

Old Roanoke YMCA Developer Anthony Smith Given More Time for Project

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The Roanoke City Council voted unanimously Monday to give Anthony Smith another four months to make the numbers work to redevelop the 54-year-old downtown YMCA into commercial and living space.

Smith has a contract to buy the building from the city for \$10 if he can meet certain requirements, including showing proof of his financing, putting up a \$650,000 security bond and investing at least \$3.4 million into the project.

According to city officials, Smith has met most of the obligations. He has obtained a \$3 million financing commitment from the Virginia Housing Development Authority, and Richmond architectural firm Sadler & Whitehead has completed designs for the renovation.

But he has had difficulty obtaining state and federal historic tax credits in time to meet the April deadline, so city staff recommended his contract be extended until Aug. 31.

"The tax credits are a major factor," Smith said before Monday's council meeting.

The credits are necessary to bridge the gap between the VHDA financing and his total investment in the property, Smith said. He said he believes his application with Virginia's Department of Historic Resources will be approved in the next five or six weeks.

The council voted 6-0 to approve the extension. Councilman Rupert Cutler was out of the room and didn't vote.

Smith, who grew up in Southwest Roanoke, wants to redevelop the old YMCA on Church Avenue as part of the revitalization of downtown Roanoke's west end. His plans include dedicating the building's first floor to commercial space and converting the upper floors into at least 32 apartments.

Smith aims to name the renovated building W.E. Muse Station, after Walter Muse -- Smith's great-uncle and one of the Roanoke Valley's first black developers.

The city took ownership of the old Y as part of another development deal that resulted in a new YMCA being built across the street from the old facility. Economic development officials spent nearly five years trying to market the old building, without success, before entering the agreement with Smith last year.

Smith said he's looking forward to wrapping up the financing end of the project and beginning the renovation.

"It's been a journey," Smith said. "And the funny thing is I'm just now getting up to the starting line."

In other business, the council changed the date of the public hearing on its proposed fiscal 2011 budget. The hearing will now take place at 6 p.m. May 3, with a council vote scheduled for the next week.

City finance and budget staff recommended a \$253 million general fund budget that includes a 2-cent increase in the meals tax and numerous service and program cuts, as well as the elimination or unfunding of 51 positions.