

Officials allocate \$800M for downtown

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May 25, 2005, 10:45 PM EDT

Putting the focus back on lower Manhattan, state and city officials Wednesday announced details on how they will spend \$800 million in federal grant money to revitalize neighborhoods, pay for low-income housing and improve parks and the downtown waterfront.

The Lower Manhattan Development Corp., a state-city agency created after the attacks of Sept. 11, 2001, had been given the grant money in 2002 by the federal Housing and Urban Development. During the past 2 1/2 years, the agency has held more than 75 meetings and heard from neighborhood groups, politicians and others on how they should spend it.

Yesterday, Gov. George Pataki, Mayor Michael Bloomberg and other officials detailed the neighborhood projects, schools, parks and other initiatives that will get funded from HUD's Community Development Block Grant program.

"While revitalizing the World Trade Center site was the most significant element in lower Manhattan's revival, it was not enough," Bloomberg said. "Investments in each of these areas are essential."

Community groups had been calling on the LMDC to invest in housing, parks and other services that directly help residents. "This is a proposal that really got better through the engagements of the local communities," said David Dyssegaard Kallick, a senior fellow at the Fiscal Policy Institute in Manhattan, a social-economic policy group.

Among the projects getting the nod is one of the Bloomberg administration's priorities -- \$150 million to turn the East River waterfront downtown near the FDR Drive into recreational and public spaces.

Last Friday, Assembly Speaker Sheldon Silver, in a forceful public speech, called for more incentives to attract residents and businesses to lower Manhattan. Yesterday, a spokesman for Silver said he supported the grant money but more needed to be done to create jobs downtown.

In acknowledgment that Chinatown needed help to recover from the loss of business, tourism and resources, officials held the news conference at the Golden Unicorn Restaurant in Chinatown.

Some \$32 million of the \$800 million in grant money will specifically go toward making Chinatown streets friendlier to cars and pedestrians, including \$7 million for a newly formed economic development group, the Chinatown Partnership Local Development Corp.

In addition, \$50 million will go for building 200 new affordable-housing units and renovating 3,000 others in lower Manhattan; \$38 million is designed to help turn rundown Fulton Street into a bustling community; about \$30 million will go for parks and playgrounds; and \$20 million will go toward a new school on Beekman Street.

As Pataki announced earlier this month, \$300 million of the \$800 million in grant money will go directly toward the World Trade Center Memorial Foundation, a nonprofit group that's raising the money to remember the Sept. 11 victims.

The federal government had also previously given the LMDC another \$2 billion in grant money for downtown redevelopment. Among the projects those funds paid for are \$225 million for planning and developing the Ground Zero site and \$280 million in cash grants to attract and keep residents in lower Manhattan.

LMDC's newly named president, Stefan Pryor, said the grants build on the agency's previous projects that included overseeing the design of the memorial and helping get lower Manhattan back on its feet.

"We have stabilized and energized the residential and business base downtown," Pryor said.

The LMDC has another \$45 million left to spend on cultural projects south of Houston Street and \$45 million set aside to enhance residential, commercial and retail amenities.

Pryor said the agency will set up a program for community groups and programs to apply for those additional grants.

The grants left out money for a \$6-billion rail link to connect lower Manhattan to Kennedy Airport using Long Island Rail Road tracks. Pataki has championed the project, but Pryor said officials decided money could be found from other sources.

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