



NMTC PROGRAM AWARD BOOK

CY 2013

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THE NEW MARKETS TAX CREDIT PROGRAM

The New Markets Tax Credit Program (NMTC Program) helps economically distressed communities attract private investment capital. This federal tax credit helps to fill project financing gaps by enabling investors to make larger investments than would otherwise be possible. Communities benefit from the jobs associated with these investments, as well as greater access to public facilities, goods, and services such as manufacturing, food, retail, housing, health, technology, energy, education, and childcare.

“The New Markets Tax Credit Program creates jobs and critical investments in low-income neighborhoods and rural communities across the nation. Often the New Markets Tax Credit is the most critical piece of the puzzle when trying to finance important economic development projects across the country. Its ability to attract private-sector capital into some of the most economically distressed and underserved communities is a hallmark of this important economic development program.”

AMIAS GERETY, TREASURY ACTING ASSISTANT
SECRETARY FOR FINANCIAL INSTITUTIONS

Through the NMTC Program, the CDFI Fund allocates tax credit authority to Community Development Entities (CDEs) through a competitive application process. CDEs are financial intermediaries through which investment capital flows from an investor to a qualified business located in a low-income community. CDEs use their authority to offer tax credits to investors in exchange for equity in the CDE. With these capital investments, CDEs can make loans and investments to businesses operating in distressed areas that have better rates and terms and more flexible features than the market. The NMTC Program helps to offset the perceived or real risk of investing in distressed and low-income communities. In exchange for investing in CDEs, investors claim a tax credit worth 39 percent of their original CDE equity stake, which is claimed over a seven-year period. In addition to receiving a tax benefit, investors have the advantage of entering new, unsaturated markets before their competitors, thereby increasing their chances of success. The NMTC Program enables investors to gain recognition for supporting the revitalization of America’s communities.

NMTC PROGRAM HISTORY:

- In the 11 rounds to date, the CDFI Fund has made 836 allocation awards totaling \$40 billion in tax credit authority, including \$3 billion in Recovery Act awards and \$1 billion that was specifically set aside for recovery and redevelopment in the wake of Hurricane Katrina.
- \$31.1 billion in New Markets Tax Credits have been invested in low-income communities since the program’s inception through FY 2012.

IMPACT OF NMTC PROGRAM:

For every \$1 invested by the federal government, **the NMTC Program generates over \$8** of private investment.

Since its inception, **the NMTC Program has created or retained an estimated 561,873 jobs.***

It has also supported the construction of 22 million square feet of manufacturing space, 71.9 million square feet of office space, and 55.3 million square feet of retail space.

The IRS’s NMTC Program regulations generally require that at least 85 percent of QEI proceeds be invested in Qualified Low-Income Community Investments (QLICs). All 87 of the 2013 allocatees indicated that they would invest at least 95 percent of QEI dollars into QLICs. In real dollars, this means **at least \$456 million** above and beyond what is minimally required by the NMTC Program will be **invested in low-income communities.**

GEOGRAPHIC LOCATION OF ALLOCATEES

87

THE 87 ALLOCATEES ARE HEADQUARTERED IN 32 DIFFERENT STATES AND THE DISTRICT OF COLUMBIA.

41

41 OF THE ALLOCATEES (OR 47 PERCENT) WILL FOCUS INVESTMENT ACTIVITIES ON A NATIONAL SERVICE AREA;

15

15 OF THE ALLOCATEES (OR 17 PERCENT) WILL FOCUS ON A MULTI-STATE SERVICE AREA;

12

12 OF THE ALLOCATEES (OR 14 PERCENT) WILL FOCUS ACTIVITIES ON A STATEWIDE SERVICE AREA;

19

AND 19 OF THE ALLOCATEES (OR 22 PERCENT) WILL FOCUS ON LOCAL MARKETS (E.G., A CITYWIDE OR COUNTYWIDE AREA).

INVESTMENT ACTIVITIES

Approximately **\$2.575 billion** (75 percent) of NMTC investment proceeds will likely be used to finance and support loans to or investments in businesses in low-income communities.

Approximately **\$830.713 million** (24.2 percent) of NMTC investment proceeds will likely be used to finance and support real estate projects in low-income communities.

Approximately **\$20.488 million** (0.6 percent) of NMTC investment proceeds will likely be used to provide capital to other CDEs.

URBAN VS. RURAL INVESTMENT AREA*

APPROXIMATELY
**\$2.011
BILLION**

WILL BE INVESTED
IN MAJOR URBAN
AREAS

APPROXIMATELY
**\$680
MILLION**

WILL BE INVESTED
IN MINOR URBAN
AREAS

APPROXIMATELY
**\$742
MILLION**

WILL BE INVESTED
IN RURAL AREAS

*Based on initial estimates of 2013 allocatees

CDFIs vs. Non-CDFIs

29.9%

of the allocatees are certified Community Development Financial Institutions (CDFIs) or subsidiaries of certified CDFIs. They received allocations totaling \$1.059 billion.

LIST OF ALLOCATION RECIPIENTS

Name of Allocatee	City	State	Service Area	Allocated Amount
Advantage Capital Community Development Fund, LLC	New Orleans	Louisiana	National	\$60,000,000
AI Wainwright LLC	Boston	Massachusetts	Multi-State	\$38,000,000
AMCREF Community Capital, LLC	New Orleans	Louisiana	National	\$60,000,000
Atlanta Emerging Markets, Inc.	Atlanta	Georgia	Local	\$38,000,000
Banc of America CDE, LLC	Washington	District of Columbia	National	\$48,000,000
Boston Community Capital Inc.	Boston	Massachusetts	National	\$40,000,000
Brownfield Revitalization, LLC	Raleigh	North Carolina	National	\$43,000,000
California Statewide Communities Development Corporation	Walnut Creek	California	Statewide	\$38,000,000
CapFund New Markets LLC	Lansing	Michigan	Multi-State	\$35,000,000
Capital One Community Renewal Fund, LLC	New Orleans	Louisiana	National	\$53,000,000
Central Bank of Kansas City	Kansas City	Missouri	Multi-State	\$43,000,000
Chase New Markets Corporation	New York	New York	National	\$60,000,000
Chicago Development Fund	Chicago	Illinois	Local	\$43,000,000
City First New Markets Fund II, LLC	Washington	District of Columbia	Multi-State	\$48,000,000
Civic Builders, Inc.	New York	New York	National	\$23,000,000
Civic San Diego Economic Growth And Neighborhood Investment Fund	San Diego	California	Local	\$23,000,000
Commonwealth Cornerstone Group	Harrisburg	Pennsylvania	Statewide	\$33,000,000
Community Hospitality Healthcare Services LLC	Placida	Florida	National	\$60,000,000
Community Impact Fund, LLC	Dover	Delaware	National	\$25,000,000
Community Ventures Corporation, Inc.	Lexington	Kentucky	Statewide	\$45,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Consortium America, LLC	Washington	District of Columbia	National	\$43,000,000
Danville, Virginia CDE, Inc.	Danville	Virginia	Local	\$20,000,000
DC Housing Enterprises	Washington	District of Columbia	Local	\$33,000,000
DV Community Investment, LLC	Phoenix	Arizona	National	\$60,000,000
Ecotrust CDE LLC	Portland	Oregon	National	\$35,000,000
Enhanced Community Development, LLC	New Orleans	Louisiana	National	\$50,000,000
Enterprise Financial CDE, LLC	St. Louis	Missouri	Multi-State	\$43,000,000
ESIC New Markets Partners LP	Columbia	Maryland	National	\$48,000,000
First-Ring Industrial Redevelopment Enterprise, Inc.	West Allis	Wisconsin	Local	\$33,000,000
Fort Wayne New Markets Revitalization Fund, LLC	Ft Wayne	Indiana	Local	\$33,000,000
Forward Community Investments	Madison	Wisconsin	Statewide	\$20,000,000
Genesis LA CDE LLC	Los Angeles	California	Local	\$20,000,000
Greater Wisconsin Opportunities Fund, Inc.	Madison	Wisconsin	Statewide	\$50,000,000
Greenline Community Development Fund, LLC	Denver	Colorado	National	\$35,000,000
Greenville New Markets Opportunity II, LLC	Greenville	South Carolina	Local	\$38,000,000
GS New Markets Fund	New York	New York	National	\$43,000,000
Habitat for Humanity NMTCC, LLC	Atlanta	Georgia	National	\$23,000,000
Harbor Bankshares Corporation	Baltimore	Maryland	Multi-State	\$33,000,000
Heartland Regional Investment Fund, LLC	St. Louis	Missouri	Multi-State	\$38,000,000
IFF	Chicago	Illinois	Multi-State	\$43,000,000
Invest Detroit CDE	Detroit	Michigan	Local	\$28,000,000
Iowa Community Development LC	Johnston	Iowa	Statewide	\$45,000,000
Kansas City, Missouri Community Development CDE	Kansas City	Missouri	Local	\$38,000,000
L.A. Charter School New Markets CDE, LLC	Los Angeles	California	Local	\$28,000,000
Las Vegas Community Investment Corporation	Las Vegas	Nevada	Local	\$28,000,000
Local Initiatives Support Corporation	New York	New York	National	\$60,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Low Income Investment Fund	San Francisco	California	National	\$48,000,000
M&I New Markets Fund, LLC	Chicago	Illinois	Multi-State	\$28,000,000
MHIC NE New Markets CDE II LLC	Boston	Massachusetts	Multi-State	\$60,000,000
Mid-City Community CDE, LLC	Bethesda	Maryland	National	\$33,000,000
Midwest Minnesota Community Development Corporation	Detroit Lakes	Minnesota	Multi-State	\$60,000,000
Midwest Renewable Capital, LLC	Grimes	Iowa	National	\$55,000,000
Milwaukee Economic Development Corporation	Milwaukee	Wisconsin	Local	\$28,000,000
Montana Community Development Corporation	Missoula	Montana	Multi-State	\$55,000,000
Morgan Stanley New Markets, Inc.	New York	New York	National	\$60,000,000
MuniStrategies, LLC	Jackson	Mississippi	Multi-State	\$50,000,000
National Cities Fund, LLC	New Orleans	Louisiana	National	\$20,000,000
National Community Fund I, LLC	Portland	Oregon	National	\$55,000,000
National Community Investment Fund	Chicago	Illinois	National	\$33,000,000
National New Markets Fund, LLC	Los Angeles	California	National	\$60,000,000
NCB Capital Impact	Arlington	Virginia	National	\$43,000,000
New Jersey Redevelopment Authority	Trenton	New Jersey	Statewide	\$20,000,000
New Markets Redevelopment LLC	Oklahoma City	Oklahoma	Statewide	\$38,000,000
Northern California Community Loan Fund	San Francisco	California	Local	\$33,000,000
Opportunity Fund Northern California	San Jose	California	Statewide	\$43,000,000
People Incorporated Financial Services	Abingdon	Virginia	Multi-State	\$35,000,000
PIDC - Regional Development Corporation	Philadelphia	Pennsylvania	Local	\$38,000,000
Pittsburgh Urban Initiatives LLC	Pittsburgh	Pennsylvania	Local	\$28,000,000
PNC Community Partners, Inc.	Pittsburgh	Pennsylvania	National	\$60,000,000
Primary Care Development Corporation	New York	New York	National	\$43,000,000
Raza Development Fund, Inc.	Phoenix	Arizona	National	\$33,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
RBC Community Development, LLC	Columbus	Ohio	National	\$28,000,000
REI Development Corp.	Durant	Oklahoma	Statewide	\$45,000,000
Reinvestment Fund, Inc., The	Philadelphia	Pennsylvania	National	\$43,000,000
Seattle Investment Fund LLC	Seattle	Washington	Local	\$28,000,000
Self-Help Ventures Fund	Durham	North Carolina	National	\$43,000,000
Southside Community Optimal Redevelopment Enterprise, LLC	Chicago	Illinois	Multi-State	\$20,000,000
Stonehenge Community Development, LLC	Baton Rouge	Louisiana	National	\$55,000,000
SunTrust Community Development Enterprises, LLC	Atlanta	Georgia	National	\$43,000,000
Telesis CDE Corporation	Washington	District of Columbia	National	\$15,000,000
Texas Mezzanine Fund, Inc.	Dallas	Texas	Statewide	\$43,000,000
The Valued Advisor Fund, LLC	Chicago	Illinois	National	\$51,392,113
University Financial Corp.	Saint Paul	Minnesota	Local	\$38,000,000
Urban Action Community Development LLC	Baltimore	Maryland	National	\$43,000,000
Urban Research Park CDE, LLC	Hunt Valley	Maryland	National	\$38,000,000
Vermont Rural Ventures, Inc.	Burlington	Vermont	Statewide	\$35,000,000
Waveland Community Development, LLC	Milwaukee	Wisconsin	National	\$50,000,000





KEY HIGHLIGHTS:

APPLICANTS VS. ALLOCATEES

310 CDEs applied for allocations, requesting a total of approximately \$25.9 billion in allocations. The CDFI Fund made allocation awards totaling \$3.501 billion*, or about 13.5 percent of the total amount requested by applicants, to 87 CDEs (or 28 percent of the total applicant pool).

MINORITY-OWNED OR CONTROLLED ENTITIES

7 of the allocatees (or 8 percent) are minority-owned or controlled entities. They received allocations totaling \$253 million.

ECONOMICALLY DISTRESSED COMMUNITIES

All 87 of the allocatees committed to providing at least 75 percent of their investments in areas characterized by: 1) multiple indicia of distress; 2) significantly greater indicia of distress than required by NMTC Program rules; or 3) high unemployment rates.

RURAL COMMUNITIES**

12 allocatees met the criteria for "Rural CDE" designation. These 12 Rural CDEs received allocations totaling \$540 million. 38 allocatees (or about 44 percent) will be required to deploy some or all of their investments in non-metropolitan counties; totaling approximately \$687.5 million, or 20.03 percent of the QLICs to be made with this allocation round.

INITIATIVES SECTION:

While there was no specific set-aside of tax credits for healthy food financing in the 2013 NMTC allocation round, applicants were asked to indicate if they intend to devote a percentage of their allocation to Healthy Food Financing activities. 61 of the 87 allocatees (or 70.1 percent) indicated that they intend to devote some portion of their NMTC allocation to Healthy Food Financing activities.

*The American Taxpayer Relief Act of 2013 provided \$3.5 billion in allocation authority for the CY 2013 Round. In addition to the \$3.5 billion, the NMTC Program allocated \$1,392,113 of unused, rescinded, or surrendered allocation authority from prior rounds.

**For further information, see the 2013 Notice of Allocation Authority.



ADDITIONAL RESOURCES

Learn more about the New Markets Tax Credit Program: www.cdfifund.gov/nmtc

Explore where in the country New Markets Tax Credit Program awardees are serving: www.cdfifund.gov/statesserved

View previous award rounds of the CDFI Fund's programs: www.cdfifund.gov/awards

Visit www.cdfifund.gov to learn about other CDFI Fund programs and how to apply.

View the CDFI Fund's [press kit](#) to learn more about the CDFI Fund.