

# Honeywell, YMCA credits OK'd

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A board created by the East Baton Rouge Redevelopment Authority on Thursday approved the allocation of federal New Market Tax Credits to help fund an overhaul of a Honeywell plant north of downtown and the construction of a YMCA branch in the proposed Americana development in Zachary.

After a review from an advisory committee, a community

development entity created by the RDA voted unanimously in favor of \$17.5 million in tax credits for Honeywell and \$11.4 million for the YMCA. The amount each allocation ends up contributing to each project will depend on how much Honeywell and the YMCA get when they sell the credits.

Mark Goodson, vice president of the RDA, said the Honeywell project will generate about \$1.5 million in fee income for the RDA and the YMCA allocation

just over \$1 million.

The Honeywell plant, built in 1945 and now employing 200 people, makes a refrigerant that is going to be banned by the federal government. It is upgrading to create a more environmentally friendly refrigerant.

Goodson told the board that the plant is in a qualified low-income census tract and Enterprise Zone and is adjacent to the Northdale community targeted by the RDA for invest-

ment. He said the project would retain the 200 jobs at the plant, create 11 more permanent jobs and 35 construction jobs.

Curtis Bresher, plant manager for Honeywell in Baton Rouge, said the average compensation package is \$80,000 per year. Goodson said the company has provisions to support minority- and woman-owned businesses, though CDE advisory committee member Raymond Jetson said the RDA should keep tabs on the com-

pany's hiring practices.

The \$35 million project has already received \$6.5 million from the state, Goodson said.

As for the YMCA, Goodson told the board that although Zachary is not in a low-income census tract, it qualifies for the tax credits based on a targeted employment population.

Bob Jacobs, president and CEO of YMCA Baton Rouge, told the board the YMCA will

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hire 60 percent of the facility's workforce from qualifying low-income areas. The rules governing the credits only require 40 percent, but Jacobs said 60 percent would ensure the YMCA doesn't dip below its commitment.

The Zachary YMCA, which has a project cost of \$11.4 million but will use gap financing to make up the difference between the cost and the proceeds from the tax credit sale, will employ 17 people permanently and create 150 construction jobs, plus part-time employees such as summer camp counselors.

Advisory committee member Byron Turner questioned Jacobs about the jobs' wages.

"What ends up happening is the jobs they create are not what we consider livable wages and people are still struggling," he said. "The goal should be that (people) start at low income and move up to middle income and then higher income."

Jacobs said that while many of the jobs are entry-level, the capacity to move up within the YMCA is significant. He said that the Howell Place YMCA in north Baton Rouge, which also received New Market Tax Credits, has retained all but one of its 25 employees.

"That's a record that we're very proud of," he said.

Also Thursday, the RDA's board unanimously approved storefront improvement grants for Government Street's Ogden Market, Renaissance Center on Plank Road and the Tessier building on Lafayette Street downtown.

Board member Susan Turner asked if trees could be made a part of the improvements to Ogden, which includes the Time Warp boutique and vintage clothing store and Radio Bar. Owner Brett Furr said that it would.

Turner said she'd like to see trees become part of the criteria for the RDA's business improvement grants.

"I would like for us to be leaders in promoting what is best for the environment," she said.