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City Room

Blogging From the Five Boroughs

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Five Development Projects to Receive Stimulus Money

By [Patrick McGeehan](#)

City officials have chosen five more development projects, one in each borough, to receive tax-free financing through the federal stimulus program.

The five projects, which include a hotel, a medical facility and a cement depot, would receive up to \$87 million by selling "recovery bonds" through the city's Capital Resource Corporation. City officials estimate that the projects would create about 600 construction jobs and about 300 permanent jobs, said David Lombino, a spokesman for the city's [Economic Development Corporation](#).

One of the chosen projects is a 117-room hotel to be built on the former site of the [Pepper & Potter car dealership on Flatbush Avenue in downtown Brooklyn](#), which would borrow \$20 million. That project was passed over in September, when the first recovery bonds were approved for the City Point apartment and shopping complex in downtown Brooklyn and another shopping center on Rockaway Peninsula in Queens.

Those projects received a combined \$36 million in financing, which left the city with about \$90 million in additional borrowing capacity through the stimulus program. Of the \$87 million approved, the biggest piece — up to \$28 million — would go to a terminal and pier on Staten Island that would receive imports of cement by ship for distribution around the city.

An additional \$19.8 million would help finance a parking deck at St. Barnabas Hospital in the Bronx. Up to \$17 million of bonds would be issued on behalf of Fleet Financial Group, which plans to build North Queens Medical Center, an 80,000-square-foot treatment facility with a parking garage on Union Street in Flushing. [The last \\$2.2 million would go to My Image Studios for outfitting an arts and entertainment studio in the Kalahari Condominium on West 116th Street in Harlem.](#)

Construction on each of the projects must get under way by the end of next year or the developers could lose the financing, under the rules of the stimulus program, Mr. Lombino said.

"There is no significant construction lending taking place right now," he said. "But for this program, these projects wouldn't go forward