



News Release

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U.S. BANK PROVIDES \$14 MILLION IN FINANCING FOR DEVELOPMENT OF LA KRETZ INNOVATION CAMPUS

New Markets Tax Credit partnership catalyzes investment in cleantech research and development innovation, potentially creating 600 new jobs in Los Angeles

LOS ANGELES (Jan. 9, 2013) – U.S. Bank has closed on approximately \$14 million in New Markets Tax Credit (NMTC) equity to support the \$46 million development of the La Kretz Innovation Campus, a new cleantech industry hub at 5th and Hewitt Streets in the Cleantech Corridor of Los Angeles.

The development was financed in partnership with the Los Angeles Department of Water and Power (LADWP), Clearinghouse CDFI, Consortium America, Los Angeles Development Fund, and Urban Research Park CDE.

“The Campus is going to be a game changer for Los Angeles,” said Mayor Eric Garcetti. “As a major cleantech center, it will attract talent, companies and capital to help build a green economy for our city.”

“The development of the La Kretz Innovation Campus serves as an example of how public-private partnerships can jumpstart creativity and innovation,” said Sean Foley, president for U.S. Bank in southern California. “We’re proud to partner with other community leaders to encourage clean technology in Los Angeles, and are excited that the project will create quality jobs in the process.”

The new La Kretz Innovation Campus serves as a core element of the city’s economic development strategy by supporting the growth of start-up companies focused on solving global ecological challenges and bringing new, well-paying jobs to the city. Opening in early 2015, the campus will serve as a center of intellectual and commercial activity and collaboration for the clean tech industry to grow, providing budding entrepreneurs, engineers, scientists and policy makers access to affordable incubator space and a toolbox of resources.

LADWP General Manager Ron Nichols said LADWP looks forward to working with the U.S. Bank and its other partners at the La Kretz Innovation Campus. “The campus is going to provide a tremendous asset by creating new technologies for expanding energy efficiency to help our customers save energy and money, transition out of coal, increase our use of renewable energy and create a clean energy future for L.A.,” Nichols said. “It will be a place where new technology and equipment can be developed and tested – technology that will help us go further, faster and more efficiently as our Power System continues to evolve.”

According to reports conducted for the Los Angeles Cleantech Incubator, the campus’ anchor tenant, this project is expected to incubate up to 40 clean tech companies and create 600 direct jobs with average annual wages of \$45,000 in its first five years. The facility will also house LADWP’s Energy Efficiency Technology and Customer Engagement Centers, as well as a

prototype manufacturing workshop, classrooms, a conference room, and a wet lab, all housed under one roof and priced affordably for early stage businesses.

U.S. Bank's investment was made possible using NMTCs allocated by Clearinghouse CDFI, Consortium America, Los Angeles Development Fund, and Urban Research Park, along with USBCDE, LLC, U.S. Bank's own Community Development Entity, and leveraging available funds from LADWP and a donation from Mort La Kretz, for whom the campus is named.

NMTCs transform private sector capital into below-market, flexible financing. The availability of up-front NMTC capital means the incubator can more fully focus on its mission of encouraging entrepreneurship through clean technologies.

As initial cleantech startups grow, graduate and move into larger space on the campus, they will attract other cleantech startups to take their place. New startups will benefit from affordable rental rates as well as coordinated efforts with an onsite workforce training provider, monthly symposiums with industry leaders, and informal interaction with other start-up and seasoned businesses.

Further, the campus will create one of the few green spaces in the city. The campus' outdoor public space will include a new park with benches and free wi-fi and surface parking lots that will be shaded by a photovoltaic solar canopy system.

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