficiencies in the City of Alexandria.

## **Revitalization Master Plan**

The SPARC-CRAs are located primarily within Community Development Block Grant (CDBG) target areas. The City of Alexandria receives annual block grants and HOME program money from HUD, which is used to fund community investments in recreation, infrastructure repair, and low-income housing incentives. In order to mitigate the growing number of foreclosures, HUD has also recently implemented the Neighborhood Stabilization Program (NSP), which the City will utilize to increase incentives for housing and commercial development projects in the SPARC-CRAs. Moreover, the City has contracted with J-Quad to take a comprehensive look at the City's housing policies. J-Quad has recently completed a Revitalization Master Plan, which will allow the City to gain clear title to, expropriate, landbank, and redevelop vacant and dilapidated properties in an effort to reduce blight and stimulate economic development. This initiative is moving into the implementation phase, which, in addition to establishing a redevelopment authority to manage the expropriation process, will recommend expanding community outreach programs and restructure City housing expenditures to maximize the use of these funds.

The scope of the contract award will deal with four areas of implementation assistance: public input, leveraging of funds, technical assistance, and outcome reporting.

With regard to federal leveraging of funds, the City seeks to identify programs for infrastructure improvements to match the sizable commitment of local bonded capital towards SPARC.

This may include but is not limited to numerous opportunities from the United States Department of Transportation (US DOT), the Federal Highway Administration (FHWA) and the Louisiana Department of Transportation and Development (La DOTD); the Small Business Administration (SBA) and Louisiana Economic Development Department (LED); the Department of Housing and Urban Development (HUD); the Department of Energy (DOE) and the Environmental Protection Agency (EPA); the Federal Emergency Management Agency (FEMA); the Louisiana Lt. Governor's Office and the Department of Culture, Recreation, and Tourism (CRT), State of Louisiana Capital Outlay, Federal appropriations and stimulus, and others.

The City of Alexandria is committed to accurately determining and faithfully reporting the impact of SPARC on the community. The City will establish baselines and tracking a number of measures, including but not limited to leveraged public and private-sector investment, job creation and wages, and changes in property values and commerce. Reporting and feedback may also necessitate the use of qualitative measures, such as case studies and surveys.

In the most basic of terms, the \$96 Million investment in the most blighted and under-served areas of our inner-city involves 90% investment in permanent and publicly-owned infrastructure: improved roadways and sidewalks, better parks and community centers, police substations and new fire stations.

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