

# NEW MARKETS TAX CREDIT

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## AT WORK IN COMMUNITIES ACROSS AMERICA

DECEMBER 2012

A REPORT BY THE NEW MARKETS TAX CREDIT COALITION

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## **NEW MARKETS TAX CREDIT COALITION**

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This report was prepared by Rapoza Associates for the New Markets Tax Credit Coalition.

The New Markets Tax Credit (NMTC) Coalition is a national membership organization that advocates on behalf of the NMTC program. The Coalition is managed by Rapoza Associates, a public interest lobbying and government relations firm located in Washington, D.C. that specializes in providing comprehensive legislative and support services to community development organizations, associations and public agencies.

While every attempt was made to ensure the accuracy of the data in this report, it is possible that errors have occurred. Please communicate any mistakes or comments you may have about the report to the New Markets Tax Credit Coalition.

# New Markets Tax Credit

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## Introduction

The purpose of this report is to profile the businesses, projects, and communities that have received assistance through the New Markets Tax Credit (NMTC). These businesses and projects are located in some of the most economically distressed urban neighborhoods and rural communities in America. Our thanks to the community development entities, investors, businesses and others who assisted in preparing this report.

The NMTC was originally authorized in the *Community Renewal Tax Relief Act of 2000* (P.L. 106-554), the product of bipartisan collaboration between Democratic President Bill Clinton and Republican Speaker of the House Dennis Hastert (R-IL), aimed to reduce poverty by spurring economic growth through private-sector investment in low-income communities.

Enactment of the Community Renewal Tax Relief Act was testimony to the policy prescriptions of former Congressman and HUD Secretary Jack Kemp who long argued for employing the tax code to encourage private-sector investment in low-income communities. Beginning with the *Tax Reform Act of 1986* (P.L. 99-514), which established the Low Income Housing Tax Credit – now the nation’s largest financier of affordable housing – Congress increasingly followed Kemp’s lead. Later, the *Omnibus Reconciliation Act of 1993* (P.L. 103-66) permanently codified the LIHTC and created additional Renewal Communities, Empowerment Zones, and Enterprise Communities programs to further encourage revitalization.

The idea behind the New Markets Tax Credits is that there are good business opportunities in low-income communities, but the cost and availability of capital in these ‘New Markets’ is an impediment to economic growth. NMTC employs a modest federal subsidy to stimulate private sector investment in communities through a delivery system of private for-profit and non-profit entities that provides patient, flexible capital to businesses and projects in urban neighborhood and rural communities.

By all accounts, NMTC has played a significant role in improving the flow of capital to communities. According to the Community Development Financial Institutions (CDFI) Fund<sup>1</sup> – which administers the NMTC – as of 2010, a total of \$45 billion has been invested in NMTC-financed businesses. NMTC capital accounts of \$20 billion of this amount, with the balance coming from other sources. These businesses have created or retained some 300,000 jobs.

In 2010, 72 percent of NMTC investments were made in communities even more distressed than required by law. Of the total \$9.5 billion invested in eligible census tracts, more than half was invested in communities with unemployment rates at least 1.5 times the national average. More than \$4.7 billion was invested in businesses in communities where incomes were less than 60 percent of area median. More than \$3.9 billion was invested in businesses located in communities where poverty rates exceeded 30 percent. Over \$1 billion went to non-metro communities. Overall, these investments created nearly 70,000 jobs, at a cost of \$17,000 per job.

Over the life of the program, about 60 percent of NMTC investments have gone to real estate businesses, commercial and industrial facilities, retail space, and mixed-use facilities. Most often, these investments are in the form of loans with below-market terms and conditions. Other NMTC investments include small business loan funds and financing for equipment upgrades.

Among the many outstanding projects and businesses financed by NMTC and profiled in this report are a steel factory in Washington State, a library in Texas, a community center in New York, a family and children’s center in California, micro-loan programs in Oregon and Rhode Island, and a seafood-processing plant in Alaska. In all 50 states, in urban and rural areas, NMTC investments are improving local economies, creating jobs and business opportunities, and having a positive impact on communities.

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<sup>1</sup> FY 2011 Agency Financial Report, CDFI Fund.

Beginning with the *Community Renewal Tax Relief Act*, Congress has authorized \$33 billion in credit authority for NMTC. Of that amount, some \$26 billion had been deployed by the end of 2011. The remaining credit authority is expected to be in use by the end of 2012.

The last authorization for the NMTC expired on December 31, 2011. As this report goes to press, Congress is considering legislation to extend the NMTC. Without an extension of New Markets Tax Credits there will be fewer resources available to create jobs, provide patient, flexible capital for businesses and projects and improve communities.

December 2012

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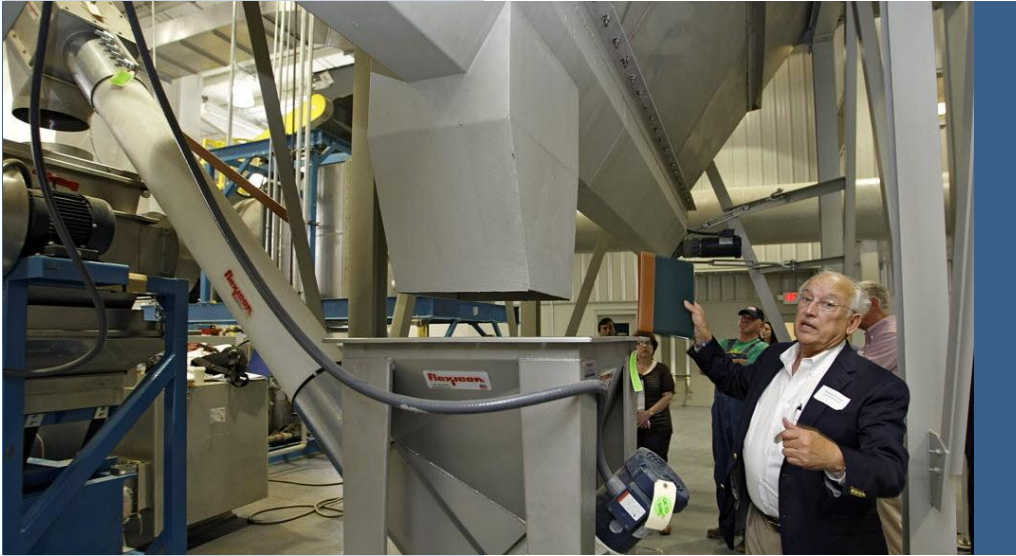
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# New Markets Tax Credit

# ALABAMA



## Gulf Coast Agricultural and Seafood Co-Op

Gulf Coast Agricultural and Seafood Co-Op (GCASC) is a non-profit cooperative located in Bayou LaBatre, Alabama. The community was devastated in 2005 when Hurricane Katrina hit, destroying many local businesses including the plant local fisherman relied on to process their seafood waste. Without a local processing facility, area fishermen had no alternative but to pay a significant cost to dispose of their waste in a landfill more than 50 miles away. In an effort to alleviate this cost burden that put many local businesses at risk, 23 local shrimp and crab companies formed the GCASC

In September 2011, AMCREF Community Capital (AMCREF), a community development entity based in New Orleans, provided \$8.4 million in NMTC financing to help develop a new, first-of-its-kind green manufacturing facility in Bayou LaBatre, where GCASC members can cost-efficiently dispose of their waste. The innovative plant turns the seafood waste into fertilizer and incorporates other environmentally beneficial features into its production.

The new facility offers the Co-Op members the option to process the seafood waste locally and turn it into marketable products, including fertilizer and high-grade medical materials, such as chitin, which can be sold for use in supplements, surgical sutures and artificial skin. At full capacity, the facility will process more than 10,000 tons of seafood waste annually, creating 2,500 tons of output per year, greatly reducing the processing waste expense, and providing an additional revenue stream for Co-Op members.

The Co-Op members worked with the Alabama Farmers Market Authority to raise a total of \$5.2 million in grants from the Economic Development Administration and Marine Fisheries Commission and raised \$1 million in debt, and equity capital from Co-Op member companies. However, the project needed additional capital to complete necessary plant optimization. Without AMCREF's NMTCs, the Co-Op would have been unable to finish the facility and meet its startup phase cash-flow requirements, jeopardizing the long-term viability and success of the project.

### NMTC ALLOCATEE

**AMCREF Community Capital,  
LLC**

New Orleans, LA

Cliff Kenwood

504.891.3118

### COMMUNITY PROFILE

- Bayou LaBatre, AL
- 23.3% poverty rate
- Unemployment 1.3 times national average
- State/Local Enterprise Zone
- Median income 72.1% of Area Median Income

### PROJECT HIGHLIGHTS

- Seafood waste processing facility
- Total Project Cost: \$8.4 million
- NMTC: \$8.4 million
- Investor: U.S. Bank
- Jobs: 119 construction, 82 new full-time, 364 retained



Top: Walton Kraver, President of GCASC, explains the facility's processes (Press-Register /G.M. Andrews)

Bottom: The Seafood Waste Processing Facility uses a field of 48 Solar Water Heating Panels to keep a bacterial digester warm

# New Markets Tax Credit

# ALABAMA

## NMTC ALLOCATEE

### **CEI Capital Management LLC\***

Portland, ME  
Charlie Spies  
207.535.2932

\*An affiliate of Coastal Enterprises, Inc.

## COMMUNITY PROFILE

- Aliceville, AL
- 28.3% poverty rate
- Unemployment rate 1.7 times national average
- Highly distressed census tract

## PROJECT HIGHLIGHTS

- Wood pellet manufacturing facility
- Total Project Cost: \$75 million
- NMTC: \$55.5 million
- Co-Allocatees: Wells Fargo, Rural Development Partners, WNC National Community Development Advisors
- Investor: Wells Fargo
- Jobs: 800 construction, 275 permanent



## Westervelt Pellets I, Inc.

Aliceville, Alabama is a rural community in Pickens County with fewer than 3,000 residents. Aliceville was once a prosperous industrial base but when the Huyck Felt brick plant closed in 1998, the community lost hundreds of high-paying jobs and the impact of the shutdown was felt throughout the local economy. The once vibrant factory sat vacant for years despite efforts of local officials to attract new industries to the site.

In April 2011, The Westervelt Company (Westervelt), a privately held company that owns and manages over 500,000 acres of timberland across the country, purchased the former Huyck plant from the Aliceville Industrial Development Authority with plans to use the site for a new wood pellet manufacturing facility. Westervelt launched a capital campaign to raise the funds needed to finance the construction and retrofitting of the existing plant and to purchase the equipment needed for the new manufacturing facility. The company was able to raise \$20 million from local corporations and foundations, but encountered difficulty securing the remaining \$55 million needed to complete the project. CEI Capital Management, a Community Development Entity based in Maine, in tandem with three CDE partners – Wells Fargo, Rural Development Partners, and WNC National Community Development Advisors – provided a combined \$55 million in NMTC financing needed to fill the capital gap.

Already underway, construction of the manufacturing facility is projected to be completed summer of 2013 and is expected produce 280,000 metric tons of wood pellets to be used as an alternative energy resource around the world each year.

With a local poverty rate of 28.3 percent and an unemployment rate of 11.8 percent, this facility will bring much needed economic stimulus to the area, creating approximately 800 construction jobs and nearly 275 permanent jobs either directly or indirectly tied to the wood pellet manufacturing facility. Westervelt committed to purchasing approximately \$16 million of pulp wood and other raw materials annually from local timber markets, helping to increase the demand for timber cutters and trucking firms throughout the local economy.



Top: Construction of Westervelt Pellet I, Inc. is underway

Bottom: Westervelt Pellet I pellet dryer

# New Markets Tax Credit

# ALASKA



## Goodnews Bay Regional Plant

The Coastal Villages Region Fund (CVRF) is the largest owner operator seafood company headquartered in Alaska. CVRF works to support growth in commercial fishing as well as Alaskan fishing communities by creating sensible, tangible, and long-term opportunities for people who want to fish and work.

In 2009 CVRF (through its subsidiary Goodnews Bay Seafoods LLC) opened a fish processing plant in the tiny village of Platinum, Alaska, population 61. This new facility had three important economic benefits. First, by creating additional capacity it expanded the amount of fish local fisherman could catch and deliver for processing and eventual sale. Second, construction of the plant created 325 construction jobs and 125 permanent season jobs. Third, the plant supports a network of almost 600 local fishermen in a remote region along the Bering Sea that has a 25% poverty rate and an 18% unemployment rate

The total cost of developing the new CVRF facility was \$42 million and the plant's potential impact on an extremely rural area attracted several New Markets Tax Credit (NMTC) investments. These investments included a NCB Capital Impact NMTC loan of \$13.7 million and an additional \$26.3 million in financing from Travois New Markets, a Community Development Entity based in Missouri, and Waveland Ventures, a Community Development Entity based in Texas. These NMTC investments financed construction of the plant, infrastructure improvements, roads to transport the fish to a nearby airstrip, and the of purchase of the processing equipment, including machines, belts, and freezers.

The newly constructed 37,800 sq. ft. facility includes a salmon processing building; a maintenance building; a dock, camp and dining facilities for 130 people; and on-site utilities, including power generation, water treatment, septic systems, and a tank farm. The new plant clears out a processing bottleneck caused by lack of capacity, and makes it more cost effective for the fishermen to have their hand-caught salmon processed and shipped to high-end and natural food stores across the country.

### NMTC ALLOCATEE

#### **NCB Capital Impact**

Arlington, VA

Scott Sporte

510.496.2233

### COMMUNITY PROFILE

- Platinum, AK
- 18% unemployment rate
- 25% poverty rate

### PROJECT HIGHLIGHTS

- Salmon processing plant
- Total Project Cost: \$42 million
- NMTC: \$ 40 million
- Investor: U.S. Bancorp Community Development Corporation
- Co-Allocatees: Travois New Markets, Waveland Ventures LLC
- Jobs: 325 construction, 225 permanent seasonal, 596 supported fishermen



Top: Goodnews Bay Seafoods fish processing in Platinum, AK

Bottom: Goodnews Bay Regional Plant

# New Markets Tax Credit

# ALASKA

## NMTC ALLOCATEE

### Alaska Growth Capital

Anchorage, AK  
Hugh Short  
907.339.6780

## COMMUNITY PROFILE

- Kotzebue, AK
- Targeted Population
- All residents are low income persons
- 25.8% unemployment rate
- Rural population of 3,200

## PROJECT HIGHLIGHTS

- Health center nursing home
- Total Project Cost: \$24 million
- NMTC: \$17.5 million
- Investor: New York Community Bank
- Jobs: 100 construction, 20 full-time permanent



## Maniilaq Elder Care Facility

For Inupiat Eskimo families in Northwest Alaska, access to a nursing home for elders required boarding a flight to Anchorage, 549 miles southeast of Kotzebue, and leaving behind traditional foods, family and friends.

In order to ensure that the area's elders could grow old and spend their last years near their culture, family and friends, Maniilaq Association (Maniilaq), a not-for-profit consortium owned by 12 federally recognized tribes in Northwest Alaska, sought to open the first nursing home in the community as an addition to the existing hospital in Kotzebue, Alaska.

Weather, logistics, cultural differences and high construction costs make rural Alaska an extremely challenging location to develop projects. To ensure that the plans for the elder care addition to the hospital came to fruition, Alaska Growth Capital BIDCO, Inc., an Alaskan based community development entity, provided \$17.5 million in NMTC financing, which combined with funding from the Maniilaq Association, the State of Alaska, Dudley Ventures, LLC, and New York Community Bank secured the \$24 million necessary to make the plan a reality.

Opened in 2011, the new 14,340 square foot facility serves the elders of a 12-village Northwest Arctic region, an area the size of Ohio, and provides them with a high level of medical care in the region. For Kotzebue village, which lies 33 miles above the Arctic Circle and has a population of 3,200, the nursing home provides advanced care for up to 18 elders, as well as 20 full time jobs.

The focus on culturally important care has won the Maniilaq Health Center nursing home high praise, with one its elder care providers even being awarded the Robert Wood Johnson Foundation 2012 Community Health Leaders Award.



Top: Maniilaq Health Center in Kotzebue, AK

Bottom: Interior lobby of the nursing home wing in Maniilaq Health Center

# New Markets Tax Credit

# ARIZONA



## The Changing Lives Center

In 2008, the Phoenix Rescue Mission, a non-profit organized to serve homeless men, sought to expand its mission through the Changing Lives Center (CLC), a center devoted to providing a nurturing sanctuary to support the health, safety, sobriety, and emotional well-being of homeless women and their children. The mission had identified a site for the facility but faced difficulty in securing the \$13.2 million needed to develop the center.

The Mission turned to Phoenix Community Development and Investment Corporation (PCDIC) for financing assistance to complete the project. PCDIC provided a \$4 million NMTC loan that not only provided strong benefits to a vulnerable population, but also created 200 construction jobs, 4 new direct jobs and retained over 50 permanent jobs in a very low-income neighborhood in Phoenix.

The secured campus is comprised of 77,000 square feet of new construction that includes: a children's pre-school and after-school center, a multipurpose building, and 67 fully-furnished dwelling units. The campus also includes a prayer and meditation garden, playground facilities, and an industrial kitchen to service the communal dining room.

The CLC has the capacity to serve 66 women and 127 children and provides a 12-18 month voluntary non-denominational addiction recovery program. The program delivers recovery support, life skill training, childcare and after-school care, job training and placement assistance, parenting training, medical and dental care, and housing placement assistance for graduates. The Center also consolidated the services of numerous area nonprofits for its residents such as AZ Women's Education and Employment and Central AZ Shelter Services, St. Vincent De Paul and St. Mary's Food Bank.

### NMTC ALLOCATEE

#### **Phoenix Community Development and Investment Corporation**

Phoenix, AZ  
Roberto E Franco  
602.495.5247

### COMMUNITY PROFILE

- Phoenix, AZ
- 40% poverty rate
- Family income 49% of Area Median Income
- Top 10 most blighted addresses in the City of Phoenix

### PROJECT HIGHLIGHTS

- Program center for the homeless
- Total Project Cost: \$13.2 million
- NMTC: \$4 million
- Investor: Mutual of Omaha Bank
- Jobs: 200 construction, 50 retained, 4 new direct



Top: Exterior of the Changing Lives Center

Bottom: The Changing Lives Center dwelling units

# New Markets Tax Credit

# ARIZONA

## NMTC ALLOCATEE

**Prestamos CDFI, LLC \***

Phoenix, Arizona

Rodie Ayala

602.257.6761

\*An affiliate of Chicanos por la Causa

## COMMUNITY PROFILE

- Phoenix, AZ
- 41.2% poverty rate
- Unemployment rate 1.4 times the national average
- Federally designated as medically underserved
- Phoenix Enterprise Zone

## PROJECT HIGHLIGHTS

- Orthopedic hospital
- Total Project Cost: \$31.6 million
- NMTC: \$13 million
- Investor: DV-SOSH QEI, LLC
- Jobs: 310 construction 150 full-time



## OASIS Orthopedic Hospital

OASIS Orthopedic Hospital is a state of the art medical facility located in the highly distressed area of East Phoenix. Oasis focuses on the treatment of inpatient musculoskeletal surgical cases.

OASIS Hospital offers a patient centered approach and transforms the hospital experience by incorporating a contemporary understanding of human interaction. David Ott, M.D., Medical Director and Board Chairman of OASIS Hospital, worked for more than six years to develop the specialized orthopedic hospital focused on delivering high-quality care with a focus on an integrated environment.

Opened in 2011, the new, 3-story, 94,000 square feet, 64-bed OASIS Orthopedic Hospital contains 8 operating rooms, a radiology department, pre- and post-operation areas, public waiting room, business office, kitchen and dining room, and additional areas required to support the hospital, as well as approximately 270 surface parking spaces.

To help OASIS Hospital meet a financing gap between construction cost and financing already raised, Prestamos provided a \$13 million NMTC loan which along with other NMTC financing helped bring the project to fruition.

The project created over 300 construction jobs and approximately 150 full-time positions at the hospital thereby, providing a much needed source of employment for low income residents of the highly distressed area. Additionally, educational assistance benefits offered allow career advancement opportunities for employees.

The hospital also serves as a catalyst for additional private investment in the area. Specifically, the project is located on land owned by the Arizona State Land Department with plans to include a medical mall including pharmacies, therapy centers and anesthetic services, as well as a 60 bed skilled nursing facility. As the first project on the site, OASIS is considered a cornerstone that will drive an additional 50 acres of healthcare development on the site.



Top: OASIS Orthopedic Hospital

Bottom: OASIS Orthopedic Hospital lobby



# New Markets Tax Credit

# ARKANSAS



## Delta Memorial Hospital

The Delta Memorial Hospital, based in Dumas, Arkansas, has a long history of providing quality health care services to residents living in rural communities, throughout the Arkansas Delta. Over time, local leaders recognized the challenges facing their small, not-for-profit hospital: facilities were outdated, cutting-edge equipment was lacking, and patient capacity needed to be increased. Without major improvements in these areas, the hospital would have to close.

Since the next nearest medical facility is more than 45 miles away, closing the hospital would have been devastating to this distressed community, marked by a 23% poverty rate and 12.5% unemployment rate. Despite the area's economic hardships, the community rallied to keep the Dumas hospital and passed a \$9.9 million bond measure to help pay for an upgraded building and medical equipment.

Construction began in 2005, but the \$9.9 million was not enough to complete the project, and the hospital faced a \$2.5 million financing gap. That's when community leaders and local bankers called on Hope Enterprise Corporation (HEC), a local community development entity, which provided \$2.5 million in NMTC financing to complete the project.

When the new hospital opened its doors in 2006, patients had access to new facilities, the latest in medical equipment, and much-improved specialty clinics. Evidence of the importance of Delta Memorial Hospital came soon after its re-opening when a tornado ripped through Dumas, laying waste to much of the town. Injured residents were rushed to Delta Memorial Hospital's new emergency room for treatment, which remained in full operation thanks to new back-up generators. The hospital also provided critical communication links when other communications systems failed. CEO of Delta Memorial Hospital, Jim Fairchild recalls, "I can tell you, beyond a shadow of a doubt, if it were not for the new medical facilities and equipment at Delta Memorial Hospital, we would have had a much greater tragedy that day."

The success of the Hospital continued. In 2007, Delta Memorial Hospital developed Delta Medical Supply to address the medical supply and equipment needs of area residents. It also developed a hospital-owned group medical practice, Delta Health Services, to address the primary health care needs of area residents.

### NMTC ALLOCATEE

#### Hope Enterprise Corporation

Jackson, MS

Bill Bynum

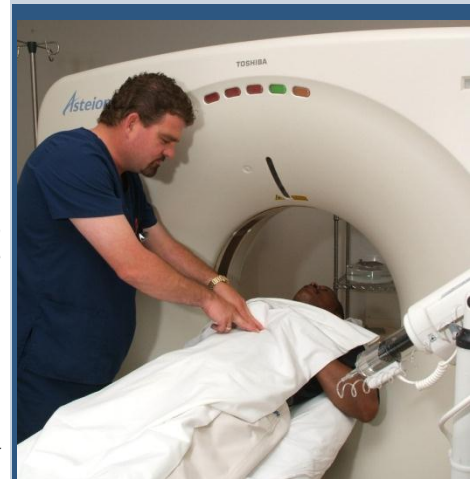
601.944.1100

### COMMUNITY PROFILE

- Dumas, AR
- 23% poverty rate
- 12.5% unemployment rate
- Medically underserved area

### PROJECT HIGHLIGHTS

- Construction and upgrade of a rural hospital
- Total Project Cost: \$12.9 million
- NMTC: \$2.3 million
- Investors: Merchants and Farmers Bank, Simmons Bank, Union Bank
- Jobs: 141 retained, 9 new direct



Top: Delta Memorial Hospital in Dumas, AR

Bottom: Patient receives treatment with the help of new medical equipment

# New Markets Tax Credit

# CALIFORNIA

## NMTC ALLOCATEE

### **New Markets Community Capital, LLC\***

Los Angeles, CA

Jose Villalobos

323.721.1655

\*An affiliate of TELACU

## COMMUNITY PROFILE

- Los Angeles, CA
- Unemployment 3.7 times the national average
- 35.7% poverty rate
- Median income 46.7% of Area Median Income

## PROJECT HIGHLIGHTS

- Construction of social service campus
- Total Project Cost: \$28.7 million
- NMTC: \$28.1million
- Investor: Chase
- Jobs: 347 temporary and permanent



## Children's Institute Otis Booth Campus

Children's Institute, Inc. (CII) was founded in 1906, in Los Angeles, California to provide services to children and families who have been affected by family and community violence, abuse, neglect, and other trauma.

In 2006, CII celebrated its 100th anniversary by announcing its commitment to double the number of children and families served from 2,500 to 5,000. To help CII keep its commitment, New Markets Community Capital (NMCC), along with Chase, provided \$28.1 million in NMTC financing to construct a new, 48,000 square foot facility - The Otis Booth Campus.

The new campus is located in a community impacted by poverty, violence, unemployment, lack of education, and accounts for 26% of the child abuse and neglect referrals to the Department of Children & Family Services in Los Angeles County. Some 35.7% of the areas families live below the poverty line and the unemployment rate is 3.7 times the national average.

The new Otis Booth Campus, which opened in May of 2011, has enabled CII to bring a unique blend of clinical, enrichment, early childhood, and family support services to thousands of additional vulnerable children and families in one of LA's most impacted areas. In addition to the 5,000 children and families served, the new campus has allowed CII to train an additional 2,200 childcare professionals a year. It is also one of the first LEED-certified facilities constructed by a children's service organization in Los Angeles. The Otis Booth Campus will serve as a safe haven for thousands of children whose lives have been affected by violence. Through the expanded services, program development, research, and training activities, CII can have a lasting impact not only on the immediate neighborhood, but throughout the entire Los Angeles community.



Top: Main Entrance to Otis Booth  
Campus

Bottom: A child reads a book from the  
library

Photo credit: John Livzey



## Friends Community Housing

Friends of SCLARC is a nonprofit organization that partners with the South Central Los Angeles Regional Center (SCLARC) to provide services and create safe, accessible, and affordable housing opportunities for individuals with developmental disabilities. In 2011, Friends of SCLARC created Friends Community Housing program to help relocate several individuals with disabilities who were being relocated due to the closure of a large state hospital facility. Friends Community Housing is a unique concept: a scattered-site project consisting of 10 single-family homes throughout South and Southeast Los Angeles that provides both housing and health and social services to nearly 40 displaced adults with special needs.

However, Friends of SCLARC did not have the capital required to carry out this project, so Genesis LA offered an innovative financing model that made use of the New Markets Tax Credit (NMTC). Chase served as the NMTC investor to fund \$5.7 million in NMTC financing for the project, which rehabilitated 10 abandoned and foreclosed homes located in highly distressed, low-income areas across Los Angeles. Friends Community Housing made a commitment to hire local residents, women, and minorities as part of the project implementation. Seventeen construction firms—15 of which were minority- and/or women-owned—were hired for the project, creating 60 construction jobs, 55 of which were filled by minority and/or women workers. The completed homes are now leased to small businesses that provide services to residents. Of the 10 operators at these homes, 80% are minority- and/or women-owned businesses.

In addition, the project facilitated significant community redevelopment goals. Nearly every block on which the 10 properties are located have since experienced additional investments that have improved neighboring properties. In fact, some subcontractors for the project have even been hired by neighboring homeowners to perform renovations to their properties. Given the unique nature of this project and its non-profit ownership structure, the NMTC was critical to ensuring the project's success.

### NMTC ALLOCATEE

#### Genesis LA CDE, LLC

Los Angeles, CA  
Tom De Simone  
213.533.8900

### COMMUNITY PROFILE

- Los Angeles, CA
- Median income 46% of Area Median Income
- 24% poverty rate
- Unemployment rate 2.3 times national average

### PROJECT HIGHLIGHTS

- Housing and health and social services
- Total Project Cost: \$5.7 million
- NMTC: \$5.7 million
- Investor: Chase
- Jobs: 60 construction, 40 permanent



Top: One of the 10 houses renovated for Friend Community Housing

Bottom: One of the 10 houses renovated for Friend Community Housing

# New Markets Tax Credit

# CALIFORNIA

## NMTC ALLOCATEE DV Community Investment LLC\*

Phoenix, AZ  
James D. Howard, Jr.  
602.759.5301

\*An affiliate of Dudley Ventures

### COMMUNITY PROFILE

- Bakersfield, CA
- 21.3% poverty rate
- Median income 60.3% of Area Median Income
- 15.9% unemployment rate

### PROJECT HIGHLIGHTS

- Energy power plant conversion
- Total Project Cost: \$43 million
- NMTC: \$9 million
- Investor: Chase
- Jobs: 90 construction, 30 retained, 8 new direct



## Mt. Poso Cogeneration Company

Mt. Poso Cogeneration Company (MPCC) owns a biomass-fired power plant located near Bakersfield, California that began operations as a coal-fired facility in 1989. The plant is located in a high-distress census tract with an unemployment rate over 15 percent.

By 2009, changes in California air quality regulations signaled an end to the plant's coal operations. MPCC knew that closing the plant would have serious, negative impacts on the Bakersfield community and decided to keep the plant open by converting the facility into a sustainable biomass energy production plant.

MPCC had difficulty securing conventional financing for the \$43 million plant conversion due to the market risks associated with biomass fuel. DV Community Investment, LLC (DVC) supplied one component of financing by providing \$9 million in NMTC financing, which, when combined with other conventional capital sources, made the project economically feasible.

In February 2012, Mt. Poso's power plant completed its conversion to biomass and successfully began delivering its full capacity of clean, renewable energy to the California grid. Conversion of the plant preserved 30 jobs, created 8 new jobs at the facility, 90 construction jobs, and an estimated 100 long-term jobs at local firms supplying biomass fuel and providing maintenance and other services to the plant.

All of the jobs at the plant are "green energy" jobs and offer above-average wages with medical benefits, a savings and investment plan, and advanced career and educational training. More than 80 percent of Mt. Poso's employees are residents of low-income communities. The company has forged alliances with a community college and local job training organizations to undertake further outreach into the low-income community. The project serves as a catalyst for job growth in the surrounding area.



Top: Mt. Poso's power plant

Bottom: Mt. Poso fuel handling equipment



## Native American Health Center

Since 1972, the Native American Health Center (NAHC) has worked to provide critical health care services to one of the largest urban concentrations of Native American Indians in the country. Located in the ethnically diverse Fruitvale district of Oakland that was once home to the Ohlone Indian tribe of the East Bay, NAHC provides a full range of community health care and prevention services including primary medical care, comprehensive dental care, women's health, health education, youth services, nutrition counseling, health care for homeless, HIV/AIDS prevention and care, outreach, prenatal and perinatal care, and outpatient mental health and substance abuse counseling

In 2007, NAHC faced mounting challenges including increased demand for health services, rising costs, and a growing need for affordable housing in the community. To help address these challenges NCB Capital Impact, working with Opportunity Fund, a California based Community Development Entity, provided a total of \$10 million in NMTC financing for an expansion of the health center and a new mixed-use facility.

Expansion of the NAHC included a new 26,000 square foot "Seven Directions" mixed-use facility. The new facility has increased access to much needed health care services for American Indians and Alaskan Natives. The facility also features an outdoor American Indian cultural ceremonial space and 38 units of affordable housing.

NCB Capital Impact, along with 12 private and public partners, including state and local government agencies, foundations, faith-based groups and other nonprofit organizations, worked to arrange \$10 million in below-market financing for the Seven Directions facility. The NMTC allocation provided the ability to construct a long-term, low-cost, fixed, below-market rate. Further, the credits offer a potential added benefit of up to \$2 million in equity. Along with the obvious benefits to the community in terms of improved access to health care and an increase in the supply of affordable housing, this project had a substantial impact on job creation in a very economically distressed community creating over 100 jobs.

### NMTC ALLOCATEE

#### **NCB Capital Impact**

Arlington, VA

Scott Spote

510.496.2233

### COMMUNITY PROFILE

- Oakland, CA
- 26.2% poverty rate
- Median income 49.4% of Area Median Income

### PROJECT HIGHLIGHTS

- Health care facility
- Total Project Cost: \$12.2 million
- NMTC: \$10 million
- Investor: US Bank Community Development Corporation
- Co-Allocatee: Opportunity Fund
- Jobs: 60 construction, 58 permanent, 11 part-time



Top: The Native American Health Center's Seven Directions facility

Bottom: Children perform in the American Indian cultural ceremonial center at the Native American Health Center

# New Markets Tax Credit

# CALIFORNIA

## NMTC ALLOCATEE

### **ESIC New Markets Partners\***

Columbia, MD  
Elaine DiPietro  
410.772.2428

\*An affiliate of Enterprise Community Investment, Inc.

## COMMUNITY PROFILE

- Los Angeles, CA
- Poverty rate 31.7%
- LA Renewal Community and Enterprise Zone

## PROJECT HIGHLIGHTS

- Mixed-use community facility
- Total Project Cost: \$77.2 million
- NMTC: \$70.2 million
- Co-Allocatees: LISC, Los Angeles Development Fund, Bank of America
- Investors: Chase, Bank of America Merrill Lynch
- Jobs: 200 construction, 200 retained



## YWCA Greater Los Angeles

Founded in 1894, the YWCA of Greater Los Angeles is a women's membership movement, built on the mission of eliminating racism and empowering women. The organization touches more than 100,000 people annually through various programs that include affordable childcare, after-school youth programs, economic empowerment, job training, housing services, and sexual assault crisis services.

In 2008, the YWCA recognized the need to expand its facilities to meet the growing demand for its services. ESIC New Markets Partners, along with several other Community Development Entities, assembled \$70.2 million in NMTC financing for the construction of a new, \$77.2 million facility.

The new 155,000-square-foot building opened in 2012, and houses a new Job Corps Urban Campus that provides employment and training opportunities to area youth. The facility also enabled the YWCA to consolidate the program's housing services – formerly scattered across six sites – into one location. The seven-story building features a commercial kitchen for culinary training, a dining hall, classrooms, a health suite, and an exterior courtyard. Four floors are residential, with 200 dormitory-style rooms, lounges, laundry facilities, and study rooms that will house 400 Job Corps trainees. The building also features a gated entry and 24-hour security. The new facility not only provides improved youth services, but also created 400 construction and permanent jobs in a low-income community.

The Los Angeles Job Corps Center serves approximately 1,200 low-income teens and young adults, ages 16 to 24 that come to the program from communities throughout greater Los Angeles. The Department of Labor has recognized the Job Corps program for exceeding national goals for job placements and starting wages. Graduates earn an average \$12.25 per hour – well above the local minimum wage – and more than 97 percent of graduates are still employed a year after graduation.



Top: YWCA Greater Los Angeles Urban Campus

Bottom: Congresswoman Lucille Roybal-Allard and YWCA's Faye Washington at YWCA Greater Los Angeles building dedication.



## Rocky Mountain Innosphere

Rocky Mountain Innosphere (RMI) is a high-tech business incubator for biotech start-ups and entrepreneurs. Located in Fort Collins, Colorado, RMI provides these startup companies with assistance raising capital, discounted professional services, and educational and networking opportunities for realizing business success.

Fort Collins was once a regional hub of retail and shopping, but as economic growth slowed and the town's once vibrant Midtown area saw a rise in empty storefronts. The City of Fort Collins' Urban Renewal Authority (URA) looked for opportunities to redevelop and revitalize the Midtown's vacant space to bring businesses and residents back to the area, but finding an anchor tenant for such a project was difficult. The jumpstart that the redevelopment project needed came in 2010, when RMI ran out of space and needed a new location.

Midtown was an ideal location for RMI to relocate but financing the redevelopment and retrofitting of a new space proved challenging. To help RMI build adequate space for their business and clients, and to secure their move to the Midtown area, the Colorado Growth and Revitalization Fund (CGR Fund), a Denver based Community Development Entity comprised of the Colorado Housing and Finance Authority, The City and County of Denver, and the Colorado Enterprise Fund, working with City of Fort Collins URA, provided \$7.1 million in NMTC financing.

In December 2010, thanks to the critical NMTC financing, RMI opened a new 31,000 square foot, LEED Certified, office building. Companies within the Innosphere now have access to conference room space, a shared reception area, training rooms for educational and community events, and 3,000 sq. ft. of laboratory space for bioscience companies. The new RMI Building is a collaborative workspace for entrepreneurs and, in the next five years, will assist in launching thirty new innovation-based companies, raising \$80 million in capital and creating more than 200 new jobs. In addition, the facility's utilizations of energy-efficient construction, generating 122 full-time construction jobs with higher than average wages.

This project not only addressed the immediate needs of RMI, but promises to stimulate private investment and attract other high-tech companies to the area, turning Fort Collins into a hub for entrepreneurial activity in the region.

### NMTC ALLOCATEE

#### Colorado Growth and Revitalization Fund

Denver, CO  
Wyatt K. Jones  
303.297.7341

### COMMUNITY PROFILE

- Fort Collins, CO
- 16.5% poverty rate
- 8.4% unemployment rate
- Median income 71% of Area Median Income
- Colorado Renewal Community

### PROJECT HIGHLIGHTS

- Construction of a new building for a new biotech incubator
- Total Project Cost: \$7.3 million
- NMTC: \$7.1 million
- Investor: U.S. Bank
- Jobs: 122 construction, 200 new



Top: Rocky Mountain Innosphere, high-tech incubator, in Fort Collins, CO

Bottom: Rocky Mountain Innosphere provides access to conference room space, a shared reception area, and training rooms

## NMTC ALLOCATEE

### Massachusetts Housing Investment Corporation

Boston, MA  
Deborah Favreau  
617.850.1037

## COMMUNITY PROFILE

- Willimantic, CT
- 36.5% poverty rate
- 20% unemployment rate
- Median income 50.8% of Area Median Income
- Population 17,737

## PROJECT HIGHLIGHTS

- Health center
- Total Project Cost: \$13.9 million
- NMTC: \$12 million
- Investor: U.S. Bank
- Jobs: 30 new direct



## Generations Family Health Center

Generations Family Health Center is a Federally Qualified Health Center in Willimantic, Connecticut, the poorest rural area of the state. Previously a center of textile manufacturing, this small community is now a federally designated medically underserved area with high levels of poverty, chronic illness, and substance abuse. Generations is one of the largest community health care centers in the area, covering 33 towns and serving more than 40,000 patient visits annually. Generations provides a full continuum of primary health care, oral health care, behavioral health care, case management, and support services for people of all ages.

Generations faced the challenge of a rapidly growing number of visits and new patients, but had long been unable to assemble the necessary financing for expansion. NMTC financing made it possible to construct a 32,000 sq. ft. facility – doubling its physical space – enabling the health center to consolidate three sites into one location and to permit future growth. The new facility increased the health center's capacity by 60%, increased operational efficiencies, enhanced patient outcomes, and created 30 new, full-time jobs. Since the new facility opened in December 2011, it has experienced a 40% increase in patient visits. Generations expanded its mobile dental van program to reach children and families in outlying areas and its specialty care program that many patients previously had difficulty accessing.

MHIC has financed eight Federally Qualified Health Centers, with a total investment of \$107.25 million. This experience has proven that expansion of such facilities improves the health – broadly defined – of low-income communities by not only serving critical unmet medical needs and improving health outcomes for disadvantaged populations at a comparatively low cost, but also by creating good jobs for low-income residents and boosting economic activity in their neighborhoods.



Top: Generations Family Health Center

Bottom: Generations Family Health  
Center reception desk





## Ships Tavern Row

The historic Ships Tavern Row once served as the gateway to historic downtown Wilmington, Delaware, a bustling commercial district. Unfortunately, when long-time businesses and residents left the area in the 1950s and 60s, it turned the once thriving community into an area marked by dilapidated, vacant buildings.

Ships Tavern Row sat abandoned and neglected for nearly 50 years until 2001, when the Wilmington Renaissance Corporation, a nonprofit development group, devised a plan to revitalize the area. The \$24 million redevelopment project, financed through bank loans, state historic tax credits and a \$2.5 million NMTC loan from CCG Community Partners, called for the rehabilitation of 11 vacant or otherwise blighted buildings along Ships Tavern Row.

The rehabilitation project, completed in the fall of 2004, provides over 55,000 square feet of street-level retail space, upper floor commercial office space, 10,600 square feet of basement storage space, and more than 80 apartments and 18 retail shops. The renovation project created over 100 construction jobs and more than 85 new full-time jobs, with many of those jobs going to low- and moderate-income individuals.

In what was previously a dilapidated block, Ships Tavern Row is once again a distinct, successful retail district, which has dramatically improved the area's level of pedestrian and commercial activity, as well as enhanced the neighborhood's prospects for the future.

### NMTC ALLOCATEE

**CCG Community Partners, LLC\***

Princeton, NJ

Paul Hoffman

310.335.2040

\*An affiliate of Cityscape Capital Group, LLC

### COMMUNITY PROFILE

- Wilmington, DE
- 21.7% poverty rate
- Unemployment 2.2 times the national average
- Median income 44% of Area Median Income
- SBA Hub Zone

### PROJECT HIGHLIGHTS

- Redevelopment of historic downtown
- Total Project Cost: \$24 million
- NMTC: \$2.5 million
- Investor: Bank of America
- Jobs: 100+ construction, 85 permanent



Top: Ships Tavern Row in Wilmington, DC is now a bustling commercial district

Above: 11 historically significant buildings were renovated during the redevelopment of Ships Tavern Row

# New Markets Tax Credit

# DISTRICT of COLUMBIA

## NMTC ALLOCATEE

### City First New Markets Funds II, LLC \*

Washington, DC

Marie Mann Bibbs

mbibbs@cityfirstbank.com

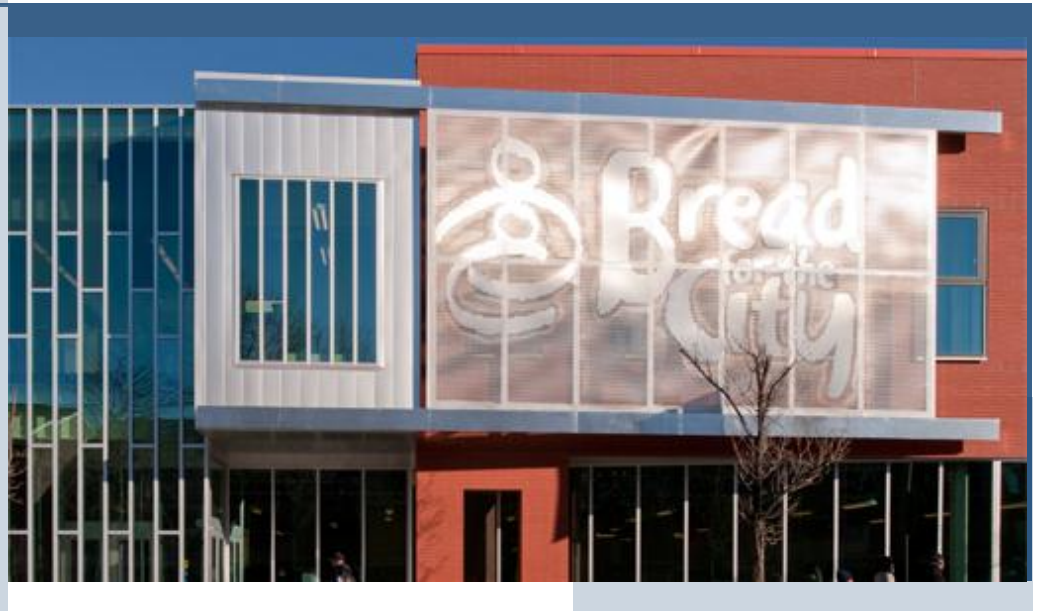
\*An affiliate of City First Bank of DC

## COMMUNITY PROFILE

- Washington, DC
- 35.3% poverty rate
- Unemployment 2.7 times national average
- Median income 23.5% of Area Median Income

## PROJECT HIGHLIGHTS

- Health and social services agency
- Total Project Cost: \$7.4 million
- NMTC: \$6.4 million
- Investor: U.S. Bank
- Jobs: 126 new and retained



## Bread for the City

Since 1976, Bread for the City has pursued its mission of providing vulnerable low-income residents of Washington, DC, with comprehensive services, including food, clothing, medical care, and legal and social services, in an atmosphere of dignity and respect.

Since the early 1990s, Bread for the City had operated out of a former lumber warehouse. By 2009, however, the facility was in need of a renovation and expansion.

In October 2009, City First New Markets Fund II, LLC, an affiliate of City First Bank of DC, in partnership with the DC Primary Care Association and U.S. Bank, stepped in to provide \$6.4 million in NMTC financing for the renovation and expansion of the Bread for the City facility, which is located in the Shaw community, a low-income neighborhood in DC.

The financing helped double the size of the facility to 20,500 square feet, allowing for the expansion of the medical clinic to 12 examination rooms, the construction of a new vision care and dental treatment rooms, offices for administrative, legal, and finance staff, and a larger, more efficient client waiting, intake, and reception area. The project includes a new green roof with a vegetable garden that partially supplies the food pantry and the healthy eating initiatives of Bread for the City.

Today, Bread for the City serves an average of 10,000 DC residents every month, and more than 58,000 individuals annually. Every program is provided for free or on a sliding fee schedule, based on client income.



Top: Bread for the City, located in Washington, DC's Shaw neighborhood.

Above: Bread for the City's medical clinic



## The Shops at Park Village

For more than a decade, residents of Washington DC's Ward 8, the City's poorest ward, lacked access to a grocery store, restaurants, and shops and were forced to travel miles outside the neighborhood for necessities, crossing into Maryland for trips that could take an hour each way. To address these challenges, community leaders worked with developer William C. Smith and Co. to lure businesses to the area. However, uncertain commercial and retail markets combined with high levels of economic distress in the community, presented a challenge in securing traditional private sector investors.

In 2007, the Local Initiatives Support Corporation (LISC) stepped in to provide \$18.5 million in NMTC financing for the Shops at Park Village project, which would meet the widespread demand for basic goods and services throughout the neighborhood. The NMTC funding insulated the project from operational risks that otherwise might overshadow its long-term outlook and benefits and bolstered funding commitments from additional sources.

Completed in 2008, the Shops at Park Village Shopping Center is a 111,293 square foot commercial development that houses Giant Supermarket, the only full-service supermarket in Ward 8 and the first supermarket to open in the Southeast neighborhood since 1998. The Giant store features a grocery that boosts the local food selection, a full-service pharmacy, a Staples office supply aisle, and many ancillary goods and services. The supermarket is the anchor of the shopping center that also features Ward 8's first full-service restaurant, an IHOP part-owned by a District police officer, DC Public Library, SunTrust Bank, Boost Mobile and Wells Fargo Bank

The Shops at Park Village generated 188 construction and 172 permanent jobs in a highly distressed area of the city. The project also promotes the concept of livable communities and plays an integral part of an overall plan to integrate retail into a web of new developments in housing, education, youth services, recreation and the arts into this historically underserved neighborhood.

**NMTC ALLOCATEE**  
**Local Initiatives Support Corporation (LISC)**  
New York, NY  
Robert Poznanski  
269.343.5472 x 3

- COMMUNITY PROFILE**
- Washington, DC
  - 44% poverty rate
  - Median income 32% of Area Median Income
  - CDFI Hot Zone
  - Enterprise and Renewal Community
  - Empowerment Zone

- PROJECT HIGHLIGHTS**
- Commercial retail and grocery store
  - Total Project Cost: \$20.6 million
  - NMTC: \$18.5 million
  - Investor: Wells Fargo
  - Jobs: 188 construction, 172 new permanent



Top: The Shops at Park Village in Washington, DC

Bottom: Ward 8's first sit down restaurant, IHOP

# New Markets Tax Credit

# FLORIDA

## NMTC ALLOCATEE

### Florida Community Loan Fund

Orlando, FL

Nelson Black

813.223.7400

## COMMUNITY PROFILE

- Miami, FL
- 53% poverty rate
- Median income 38% of Area Median Income
- Unemployment 3.1 times the national average

## PROJECT HIGHLIGHTS

- Construction of new facility for social services
- Total Project Cost: \$84 million
- NMTC: \$20 million
- Investor: NorLease, Inc.
- Jobs: 100 direct new, 300 construction, 50 retained



## Camillus House

Camillus House is a community-based, non-profit organization, founded in 1960, to provide health and social services to low-income and homeless men, women, and children throughout Miami-Dade County in southern Florida.

For years, Camillus House ran its services from 12 different locations, but in 2010, the organization had the opportunity to consolidate several of its key service programs onto a single site, located in a city center location. Florida Community Loan Fund, a statewide community development entity in Florida, provided \$20 million in NMTC financing for the new 3.1 acre campus. Camillus House began construction in late 2010.

Camillus House opened several of its new campus facilities, including the Direct Care Building, in May of 2012. By the end of 2013, the project is expected to be fully operational, with 7 new buildings offering long- and short-term housing space, mental health counseling and care facilities, job counseling facilities, food service facilities, retail space, and a multi-level garage. The campus also houses Shepherd's Court, an 80-unit affordable rental housing project. The new 340-bed campus will provide services to more than 3,000 individuals each year.

Hiring priority for construction workers is given to low-income residents living within a 5-mile radius of the project. There will also be an apprenticeship program to train and hire low-income residents and persons who are homeless. Located in a highly distressed, low-income neighborhood on a vacant city center site that has been empty for many years, the project is also a major social and economic improvement to the neighborhood. Named for one of its largest charitable corporation contributors, "The Norwegian Cruise Line Campus" of Camillus House is an integral part of the city and county revitalization plans for the area.



Top: Aerial view of The Norwegian Cruise Line Campus of Camillus House in Miami, FL

Bottom: Housing units located at the new campus



## Lake Point Restoration

Years of rampant agricultural and commercial development in South Florida has had a significant pollution impact on the area's water resources. While there have been a number of initiatives to "save" the Florida Everglades, a majority of restoration efforts failed due to lack of funds. In an innovative way to help offset some of the cost of restoration, the owners of the Lake Point Restoration Project in Martin County, FL, created a public-private partnership purchasing 2,250 acres of land in western Martin County to be mined for limestone used in road construction, dike/levee repair and shore stabilization, while the resulting quarries will be converted into a complex of reservoirs, wetlands, and storm water treatment areas donated to the South Florida Water Management District (SFWMD). Merrill Lynch NMTC Corp, Capital Trust Agency CDE, and the Florida Community Loan Fund provided an aggregate of \$56 million in NMTC financing to support the purchase of the land and equipment used in the mining operation.

The mining operation provides a low-cost source of essential limestone raw materials for local infrastructure and conservation projects, such as the Herbert Hoover Dike. As the land is used for quarrying, the resulting lakes will be able to process, store, and pump purified water into and out of Lake Okeechobee, as well as the Okeechobee Waterway. Unlike conventional Florida rock quarrying, Lake Point's quarrying activity is small in scale, promoting significant Everglades' conservation.

Martin County is an agricultural community with higher unemployment rates and significantly lower incomes than the wealthier coastal areas that surround it. The Lake Point Restoration project creates long-term jobs in a highly distressed community with a poverty rate over 30% and high unemployment. An estimated 411 jobs will be created in the four-county area surrounding the project and approximately 59 jobs will be created across the state over the next several years, all permanent in nature and 60% of which will be held by residents of the low-income communities around the facility.

**NMTC ALLOCATEE**  
Merrill Lynch NMTC Corp  
(Bank of America)  
Charlotte, NC  
Leigh Ann Smith  
980.386.3855

**COMMUNITY PROFILE**

- Martin County, FL
- 30% poverty rate
- Enterprise Zone
- HUB Zone
- Recovery Zone
- Targeted Employment Area

**PROJECT HIGHLIGHTS**

- Purchase of equipment for land conservation and mineral extraction
- Total Project Cost: \$90 million (estimated)
- NMTC: \$56 million
- Co-Allocatees: Florida Community Loan Fund, Capital Trust Agency.
- Investors: US Bank and Bank of America
- Jobs: 411 new direct, 59 indirect



Top: The Lake Point Restoration Project includes rock quarrying and asphalt manufacturing, among other objectives

Bottom: The Lake Point Restoration Project involves 2250 acres of land located in western Martin County

# New Markets Tax Credit

# FLORIDA

## NMTC ALLOCATEE Advantage Capital Community Development Fund, LLC\*

St. Louis, MO  
Rob Monsees  
314.725.0800 x152

\*An affiliate of Advantage Capital

### COMMUNITY PROFILE

- Gainesville, FL
- 24.8% poverty rate
- Median income 70% of Area Median Income

### PROJECT HIGHLIGHTS

- Robotics developer expansion
- Total Project Cost: \$5.7 million
- NMTC: \$2.5 million
- Investor: Advantage Capital Partners
- Jobs: 41 retained, 40 created



## Prioria Robotics, Inc.

Founded in 2003 by business and engineering graduates from the University of Florida, Prioria Robotics, Inc. is a leader in the development of small unmanned aerial systems (UAS) for civilian and military use.

Prioria, headquartered in Gainesville, Florida, began seeking additional manufacturing and research and development space after a surge in business in 2011. The company was recruited by several locations in Georgia, North Carolina, and Canada, but the Gainesville Area Chamber of Commerce, Council for Economic Outreach, FloridaWorks, Alachua County, City of Gainesville Community Redevelopment Agency, and Enterprise Florida all recognized the important role the company played in the local economy and partnered to keep Prioria's expansion in Gainesville.

The city of Gainesville had recently purchased a previously shuttered warehouse in downtown Gainesville, which it then offered to rent to Prioria Robotics. To support Prioria's operations and their move into the new 22,000 square foot facility, Advantage Capital Partners provided \$2.5 million in NMTC financing. This project is the first piece in the planned redevelopment of 16 acres in the Power District, the former operations center of a regional utility that the city has targeted for economic revitalization.

The expanded facility will enable Prioria to advance the growth of its UAS platforms to meet expected new demand. With foreign and domestic militaries adopting and deploying these systems and civil and commercial segments in the early growth stages, there is an increasing need for companies with effective products that serve this growing market.

The company is located next to the University of Florida and utilizes several exclusive patents developed by the University. In addition, Prioria employs University graduates and other residents of Gainesville, providing quality, high-paying jobs. The technology and research development company plays a much-needed role in diversifying the local Florida economy away from tourism, leading the rebirth of technology in the low-income location and renovating a previously abandoned space.



Top: Governor Scott visited Prioria Robotics' future headquarters on October 19, 2012

Bottom: Prioria Robotics Maveric UAS

# New Markets Tax Credit

# GEORGIA



## Meredian Bioplastics, Inc

Meredian Bioplastics, Inc. is an innovative green technology company that manufactures a biomass-based biodegradable polymer coating using polyhydroxyalkanoate (PHA) technology. Meredian is located in a rural, highly distressed, low-income community in Bainbridge, Georgia which has an unemployment rate of 13.3%.

In 2012, Meredian sought to expand its bio-plastics manufacturing facility adjacent to its existing production facility in Bainbridge, but due to the innovative nature of the company's products and their limited operating history, Meredian was unable to secure conventional bank financing for the project. AMCREF Community Capital, Empowerment Reinvestment Fund, and United Fund Advisors worked closely with Meredian to structure flexible NMTC loans with low interest rates to bring the project to life.

The \$27.5 million in NMTC financing will allow Meredian to complete their first commercial-scale facility, increase production capacity, and hire additional employees. Meredian's facility will produce 30 million pounds of their patented bio-plastics to be used as an environmentally friendly substitute for common, existing petroleum-based coatings.

Meredian will target 75% of the jobs that will be created for recruitment to local residents. The biomass feedstock used to create their bio-plastics is sourced from within a 250-mile radius of the project, providing support and an additional revenue stream for the region's agricultural industry.

Without NMTCs, Meredian would not have been able to increase production capacity to fulfill existing supply contracts, or initiate sales to new customers, jeopardizing the viability and success of the company. Additionally, Meredian and its sister company have awarded college tuition to local residents, helping to diversify an economy that has historically relied on agriculture. This project is forecasted to create a financial impact of \$1.3 billion and generate of \$56 million in regional tax revenue. (Source: IMPLAN)

### NMTC ALLOCATEES

#### **AMCREF Community Capital, LLC**

New Orleans, LA  
Clifford Kenwood 504.891.3118

#### **Empowerment Reinvestment Fund**

New York, NY  
Sara Rioff Sorbello 646.843.6516

### COMMUNITY PROFILE

- Bainbridge, GA
- 25.4% poverty rate
- 13.3% unemployment rate
- Median income 58.3% of Area Median Income

### PROJECT HIGHLIGHTS

- Bioplastics manufacturing facility
- NMTC: \$27.5 million
- Co-Allocatee: United Fund Advisors
- Investor: U.S. Bank
- Jobs: 190 construction, 250 new and retained, 239 indirect



Top: Meredian PHA coatings decrease the use of petroleum.

Bottom: Meredian's facility will produce 30 million pounds bioplastics

# New Markets Tax Credit

# GEORGIA

## NMTC ALLOCATEE

**SunTrust Community Capital, LLC**  
Atlanta, GA  
Jim Beatty  
404.588.7722

## COMMUNITY PROFILE

- Douglas, GA
- 21.2% poverty rate
- Median income 67.5% of the Area Median Income
- Unemployment 1.4 times the national average

## PROJECT HIGHLIGHTS

- Business expansion of a rural Blueberry operation
- Total Project Cost: \$1.2 million
- NMTC: \$1.2 million
- Investor: SunTrust
- Jobs: 18 construction, 20 new direct



## Southeast Georgia Blueberry

Southeast Georgia Blueberry, LLC is a blueberry processing venture located in Douglas, Georgia, a rural, economically distressed community. In 2009, two large poultry industry employers in the region closed their doors creating major job losses in the town. The two chicken processing facilities employed approximately 1,100 individuals and as a result of the closing, the median income in Douglas sank to 67.5 percent of the area's median income, the poverty rate rose to 21.2 percent, and the unemployment rate grew to 1.4 times the national rate.

In addition, the closing of the processing plants left approximately 600 chicken farms in the area without a way to process their product, causing the farms to close. The once prosperous chicken farms were too small to convert to traditional farming and sat abandoned. In 2010, Southeast Georgia Blueberry realized the small farms would be an ideal location for expansion of their blueberry operation because blueberries produce an extremely high yield per acre. However, the company lacked adequate funding to convert the chicken farm into a blueberry operation. To make the project a reality, Southeast Georgia Blueberry, turned to SunTrust Community Capital, which provided \$1.2 million in NMTC financing for construction of a new plant on the old chicken farm. In its new blueberry processing facility Southeast Georgia Blueberry grades blueberries for quality using optical equipment, and then packs and distributes them to both grocery stores and companies like Pillsbury and General Mills

The expansion of Southeast Georgia Blueberry created 18 construction jobs and 20 permanent jobs with the intention of growing by approximately 35 employees. It has also allowed the company to stay on the cutting edge of the \$134 million blueberry industry. Thanks to the New Markets Tax Credit, Southeast Georgia Blueberry is able to bring employment to Douglas and promises to create a ripple effect in the local economy still devastated by the loss of the poultry industry.



Top: Blueberry farm located in Douglas, Georgia

Bottom: Blueberries ready for shipping





## Molokai Community Health Center

Moloka'i Community Health Center (MCHC) is a nonprofit, Federally Qualified Health Center (FQHC) that provides comprehensive health care for residents of the Hawaiian island of Molokai, who are predominantly Native Hawaiians. The island of Molokai is the fifth largest of Hawaii's six inhabited islands and is severely distressed. More than half of the island's residents have incomes below the federal poverty line, and it has been federally designated as a Medically Underserved Area.

Poverty, language barriers, geographical isolation, lack of health insurance, and the high cost for off-island travel severely limit access to comprehensive health care on Molokai and make the services provided by MCHC important.

In July 2009, to address the need for additional space for clinical and administrative services, MCHC purchased 5.9-acres of property in Kaunakakai, formerly the Pau Hana Inn, and began to renovate and retrofit the existing structures to the requisite standards of a modern medical facility. The new facility would allow MCHC to consolidate all existing services in one convenient multi-building campus.

In 2012, construction of the new campus was approximately 85% complete, when a critical financing gap emerged that threatened to stall the project. In order to resume construction and complete the health center, Travois New Markets stepped in and provided \$1.4 million in NMTC financing.

Construction is once again underway and when completed in 2013, MCHC will offer acute care, dental services, mental health services, pediatric care, and dietician services. NMTC funding will also allow for an expansion of an on-site commercial kitchen to allow local vendors to use the space to prepare food to support food-based micro-enterprises. Additionally, the health center has generated 26 construction related jobs and 46 new, full-time jobs, and MCHC is committed to hiring from its low-income population whenever possible.

### NMTC ALLOCATEE

#### Travois New Markets

Kansas City, MO

Phil Glynn

816.994.8970

### COMMUNITY PROFILE

- Kaunakakai, Moloka'i, HI
- 56.4% poverty rate
- 15% unemployment rate
- Medically Underserved Area

### PROJECT HIGHLIGHTS

- Community health center
- Total Project Cost: \$7.4 million
- NMTC: \$1.4 million
- Investor: Indion Ventures
- Jobs: 26 construction, 46 new direct jobs with the average annual salary \$60K (3 x area living wage)
- 2,837 households served



Top: Formerly the Pau Hana Inn, the site will now house the Molokai Community Health Center's multi-building campus

Bottom: Molokai Community Health Center's Dental Building

# New Markets Tax Credit

# IDAHO

## NMTC ALLOCATEE

Montana Community  
Development Corporation  
Missoula, MT  
Dave Glaser  
406.728.9234

## COMMUNITY PROFILE

- Coeur D'Alene, ID
- 35.8% poverty rate
- Median income 48.8% of Area Median Income
- Rural Community

## PROJECT HIGHLIGHTS

- Medical center expansion
- Total Project Cost: \$11.3 million
- NMTC: \$11.3 million
- Investor: U.S. Bank
- Jobs: 98 construction, 75-100 full-time, 10 part-time



## Kootenai Medical Center

Coeur D'Alene, located in Northern Idaho, is an economically distressed community suffering from a shortage of primary care physicians, a poverty rate of nearly 36 percent, and median income of only 48 percent of the state median income. Since 1966, the Kootenai Medical Center has been providing medical services to low-income residents in the region, but with limited access to capital, the center had not been able to modernize or expand.

In 2012, to help residents of Northern Idaho gain better access to health care, as well as to increase job creation, Montana CDC, a Community Development Entity based in Missoula, Montana, provided \$11.3 million in NMTC financing to support an expansion project of the Kootenai Medical Center in Coeur D'Alene.

Expected to be completed in October 2013, the expansion project includes construction of a new office building just north of the main building. This new 57,702 sq. ft. facility will allow Kootenai Health to consolidate its business-services operations, some of which were previously housed at off-site locations, and create space in the main hospital building for expansion of KMC's radiology, infusion therapy, and outpatient treatment services.

The expansion will also accommodate the Kootenai Health Primary Care Medical Residency Program which will provide graduate medical education for 18 residents a year. Over 50 percent of the residency graduates are expected to remain in the community to start new practices. According to the American Association of Family Physicians, each of these new practices is projected to create an average \$1.3 million of economic impact and another 6-7 new jobs.

Kootenai Health also expects to locate its diabetes, endocrinology, and neurology centers in the building, in addition to its support services, including a lab, basic radiology, and financial consulting. In all, 75 to 100 people will be employed in the new building.

"This effort to expand much needed primary health care capacity while creating jobs is a win-win for North Idaho," said U.S. Senator Mike Crapo of Idaho.



Top: Rendering of the new Kootenai Medical Center

Bottom: Jennifer Smith, a registered nurse at Kootenai Medical Center, takes blood samples from a patient

# New Markets Tax Credit

# IDAHO



## UGM Women & Children's Shelter

The Union Gospel Mission (UGM) is a Spokane, Washington-based nonprofit ministry, focused on serving poor and homeless individuals and families by providing rescue, recovery, and restoration programs and services. In 2011, UGM looked to expand its ministry by opening a Women and Children's Shelter in Coeur d'Alene, Idaho, located 40 miles east of Spokane.

UGM decided to build its new shelter in Coeur d'Alene in response to the advocacy of local community leaders who were concerned about the growing number of homeless women and children in Kootenai County. UGM was able to raise \$6.8 million of the \$8.5 million total project cost necessary to build the new facility, but was left with a \$1.8 million gap. To help bridge this critical funding gap, CCG Community Partners provided \$1.8 million in NMTC financing.

Completed in August 2012, the new 42,000 square-foot facility features 40 units of temporary and transitional housing for homeless women and children in Northern Idaho, 28 dormitory-style recovery rooms, a chapel, clinic, kitchen, family room, fitness center, beauty salon, counseling rooms, and computer skills center. Additionally, the center accommodates drug and alcohol counseling, case management for legal problems, parenting classes, classes to earn a high school diploma, and opportunities to learn other skills, such as cooking and home repair.

The UGM Women and Children's Shelter is the first, long-term recovery center in Kootenai County for homeless women and children and addresses an urgent need for services for the nearly 230 women and 140 children that are homeless in Coeur d'Alene. The center also provides far-reaching benefits to the broader, local communities of Kootenai County; it provided over 100 construction-related jobs and 14 new, full-time jobs, many of which went to low- or moderate-income workers at wage levels higher than those currently offered in the community.

Without the NMTC financing, it is doubtful that the project would have moved forward, and now the Women and Children's Shelter is directly contributing to the social stability of distressed communities in Coeur d'Alene and Northern Idaho.

### NMTC ALLOCATEE

#### **CCG Community Partners, LLC\***

Princeton, NJ  
Paul Hoffman  
310.335.2040

\*An affiliate of Cityscape Capital Group, LLC

### COMMUNITY PROFILE

- Coeur D'Alene, ID
- 35.8% poverty rate
- 10.6% unemployment rate
- Median income 48.8% of Area Median Income
- Rural Community
- Economic Development Hot Zone

### PROJECT HIGHLIGHTS

- Construction and expansion of women and children's shelter
- Total Project Cost: \$8.5 million
- NMTC: \$1.8 million
- Investor: U.S. Bank
- Jobs: 110 construction, 14 new direct



Top: UGM Women & Children's Shelter in Coeur D'Alene, ID

Bottom: The Women & Children's Shelter new kitchen

# New Markets Tax Credit

# ILLINOIS

## NMTC ALLOCATEE

### **Bethel New Life**

Chicago, IL

Ed Coleman

773.473.7870 x176

## COMMUNITY PROFILE

- Chicago, IL
- 20% unemployment rate
- Median income 72% of Area Median Income
- Predominantly African-American, growing Latino population

## PROJECT HIGHLIGHTS

- Clothing manufacturer equipment
- Total Project Cost: \$250,000
- NMTC: \$250,000
- Investor: Multi-investor fund
- Jobs: 15 new permanent



## **A.I. Industries, Inc.**

Located in a blighted area on Chicago's West Side, A.I. Industries is a cut-and-sew clothing manufacturer that produces fine custom-tailored clothing and uniforms. While the company markets to both civilian and military markets, its specialty niche is producing military dress uniforms.

In 2006, the company experienced an increase in demand for its military dress uniforms but was limited in its ability to increase output and meet the growing demand for its product in its current facility. A.I. Industries explored expanding its operations but was unable to secure the financing it needed to purchase the equipment needed to increase its output and hire additional staff.

Bethel New Life, a Community Development Entity (CDE) affiliated with a local non-profit in Chicago, provided the company with \$250,000 in NMTC financing, enabling A.I. Industries to purchase new manufacturing equipment and hire 15 additional employees.

In an urban area with high unemployment and fragile economic conditions, investments that create manufacturing jobs are essential for securing a healthy future for families.

Today, Bethel is helping A.I. Industries secure a SBA loan for additional equipment. This will enable the company to hire 100 additional employees. As a result of New Market Tax Credit financing, A.I. Industries is optimistic about its goal to increase sales by more than \$7 million in five years.



Top: Garment workers measure and cut fabric at A.I. Industries, Inc. in Chicago, IL

Bottom: Garment workers custom tailor clothing at A.I. Industries, Inc.



## Instituto Health Sciences Career Academy

Instituto del Progreso Latino (Instituto) is a Chicago based nonprofit organization, formed in 1977 to address the needs of Latino immigrants living in the city. One of the growing concerns facing the families served by Instituto is the shortage of Latinos working in healthcare. These families sought high-quality educational opportunities for Latinos interested in pursuing a career in health sciences as a health care provider, technician, or administrator.

In an effort to provide educational opportunities for young Latino students interested in pursuing a career in the health sciences, the Instituto created the Health Sciences Career Academy (IHSCA), a charter school that fully integrates health sciences into a general studies curriculum in order to provide students with a rigorous college prep curriculum and support to help students successfully pursue degrees at competitive colleges and universities.

Instituto worked to identify a site for the Health Sciences Career Academy and developed plans for the \$22.2 million facility. Local Initiatives Support Corporation (LISC) provided \$9.6 million in NMTC financing, which, when combined with NMTC financing from the Chicago Development Fund and support and investment from the State of Illinois and the City of Chicago, provided the funding necessary for Instituto to purchase and renovate a three-story building in Chicago's Pilsen neighborhood.

Instituto Health Sciences Career Academy opened in September 2012 and its new facility includes 32 high-tech classrooms, 10 science labs, a nursing simulation lab, a student and community public library, and a 400-person commons. The school will prepare each class for success through a rigorous college prep curriculum rooted in College Readiness Standards and National Health Sciences curricula.

**NMTC ALLOCATEE**  
**Local Initiatives Support Corporation (LISC)**  
New York, NY  
Robert Poznanski  
269.343.5472 x 3

- COMMUNITY PROFILE**
- Chicago, IL
  - 41.1% poverty rate
  - Median income 20% of Area Median Income
  - Empowerment Zone
  - Medically Underserved Area

- PROJECT HIGHLIGHTS**
- Acquisition and conversion of a building into a Charter High School
  - Total Project Cost: \$22.2 million
  - NMTC: \$21.9 million
  - Co-Allocatee: Chicago Development Fund
  - Investor: Chase
  - Jobs: 125 construction, 60 new direct



Top: Instituto Health Sciences Career Academy

Bottom: IHSCA prepares students for future health care professions

# New Markets Tax Credit

# ILLINOIS

## NMTC ALLOCATEE

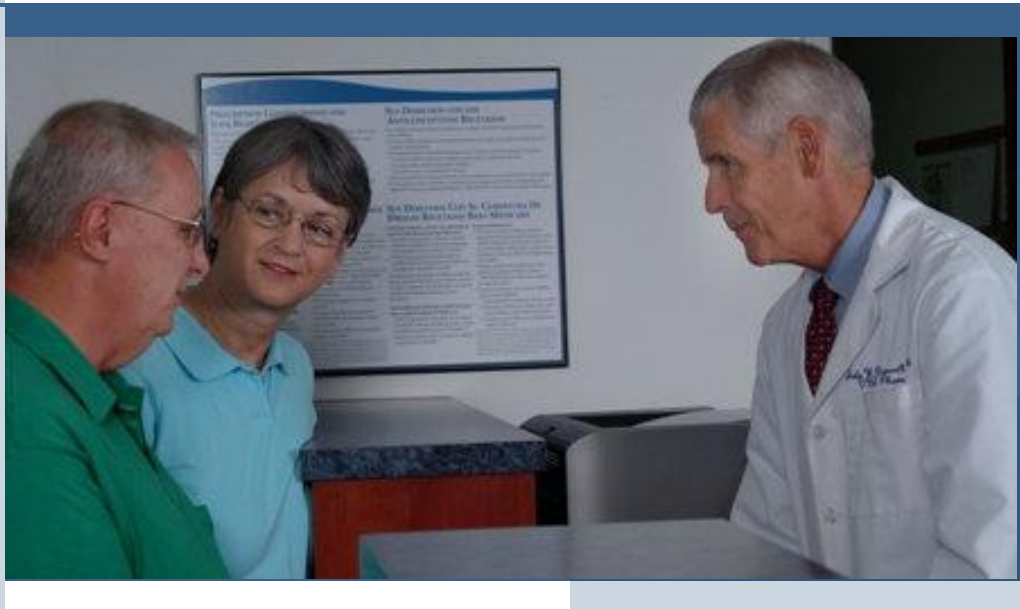
**IFF**  
Chicago, IL  
Marc Brailov  
312.596.5124

## COMMUNITY PROFILE

- Aurora, IL
- 22.6% poverty rate
- 11.5% unemployment rate
- Median income 52.9% of Area Median Income

## PROJECT HIGHLIGHTS

- Construction of healthcare facility
- Total Project Cost: \$6.9 million
- NMTC: \$1 million
- Investor: Chase
- Jobs: 10 new direct



## VNA Health Center

In 2005, VNA Health Center (formerly VNA of Fox Valley), located in Aurora, Illinois, served 21,035 patients, 81 percent of whom were low-income and 68 percent of whom were Latino. Most of the 97,000 residents, including 14,000 children, of Kane County, where VNA is located, have little or no health insurance.

From 2000 to 2005, VNA of Fox Valley Health Center, the volume of services increased by at least 50 percent each year. This growth trajectory is expected to continue as Aurora's senior population expands and health concerns among those in poverty continue to grow.

To address this increasing need, VNA of Fox Valley Health Center sought to expand its space to serve nearly 15,000 more patients and provide 60,000 more exams a year to uninsured and underinsured residents of the Fox Valley area. Without the expanded VNA services, these residents would continue to use expensive emergency rooms as a means for primary care.

To help VNA meet its growing demand, IFF provided a \$1 million New Markets Tax Credit (NMTC) loan for construction of a new health care facility.

In addition to more space, the facility also offers a pharmacy with a drive-thru window and an onsite laboratory for blood work, testing, and other diagnostics that provide faster results. Finally, VNA's new facility helps care for the community's spiritual and emotional health with a hospice sanctuary. The sanctuary is available for the hospice program's bereavement group meetings and remembrance services, and it is also open to all community members as a place for quiet reflection.

As of today, the new facility health center continues to be instrumental in providing quality care for the Aurora community. Expectations in terms of patients served and services provided were met and surpassed as the economic downturn made VNA an even more important resource for an already economically distressed population.



Top: The new VNA Health Center in Aurora, IL offers a full service pharmacy, onsite laboratory, and a hospice sanctuary

Bottom: VNA of Fox Valley physician and patient

# New Markets Tax Credit

# INDIANA



## Chase Near Eastside Legacy Center

The Near Eastside is a 44-square-block neighborhood a mile east of downtown Indianapolis, Indiana. With high rates of crime and poverty and a foreclosure rate that led the nation in 2004, the neighborhood struggled to attract businesses to serve its 40,000 residents.

This all changed in 2008 when Indianapolis was selected as the host city for the 2012 Super Bowl, which came with a \$1 million NFL donation for a Youth Education Town (YET). NFL Youth Education Towns are education and recreation centers built in Super Bowl host cities to encourage youth development and provide a lasting Super Bowl legacy in the community. The John H. Boner Community Center, a local nonprofit, partnered with Indianapolis Public Schools, Local Initiative Support Corporation (LISC), and others to coordinate planning for the Legacy Center in the Near Eastside neighborhood, which is part of the LISC Sustainable Communities initiative to support comprehensive community development.

Working with its partners, Eli Lilly Endowment, the United Way of Central Indiana, the Lumina Foundation for Education, United Way, the NFL, and Chase, LISC provided \$13.9 million in NMTC financing for the construction of the Legacy Center.

The Legacy Center offers more than 200 hours of programming per week that serves approximately 5,500 individuals annually, particularly children and families from the Near Eastside. These programs are directed both to youth and the community and focus in the areas of math, science, technology, literacy, urban farming, and creative arts, as well as recreation, fitness, health and wellness programs and are being provided by the Big Brothers Big Sisters, Boner Center, the Boys and Girls Clubs, Girls Incorporated, the Indianapolis Art Center, the Indianapolis Symphony Orchestra, Keep Indianapolis Beautiful, Purdue University, the YMCA, and Young Audiences.

**NMTC ALLOCATEE**  
**Local Initiatives Support Corporation (LISC)**  
New York, NY  
Robert Poznanski  
269.343.5472 x 3

### **COMMUNITY PROFILE**

- Indianapolis, IN
- 36.3% Poverty Rate
- Unemployment rate 2.4 times national average
- Median income 43% of Area Median Income

### **PROJECT HIGHLIGHTS**

- Construction of a new community facility
- Total Project Cost: \$13.9 million
- NMTC: \$13.9 million
- Investor: Chase
- Jobs: 30 construction, 2 new full-time



Top: Chase Near Eastside Legacy Center in Indianapolis, IN

Bottom: The programs and infrastructure of the Chase Near Eastside Legacy Center will have a lasting legacy in the neighborhood long after the game.

# New Markets Tax Credit

# INDIANA

## NMTC ALLOCATEE

**Community Bankers  
Association of Indiana**  
Indianapolis, IN  
Frank Hoffman  
317.238.6240

## COMMUNITY PROFILE

- Indianapolis, IN
- 32.8% poverty rate
- Unemployment rate 1.5 times national average
- Median income 60% of Area Median Income
- Indiana Blighted Area

## PROJECT HIGHLIGHTS

- Relocation and expansion of gasket manufacturer
- Total Project Cost: \$11 million
- NMTC: \$3.6 million
- Investor: Star Financial Bank
- Jobs: construction, 111 new full-time, 119 retained



## Hoosier Gasket Corporation

Family owned and operated for nearly 50 years in Indianapolis, Indiana, Hoosier Gasket Corporation is one of America's top fabricators of die-cut gaskets for the automotive market. By 2005, Hoosier Gasket and its 119 employees were bursting at the seams in its current facility and owners began looking for a site to relocate and expand. South Carolina, North Carolina and Virginia were all interested in having Hoosier Gasket and its jobs move in to their communities. In spite of the attractive incentive packages offered, Hoosier Gasket was committed to remaining in Indiana.

Understanding the importance of retaining good jobs and supporting growing businesses that create jobs, the Indiana Economic Development Corporation, the Indy Partnership and the Indianapolis Urban Enterprise Association stepped in to help Hoosier Gasket's identify a site in the Keystone Enterprise Park, a 62-acre multi-use business park located in the near northeast side of Indianapolis. In addition to the efforts by these community partners, The Community Bankers Association of Indiana, an Indiana based Community Development Entity, provided \$3.6 in NMTC financing in the form of a below market rate loan to help Hoosier Gasket's secure the \$11 million total project cost needed to develop and equip the new facility.

Hoosier Gasket relocated to its new headquarters and manufacturing facility in late 2005 and has since added 111 new jobs since moving while retaining the 119 existing jobs. In addition, the company's relocation to Keystone Enterprise Park has generated more than \$8 million in economic activity in an urban neighborhood that had seen neither jobs nor investment in decades.

Thanks to the New Markets Tax Credit and a mixture of state and local incentives, Hoosier Gasket was able to stay in Indiana, helping attract business to the area, grow the economy and provide job opportunities to local residents.



Top: Hoosier Gasket Corporation is one of America's top fabricators of die-cut gaskets for the automotive market

Bottom: Senator Dan Coats (R-IN) presents an award to the owners of Hoosier Gasket in Indianapolis



# New Markets Tax Credit

# INDIANA



## Winterfield, LLC

Marion, Indiana is known as the birthplace of the paper plate industry; at one time five of the nation's nine paper-plate factories were located in Marion, giving the town a thriving manufacturing base. However, over the past few decades, the town has seen a growing number of factory closings, including a 2004 plant closing of Thomson's RCA which left nearly 1,000 workers unemployed. Marion was in a severe economic slump, the community median income grew to 74% of the area median income and unemployment rose to over 1.5 times the national average. Marion needed a boost.

The needed boost came in 2005, when start-up paper plate company, Winterfield, LLC sought to locate its operations and high speed production process in Marion. To help revive the paper plate industry and spur economic development in Marion, the Community Bankers Association of Indiana provided \$2.4 million in NMTC financing, which, when combined with Tax Increment Financing (TIF) from the city and tax credits from the state of Indiana, helped get Winterfield up and running. With financing in place, Winterfield acquired and rehabilitated an 180,000 sq. ft. former paper plate manufacturing facility that had been vacant for more than 30 years. The project also included the purchase and installation of equipment, a high tech distribution assembly line, and construction of a rail spur to connect the facility to the rail line. Upon completion in 2005, the new plant created 65 jobs with 89% of the workforce coming from the local community.

In 2008, Winterfield expanded its operations by acquiring Boots Creek Converting. The acquisition expanded Winterfield's workforce to over 100 employees and enabled Winterfield to produce its goods by a highly efficient low overhead process, which in turn allowed them to offer products at the most competitive levels available.

The company had a proven track record of success and in 2012, in very positive move for the community of Marion and the tax base for Grant County, Huhtamaki Inc., an American subsidiary of a Finnish paperboard company, acquired Winterfield, LLC. Huhtamaki, will continue operations in Marion and will retain all 100 employees, providing them with great opportunity as they grow the organization. The acquisition is also a great deal for the city, which gets to continue its long tradition in the disposable plate industry as well as host a major global business player.

### NMTC ALLOCATEE

**Community Bankers  
Association of Indiana**  
Indianapolis, IN  
Frank Hoffman  
317.238.6240

### COMMUNITY PROFILE

- Marion, IN
- Unemployment 1.5 times the national average
- Median income 74% of Area Median Income
- Hub Zone

### PROJECT HIGHLIGHTS

- Expansion of paper plate manufacturing plant
- Total Project Cost: \$6.5 million
- NMTC: \$2.4 million
- Investor: Star Financial Bank
- Jobs: 100 new permanent



Top: Winterfield, LLC's paper plate manufacturing facility in Marion, IN

Bottom: Winterfield's finished product coming off the conveyor

# New Markets Tax Credit

# IOWA

## NMTC ALLOCATEE

### **HEDC New Markets, LLC\***

New York, NY

David Trevisani or Ann Vogt

212.682.1106

\*An affiliate of National Development Council (NDC)

## COMMUNITY PROFILE

- Council Bluffs, IA
- 11.9% Poverty Rate
- Median income 64% of Area Median Income
- Enterprise Zone
- CDFI Hot Zone

## PROJECT HIGHLIGHTS

- Expansion of manufacturing facility
- Total Project Cost: \$12.2 million
- NMTC: \$10.6 million
- Investor: First National Bank of Omaha
- Jobs: 100 construction, 200 retained, 111 new direct



## Omaha Standard, Inc.

Omaha Standard, Inc. (OSI) is one of the nation's premiere manufacturers of truck bodies, hydraulic truck hoists, lift gates, and other accessories for commercial trucks. By 2004, the growing company occupied a variety of buildings scattered across the City of Council Bluffs, Iowa. Faced with the obsolescence and inefficiency of its scattered facilities, OSI sought to consolidate and modernized its plant to maintain quality and competitiveness.

However, appropriate sites for a consolidated facility within the City were difficult to find, and those that were available presented financial challenges. The company was the town's largest employer, providing 200 manufacturing jobs, and moving out of the area would have been devastating to Council Bluffs' economy. To ensure that Omaha Standard, which had been operating in Council Bluffs for over 80 years, stayed local, the Pottawattamie County Development Corporation (PCDC) turned to HEDC New Markets, Inc.

Working with a local investor, HEDC New Markets - an affiliate of National Development Council - provided \$10.6 million in NMTC financing to Omaha Standard for a new, expanded facility and for the purchase of new equipment.

The state-of-the-art facility, which became operational in 2006, allowed Omaha Standard to stay in Council Bluffs, create 100 construction jobs, retain 200 existing jobs, as well as hire an additional 111 employees, bringing total employment to 311.

Committed to meeting the development goals of its community partners, NDC continued its efforts with PCDC and Council Bluffs to build the local economy. With two more projects that address downtown renewal and historic preservation, NDC worked with the city to leverage public debt and private equity for the redevelopment of two key landmark buildings that have been instrumental in revitalizing historic downtown.



Top: Omaha Standard, Inc.'s expanded facility in Council Bluffs, IA

Bottom: Hydraulic truck hoist being manufactured in Omaha Standard, Inc.'s new facility

# New Markets Tax Credit

# IOWA



## Winegard Company

Winegard Company is a leading manufacturer of TV reception products and is headquartered in Burlington, Iowa, a rural community of around 25,000. The company manufactures five distinct product lines and employs over 320 full-time employees and 200 additional contract employees, with over 35 engineers working to research and develop new products.

Winegard has been in business for over 55 years, and in 2011, the company needed to expand its facility and its output to meet the increased demand for its products. In an attempt to address capacity challenges, Winegard rented warehouse space to house raw materials, work-in-process materials, and finished goods awaiting shipment. This addressed the space issue, but added additional time and cost to the production process because materials had to be shipped back and forth from the warehouse. This arrangement was extremely inefficient, so Winegard started to look for a site where the company could build an expanded facility in the area.

With assistance from the State of Iowa and a \$12 million NMTC loan from Iowa Community Development, Winegard purchased a mostly vacant strip mall in Burlington, which when complete in 2013, will allow for capacity expansion, improved efficiency, and space to manufacture new products.

The new 185,000 square-foot space will also enable Winegard to add new manufacturing equipment and move existing manufacturing equipment; establish an employee day care center and healthcare and wellness clinic; and hire 70 new, full-time employees over the next two years at \$10-45 per hour, including 15 new engineers for research, product engineering, and continuous improvement, 5 marketing and technical service personnel, 10 manufacturing supervisors, and 50 full-time factory operators and shipping personnel. In addition Winegard will pursue a partnership with the University of Iowa Department of Engineering and Southeastern Community College to provide engineering students with instruction and on-site, real-life learning experience.

### NMTC ALLOCATEE

**Iowa Community  
Development LC**  
Johnston, IA  
Daniel T. Robeson  
515.223.4511

### COMMUNITY PROFILE

- Burlington, IA
- 24.6% poverty rate
- Unemployment 1.7 times national average
- Median income 69.3% of Area Median Income

### PROJECT HIGHLIGHTS

- Construction and expansion of manufacturing facility
- Total Project Cost: \$17 million
- NMTC: \$12 million
- Investor: U.S. Bank
- Jobs: 70 new direct, 320 retained, 200 indirect



Top: Construction has started on Winegard's expanded facility in Burlington, IA

Bottom: The expanded facility will allow Winegard to add new manufacturing equipment and move existing equipment, like the one shown.

# New Markets Tax Credit

# KANSAS

## NMTC ALLOCATEE Local Initiatives Support Corporation (LISC)

New York, NY  
Robert Poznanski  
269.343.5472 x 3

### COMMUNITY PROFILE

- Kansas City, KS
- 41.6% poverty rate
- Unemployment rate 3.2 times the national average
- Family income 50.9% of Area Median Income

### PROJECT HIGHLIGHTS

- Construction of a community facility
- Total Project Cost: \$18.3 million
- NMTC: \$14.1 million
- Investor: U.S. Bank
- Jobs: 51 construction, 192 permanent



## Children's Campus of Kansas City, Inc

The Children's Campus of Kansas City, Inc., founded in 2004, is a collaborative effort of three not-for-profit organizations: Project EAGLE Community Programs, Family Conservancy, and Juniper Gardens Children's Project. The collaboration of these organizations is intended to provide services and conduct research to benefit low-income children and families. To help pursue their mission of ensuring that children under five years of age – who are most at risk for academic failure – have access to the resources they need to succeed, Children's Campus of Kansas City sought to build a facility to house all their efforts under one roof.

In 2009, plans were finalized for the construction of a new 72,000 square foot facility to provide early childhood education services, family support services, and health, oral health, and mental health services for young children and their families. To finance the project, the Children's Campus secured donations from philanthropic sources as well as \$14.1 million in NMTC financing provided by Local Initiatives Support Corporation (LISC).

Opened in June, 2010, the Children's Campus' facility offers centralized access to mental health services, a parent resource center, and early childcare development programs to over 1,500 families in the area. The first floor of the building houses the Educare of Kansas City center, the community's Early Head Start program, and a 1,000-square-foot health clinic. Programs that provide crisis intervention, assistance to overcome poverty, and professional development services are housed on the second floor and research to improve children's developmental experiences and their academic and social achievements is conducted on the third floor.

In addition, the project created over 50 construction and 192 permanent jobs in an underdeveloped low-income community. The Children's Campus is the first major center for young children to be built in Wyandotte County in decades and will provide the comprehensive services children need to grow into healthy adults and become a catalyst for further redevelopment in the heart of downtown Kansas City.



Top: Children's Campus of Kansas City

Bottom: Children's Campus of Kansas offers centralized access to mental health services, a parent resource center, and early childcare development

# New Markets Tax Credit

# KENTUCKY



## Consumers Choice Coffee, Inc.

Consumers Choice Coffee, Inc. (CCC) was founded in 1971 in Louisville, Kentucky, as a regional provider and distributor of coffee and related products. In 2004, CCC faced growing demand and looked to relocate to a larger space to house the company's operations.

The company identified a site for its new facility in Park Hill section of West Louisville, an area with high rates of poverty and unemployment. CCC was prepared to invest a significant amount of its own capital into the \$1.3 million project, but faced an \$800,000 financing gap that they were unable to secure from conventional lenders. Community Ventures Corporation, a Community Development Entity based in Lexington, stepped in to bridge the gap by providing an \$800,000 NMTC loan, which allowed CCC to purchase land and construct a new facility.

The new 17,550 sq. ft. facility allowed the company to nearly double its floor space, carry different types of products and significantly increase its market potential. The project was able generate 15 construction related jobs, retain its 26 employees and add 15 additional positions. Just four years after Consumers Choice moved into its expanded facility, the company expanded to 10 states throughout the Midwest, doubled their sales in a decidedly challenging environment, and boasted a 20% annual growth rate. Sales continued to steadily grow for the company, from \$9 million in 2009 to \$13.5 million in 2011.

In 2012, Royal Cup Coffee, Inc., a significant shareholder of Consumer's Choice Coffee, acquired the remaining shares of CCC. Consumers Choice Coffee will continue operations in Louisville under Royal Cup Coffee, which employs 750 workers and serves customers in all 50 states, Mexico, Canada, and the Caribbean.

Without critical support from the NMTC project Consumers Choice Coffee would have been unable to accomplish its expansion project and would have been severely hampered in its ability to grow into one of the most successful coffee distributors in the country.

### NMTC ALLOCATEE

#### Community Ventures Corporation

Lexington, KY  
Kevin R. Smith  
859.231.0054

### COMMUNITY PROFILE

- Louisville, KY
- 44.8% poverty rate
- Median income 38% of Area Median Income

### PROJECT HIGHLIGHTS

- Construction and expansion of coffee distributor headquarters
- Total Project Cost: \$1.3 million
- NMTC: \$800,000
- Investor: Kentucky Reinvestment Fund
- Jobs: 15 construction, 26 retained, 15 new



Top: Bob Patterson, founder of Consumers Choice Coffee, is shown at the cupping table, which is used for developing coffee blends for customers

Bottom: Employee's inspect coffee roaster.

Photos: Birmingham Business Journal

## NMTC ALLOCATEE

### **Kentucky Highlands Investment Corporation**

London, KY

Brenda McDaniel

606.864.5175

## COMMUNITY PROFILE

- Williamsburg, KY
- Median income 50% of Area Median Income
- Unemployment rate 1.4 times the national average

## PROJECT HIGHLIGHTS

- Renovation of science and health building
- Total Project Cost: \$16 million
- NMTC: \$16 million
- Investor: Fifth Third Community Development Corporation
- Jobs: 50 construction, 102 permanent, student and work study employment



## Ward and Regina Correll Science Complex

The University of the Cumberlands is located in Williamsburg, Kentucky, a rural community nestled in the foothills of the Appalachian Mountains. The University spans approximately 70 acres and includes 34 buildings, including 2 sports field complexes. It has an enrollment of 2,169 students and provides many programs and services to the local community.

In 2007, the University sought to improve its facilities, not only for its students, but also to improve the health and education of the extremely low-income residents of the Appalachian community in which it is located. To assist the University in its efforts, Kentucky Highlands Investment Corporation (KHIC) provided \$16 million in NMTC financing. This NMTC funding enabled the renovation of 57,000 square feet of the science and health building and the construction of a 28,000 square foot addition, creating 50 construction jobs and over 100 jobs for students.

The new science building is the location for an annual science symposium for local high school students and the Rogers Scholars Program, which was developed in conjunction with Congressman Harold Rogers. This program enrolls 38 Appalachian Kentucky students who attend a scholastic summer camp. The construction and improvements have provided space for the education of healthcare professionals for a community that is federally designated medically underserved, and has a shortage of health professionals. The University now offers a Master of Physician's Assistant (MPA) degree, consisting of one year of coursework completed in the Medical Wing of the Science Complex, followed by a second year of clinical rotations in a professional medical setting. There were 28 participants in the inaugural class. All but two were from Appalachia and the University expects 28 new participants each year.

Without the NMTC financing provided by KHIC, the University would not have been able to improve the new science and health facilities or make services accessible to the low-income community.



Top: Newly renovated Ward and Regina Correll Science Complex at the University of the Cumberlands

Above: New laboratories at the Ward and Regina Correll Science Complex

# New Markets Tax Credit

# LOUISIANA



## St. Bernard Parish Hospital

In 2005, Hurricane Katrina devastated St. Bernard Parish, a community located southeast of New Orleans. The storm damaged virtually every building in the parish, including its hospital. With the St. Bernard Parish Hospital destroyed, hundreds of jobs were lost and community residents were forced to seek healthcare elsewhere.

The community vowed to bring St. Bernard Parish Hospital and healthcare back to the parish. In 2011, St. Bernard Parish Redevelopment, a Community Development Entity created to invest in the revitalization of the parish, provided \$11.7 million in NMTC financing to assist in the development and construction of a new 104,000 square foot hospital, with a total project cost of \$78.6 million. The new facility houses 32 medical and surgical beds, 8 intensive care unit beds, inpatient and outpatient care with emergency, surgery, diagnostic imaging, pharmacy, laboratory, support services as well as 60,000 square feet of medical office space for primary care physicians and other health care providers.

The Office of Community Development, State Capital Outlay, St. Bernard Parish, and additional patient capital were utilized in conjunction with Goldman Sachs Urban Investment Group's acquisition of the New Markets Tax Credits to support the overall financing for the Project.

The hospital is committed to providing quality healthcare to all patients, regardless of their financial means. The new hospital brought 225 high-quality jobs to the parish, paying an average salary of \$48,800, and it will act as a catalyst for growth in the surrounding area by attracting new physicians and health care-related ancillary businesses and an increased demand for services due to new employees and patient activity in the area. The hospital will continue to hire local residents to fill the hundreds of hospital and administrative staff positions.

The new St. Bernard Parish Hospital opened its doors in September 2012 and began the Parish's transition back into economic and social normalcy. It is considered the flagship project of recovery and redevelopment of the community.

### NMTC ALLOCATEE

**St. Bernard Parish  
Redevelopment, LLC**  
Chalmette, LA  
Drew Heaphy  
504.277.8418

### COMMUNITY PROFILE

- Chalmette, LA
- 23.2% poverty rate
- Median Family Income 46.7%
- Unemployment 1.31 times the national average
- Medically Underserved
- FEMA Disaster Area
- Non-Metro County

### PROJECT HIGHLIGHTS

- Construction of a new hospital
- Total Project Cost: \$78.6 million
- NMTC: \$11.7 million
- Investor: Goldman Sachs Urban Investment Group
- NMTC Advisor: Dudley Ventures Advisory Services
- Jobs: 225 new direct



Top: Artist rendering of the St. Bernard Parish Hospital, which opened in August 2012

Bottom: St. Bernard Parish Hospital's in-house Pharmacy Department

## NMTC ALLOCATEE

### **CEI Capital Management LLC\***

Portland, ME

Charlie Spies

207.535.2932

\*An affiliate of Coastal Enterprises, Inc

## COMMUNITY PROFILE

- Washington County, ME
- 21.2% poverty rate
- Unemployment rate 2 times national average

## PROJECT HIGHLIGHTS

- Forest conservation
- Total Project Cost: \$19.8 million
- NMTC: \$19.5 million
- Investor: Bangor Savings Bank, U.S. Bancorp CDC
- Jobs: 100 retained



## Grand Lake Stream Woodlands, LLC

Grand Lake Stream Plantation is a town located in rural Washington County, Maine. It is home to just 125 year-round residents. The town's economy is heavily dependent on the forest, lakes and rivers that surround it. This land base includes traditional "working forest" that provides forest products as well as eco-tourism opportunities through sporting lodges, wilderness guides, outfitters and others. As with many isolated rural areas, the dependence on natural resources limits the local economy as is evident in locally high poverty and unemployment rates. The stakes are high for Grand Lake Stream when it comes to protecting its working forest.

In order to promote sustainable forestry in Washington County and to preserve a way of life for the local loggers, truckers, registered Maine Guides and other residents who depend on the forests for their livelihoods, The Lyme Timber Company worked with CEI Capital Management and the Downeast Lakes Land Trust to purchase 21,949 acres of woodlands surrounding Grand Lake Stream that was in danger of being repurposed from a working forest through overharvesting and subsequent land sales to developers. To make the purchase of the land feasible, CCML provided \$19.5 million in NMTC financing to the project.

The NMTC project provided for the purchase of conservation easements that will protect the land from private residential development and continue sustainable forest management practices. It also used the flexibility created by the NMTC structure to include an option for Downeast Lakes Land Trust to eventually take over ownership, enabling the forestland to become a community owned forest. In addition to managing the woodlands as a sustainable natural resource and the use of innovative, low-impact timber harvesting practices, Lyme Timber also agreed to donate 130 acres of land to the town of Grand Lake Stream Plantation for the development of light industry and affordable housing as a way to further diversify its economic base. This donation of land was critical to the town at a time when it had no options for further expansion or any secure relationship with the land base that is so important for its economy.



Top: Grand Lake Stream Woodlands

Bottom: Grand Lake Stream Woodlands

Photo Credit: Downeast Lakes Land Trust and LightHawk



# New Markets Tax Credit

# MARYLAND



## CASA de Maryland Multicultural Center

CASA de Maryland, Inc. (CASA), Maryland's largest advocacy group for Latinos and Latino immigrants, provides an array of services to low-income families in the community, including educational, vocational and employment services, and English as a Second Language services.

In 2009, CASA looked to expand its services and consolidate its staff into a central location by rehabilitating the historic McCormick-Goodhart mansion in Langley Park, Maryland. Though plagued by poverty, unemployment and violent crime, Langley Park's challenges are outpaced by its rich diversity and potential as a thriving and vibrant community. With support from the State of Maryland and Prince George's County, CASA developed a plan to turn the long-neglected mansion into the new CASA Multicultural Center. To finance the \$12.9 million rehabilitation cost, CASA turned to Enterprise Community Investment, which provided \$7.9 million in NMTC financing. Along with \$2.8 million in NMTC financing from Bank of America CDE, federal and state historic tax credits, and state and local grants, Enterprise Community Investment helped bring the dilapidated building back to life.

Opened in spring 2010, CASA's newly refurbished 21,000 square-foot building provides space for administrative offices and multipurpose space for CASA staff and clients, strengthening its ability to achieve its mission by establishing its permanent home. In addition, CASA's Multicultural Center houses four other nonprofit organizations with expertise in serving Langley Park's minority communities. The CASA rehabilitation project also generated 167 construction related jobs and 71 new, full-time jobs in an area with a high unemployment rate.

Thanks to the NMTC financing, the center is able to serve over 6,000 low-income families annually. It has enabled CASA to deepen its investment in Langley Park and help position the neighborhood to attract resources that will enable families to thrive.

### NMTC ALLOCATEE

#### **ESIC New Markets Partners\***

Columbia, MD  
Elaine DiPietro  
410.772.2428

\*An affiliate of Enterprise Community Investment, Inc.

### COMMUNITY PROFILE

- Langley Park, MD
- 23.8% poverty rate
- Median income 48.8% of Area Median Income
- Unemployment rate 1.5 times the national average
- CDFI Hot Zone

### PROJECT HIGHLIGHTS

- Rehabilitation of a historic building for a community facility
- Total Project Cost: \$12.9 million
- NMTC: \$10.7 million
- Co-Allocatee: Bank of America
- Investor: Bank of America
- Jobs: 167 construction, 71 new direct



Top: CASA de Maryland's Multicultural Center grand opening in Langley Park

Bottom: Students in CASA's ESOL class

# New Markets Tax Credit

# MARYLAND

## NMTC ALLOCATEE

### **ESIC New Markets Partners\***

Columbia, MD  
Elaine DiPietro  
410.772.2428

\*An affiliate of Enterprise Community Investment, Inc.

## COMMUNITY PROFILE

- Baltimore, MD
- 37.6% poverty rate
- Median income 66.7% of Area Median Income
- Unemployment 1.5 times national average
- CDFI Hot Zone

## PROJECT HIGHLIGHTS

- Rehabilitation of abandoned factory for mixed-use facility
- Total Project Cost: \$21.9 million
- NMTC: \$19.4 million
- Co-Allocatees: SunTrust
- Investors: U.S. Bank, SunTrust
- Jobs: 150 construction, 109 full-time, 30 part-time



## Miller's Court

Each year, the city of Baltimore hires as many as 1,000 new teachers. Having capable and dedicated teachers to serve as educators, role models, and leaders is critical to the success of students. Finding affordable housing for these teachers is an increasing challenge in Baltimore.

In 2007, Enterprise Community Investment, US Bank, SunTrust, and Teach for America, the nation's largest independent recruiter of urban teachers, set out to find a solution in Baltimore that would help attract and retain the best and brightest teachers, create cost-effective, efficient, and collaborative working environments and revitalize the area in the process.

To achieve this goal, Enterprise Community Investment, US Bank, and SunTrust provided \$19.4 million in NMTC financing, which, along with historic tax credits and loans from the state of Maryland and the city of Baltimore, allowed for the purchase and historic rehabilitation of the H. F. Miller and Sons Building, a former tin box manufacturing plant that sat vacant for decades in Baltimore's Charles Village neighborhood.

The newly rehabilitated Miller's Court includes 40 high-quality, affordable apartments for teachers, 34,000 square feet of cost-effective and collaborative office space for education-focused nonprofits, and 1,000 square feet of retail space. In addition to the new space, the revitalized building aims to breathe new life back into a section of the city long devoid of economic development and to become a hub of collaboration, idea sharing, and educational reform. The project created 150 construction jobs and 139 new jobs.

Charles Village is one of the most economically and culturally diverse areas of Baltimore. Primarily a residential district with very limited new commercial development, the area is currently experiencing a residential growth spurt, particularly among young professionals seeking more affordable housing. Enterprise believes this project will serve as a catalyst to further development in an area that has not seen new capital investment in many years.



Top: Miller's Court, Baltimore, MD

Bottom: Office space for educators and educational nonprofits at Miller's Court

# New Markets Tax Credit

# MASSACHUSETTS



## Cindy's Kitchen

Cindy's Kitchen is the trade name for products produced by Custom Blends, a Brockton, Massachusetts-based producer of all-natural salad dressings, dips, and sauces that are distributed nationally. Brockton, located 20 miles outside of Boston, was once a center of shoe and textile manufacturing, but is now one of the poorest communities in the state.

After years of rapid growth, Cindy's Kitchen's future growth was constrained by its small, leased quarters; in fact, it had to turn away new customers. Finding a new facility was essential to ensuring its future success. However, the company faced a financing gap in trying to make the move to a much bigger facility. In 2007, Massachusetts Housing Investment Corporation stepped in with almost \$2 million in critical NMTC financing, which allowed the company to purchase and rehabilitate a 28,000 square foot building, tripling its industrial space, and enabling Custom Blends to stay in Brockton and grow. As a result, the company's revenues have grown from \$6 million to more than \$10 million, and it has created 54 jobs, now with a total of 94 employees.

From its beginnings in 1996, Cindy's Kitchen's owners have been committed to hiring locally. It has an ethnically diverse, low-income, hard-to-employ workforce, including employees who were formerly homeless or have physical disabilities. Some 99 percent of the company's employees are minority. With a strong commitment to its employees, Custom Blends provides good wages, full benefits, a supportive, congenial workplace, and a practice of promoting from within. As a result, it has a dedicated workforce with minimal turnover and a steady stream of local residents – many referred by local churches and social service agencies – seeking jobs.

MHIC's NMTC investment filled the financing gap that the company faced in trying to make the move to a much bigger facility and made the critical difference in moving this project forward.

**NMTC ALLOCATEE**  
**Massachusetts Housing  
Investment Corporation**  
Boston, MA  
Deborah Favreau  
617.850.1037

**COMMUNITY PROFILE**

- Brockton, MA
- 18.7% unemployment rate
- Median income 64.1% of Area Median Income

**PROJECT HIGHLIGHTS**

- Rehabilitation of industrial building into facility for food producer
- Total Project Cost: \$2.6 million
- NMTC: \$1.9 million
- Investor: Multi-investor fund
- Jobs: 54 new direct



Top: A "showcase" kitchen at the new Custom Blends facility in Brockton, MA  
Bottom: Cindy's Kitchen workers assembled in the company's test kitchen

## NMTC ALLOCATEE

### Massachusetts Housing Investment Corporation

Boston, MA  
Andrea Daskalakis  
617.850.1033

## COMMUNITY PROFILE

- Holyoke, MA
- 69.1% poverty rate
- 11.5% unemployment rate
- Median income 11.4% of Area Median Income

## PROJECT HIGHLIGHTS

- Historic renovation of three connected commercial buildings into a health center
- Total Project Cost: \$21.9 million
- NMTC: \$18.9 million
- Investor: Multi-investor fund
- Jobs: 238 construction, 252 new permanent



## Holyoke Health Center

Holyoke Health Center (HHC) is a Federally Qualified Health Center (FQHC) established in 1970 to provide comprehensive, coordinated, accessible, culturally competent and affordable health services to low-income people in Holyoke, one of the poorest and most distressed cities in Massachusetts. Holyoke contains the highest rate of mortality, teen births, and HIV-related deaths in the state.

By 2000, Holyoke Health Center had outgrown its space and sought to renovate three vacant commercial buildings in Holyoke's struggling central business district into a full-service medical complex. Holyoke's expansion had strong local support and was the city's top redevelopment priority and a key component of downtown revitalization plan. After 4 years of unsuccessful attempts to obtain financing, HHC approached Massachusetts Housing Investment Corporation, a Boston-based Community Development Entity, which provided \$18.9 million in NMTC financing. This NMTC financing, combined with funding from the Health Resources and Services Administration, helped meet the \$21.9 million total project cost and within 6 months, construction on the new Health Center was under way.

The new state-of-the-art facility was completed in December 2005 and houses primary care and laboratory services, an on-site pharmacy, a dental clinic, counseling services, an HIV treatment program, a diabetes initiative, and a full pharmacy. HHC now serves 25,500 patients. The project generated 238 construction related job and 252 new permanent jobs.

The local, regional, and statewide impact of the HHC has been overwhelmingly positive. The project has improved the quality of life for an underserved population by providing comprehensive and affordable health care and by creating high-quality jobs with good benefits. The Center has been an anchor for other new commercial development, including a new restaurant, an Internet business, and a job training center.



Top: Holyoke Health Center in Holyoke, MA

Bottom: New patient rooms in Holyoke Health Center

# New Markets Tax Credit

# MICHIGAN



## Gateway Marketplace

When it opens in 2013, the Gateway Marketplace, a new 361,000 square foot retail center anchored by a grocery store, will be the first major retail project within the City of Detroit in more than 40 years. The Gateway Marketplace will provide healthy food options to the local residents, create hundreds of jobs, and eliminate a Brownfield site.

This important revitalization project was financed by the Michigan Economic Growth Authority, a loan from the General Retirement System of the City of Detroit, and \$57.6 million in critical NMTC financing, provided by National New Markets Fund, Invest Detroit CDE, National Community Investment Fund, Wayne County-Detroit CDE, and Liberty Financial Services.

Located in a USDA designated food desert and surrounded by severely low-income census tracts, the project's anchor tenant is a 214,000 square foot Meijer supercenter that will provide affordable groceries to local residents and will be the city's first new national grocery store in over two decades.

The project will help mitigate the nearly \$1.5 billion of retail leakage that occurs each year when Detroit residents shop outside of the city. It is estimated that Gateway Marketplace will bring more than \$1.7 million of annual sales to the community.

The project will provide much needed healthy and affordable food choices to a target market of 500,000 urban residents. This project will create over 300 construction jobs and almost 900 permanent jobs in a community with high unemployment. The new retail center will also revitalize a 36 acre brownfield site, located at the corner of Woodward Avenue and Eight Mile Road, in a severely distressed Detroit neighborhood.

Without NMTC financing, it is doubtful that the Gateway Marketplace retail development, which will generate much-needed jobs and revenue for Detroit, would have come to fruition.

### NMTC ALLOCATEE

#### **National New Markets Fund**

Los Angeles, CA  
Steve MacDonald: 310.914.5333

#### **Invest Detroit CDE**

Detroit, MI  
Mary King: 313.259-6368

#### **National Community**

#### **Investment Fund**

Chicago, IL  
Saurabh Narain: 312.881.5826

#### **Wayne County - Detroit CDE**

Detroit, MI  
Raymond Byers: 313.224.6025

#### **Liberty Financial Services**

New Orleans, LA  
Julius Kimbrough: 504.240.5264

### COMMUNITY PROFILE

- Detroit, MI
- 40% poverty rate
- Median income 30% of Area Median Income
- Unemployment 3.2 times the national average
- USDA Food Desert

### PROJECT HIGHLIGHTS

- Construction of retail center
- Total Project Cost: \$58.5 million
- NMTC: \$57.6 million
- Investor: U.S. Bancorp Community Development Corporation
- Jobs: 303 construction, 893 new direct



Top: Rendering of Meijer supercenter  
Bottom: Rendering of additional retail space

## NMTC ALLOCATEE

### Michigan Magnet Fund

Huntington Woods, MI

Al Bogdan

313.445.1843

## COMMUNITY PROFILE

- Hamtramck, MI
- 27% poverty rate
- 17% unemployment rate
- Median income 62% of Area Median Income

## PROJECT HIGHLIGHTS

- Purchase and rehabilitation of a vacant building for a recycling plant
- Total Project Cost: \$6.4 million
- NMTC: \$5.8 million
- Investor: PNC Bank
- Jobs: 43 new permanent, 26 of which will be certified low income



## Hamtramck Recycling & Transfer Center

Hamtramck Recycling LLC is a family owned green recycling business located in Hamtramck, Michigan, which currently employs 11 people. In 2012, Hamtramck Recycling encountered increased demand from local manufacturers interested in recycling their waste, rather than depositing it in landfills. To accommodate the increased demand and increase capacity, Hamtramck sought to purchase and renovate an old waste-transfer building.

With support from the State of Michigan, and \$4 million in NMTC financing provided by the Michigan Magnet Fund, a Michigan based Community Development Entity, Hamtramck Recycling is now in the process of transforming the vacant building into a new, state-of-the-art, 32,000 square foot recycling & transfer center. Expected to be operational in 2013, the facility will sort out paper, plastics, Styrofoam and other office waste products, as well as light industrial metals, and turn them around into usable recycled materials. The modernized recycling facility will also include an assembly line that permits the use of such technology as overhead cameras to examine truck contents upon entry to price its recyclable mix, and will use automated equipment to permit easier sorting and separation of materials. Hamtramck Recycling also intends to build a new transfer station and tailor it to accommodate Industrial Dry Waste, recovering recyclable materials from the waste stream.

The recycling center will create 32 new jobs in a distressed community with a 27% poverty rate. These jobs will be targeted to Hamtramck residents and 60% of the jobs will be reserved for low-income persons with a family income less than 80% of the area median family income.

In addition to Hamtramck Recycling's expected economic returns, other significant benefits of this facility will be its contribution to enhancing green efforts throughout the Detroit metropolitan area, adding economic stability in a distressed area of the community.



Top: Artist rendering of the Hamtramck Recycling Center in Hamtramck, MI

Bottom: The previously vacant building has been gutted and construction on the new Hamtramck Recycling Center has begun

# New Markets Tax Credit

# MICHIGAN



## Peckham, Inc.

Peckham, Inc is a nonprofit organization in Lansing, Michigan, dedicated to bringing job opportunities to persons with learning, developmental and physical disabilities. Peckham's ultimate goal is to provide its clients with the skills they need to fulfill their potential and become contributing members of their community.

The organization operates a light industrial manufacturing facility in Lansing, where it provides extensive training, job placement, and on-site employment opportunities to its clients. In a time when many manufacturing companies were struggling, Peckham was thriving, and knew it could serve more individuals and create more jobs if it could expand its facility.

In 2009, to help Peckham meet its programmatic needs, Chase New Markets Corporation provided \$16 million in NMTC financing for the construction of a new 140,000 square foot facility. The new state-of-the-art, LEED certified, production facility consolidated all of Peckham's Lansing-based manufacturing into a single, flexible facility with additional space for offices, computer labs, and classrooms for new job training programs. This new facility employs 700 individuals and will allow Peckham to further expand, offering an additional 200 to 300 jobs within the next 10 years. Over 75 percent of the people employed have a substantial disability and nearly 100 percent are low-income. Because of Peckham, they now have long-term employment and career advancement skills.

Without NMTC financing, Peckham's expansion would have been smaller, resulting in fewer jobs, and the company may have been unable to afford the extensive environmental improvements and increased operational efficiency.

### NMTC ALLOCATEE

**Chase New Markets Corporation\***  
New York, NY  
Matt Reilein  
312.336.5054

\*An affiliate of JPMorgan Chase

### COMMUNITY PROFILE

- Lansing, MI
- Unemployment 1.5 times the national average
- Median family income 55% of statewide median income

### PROJECT HIGHLIGHTS

- Nonprofit facility expansion
- Total Project Cost: \$16 million
- NMTC: \$16 million
- Investor: Chase
- Jobs: 500 retained, 200 new direct for persons with disabilities or other barriers to employment, nearly 100% are low-income workers



Top: Peckham Inc.'s expanded facility in Lansing, MI

Above: Peckham Inc.'s manufacturing facility

## NMTC ALLOCATEES

### **Local Initiatives Support Corporation (LISC)**

New York, NY

Robert Poznanski: 269.343.5472

### **Michigan Magnet Fund**

Huntington Woods, MI

Al Bogdan 313.445.1843

## COMMUNITY PROFILE

- Quinnesec, MI
- Unemployment 1.1 times national average
- Median income 78.8% of Area Median Income
- Forest Products Processing Renaissance Zone

## PROJECT HIGHLIGHTS

- Equipment and facility upgrades to paper mill
- Total Project Cost: \$50.3 million
- NMTC: \$32 million
- Co-Allocatee: CapFund New Markets, LLC
- Investor: Chase
- Jobs: 90 construction, 475, retained, 50 new indirect



## Verso Paper Quinnesec Mill

In 2010, Verso Paper, a pulp and paper company with plants across the country, announced plans for a Renewable Energy Project to help its mill in Quinnesec, Michigan meet more than 95 percent of the company's on-site energy needs by using renewable biomass sources.

State and local funding sources were not enough to finance the \$50.3 million project cost, so Local Initiatives Support Corporation, working with the Michigan Magnet Fund, and CapFund New Markets LLC, provided a total of \$32 million in NMTC financing for equipment and facility upgrades, allowing Verso's Quinnesec Renewable Energy Project to become a reality.

The project included upgrades to the mill's existing combination boiler, a new biomass handling system, and a new turbine generator. The project is delivering 28 megawatts of additional green energy for consumption within the mill, equivalent to the amount of electricity consumed by 18,000 homes each year. The project will make the plant cost-competitive in an increasingly competitive commodity market, will support 50 local, indirect jobs, 90 construction jobs, and will keep the mill's 475 current employees working in a community with an unemployment rate well above the national average.

Additionally, the Quinnesec Renewable Energy Project will reduce dependence on purchased electricity and create a new revenue stream with Renewable Energy Credit sales. Both of these factors will increase the long-term viability of the mill, which is a critical economic driver for the local economy. The mill will also purchase approximately \$6 million annually in biomass to support the project, creating new, long-term employment in the Forest Products industry in the region. The replacement of fossil fuel-based generation with biomass-based generation will reduce greenhouse gas emissions.

"This investment is an important part of Michigan's commitment to its rural areas. It not only makes our basic industry more competitive, but it does so by developing and using renewable resources and reducing Michigan's dependence on fossil fuel," said Ted Rozeboom, President of Michigan Magnet Fund.



Top: Verso Paper Quinnesec Mill

Bottom: The renewable energy project converts wood scraps into biomass to power the paper mill



# New Markets Tax Credit

# MINNESOTA



## AGCO

AGCO is a leading global manufacturer of agricultural equipment, offering a full line of tractors, combines, hay tools, sprayers, and forage and tillage equipment, which are distributed in more than 140 countries worldwide. In 2011, AGCO announced plans to expand the company's Jackson, Minnesota manufacturing facility to produce high-horsepower, wheeled, row-crop tractors, which had previously been produced in France.

Jackson is a small, rural, economically distressed community with a history of outmigration. Between 2000 and 2010, the town lost 9 percent of its population. Jackson is not without assets though. It is situated in an area of high agricultural production and is conveniently located at the intersection of Interstate 90 and U.S. Highway 71, cutting down the transportation time of getting its products to market, making it an ideal location for AGCO to expand its operations. Jackson welcomed AGCO's expansion in its rural community and the jobs and tax base it brought back to the United States.

To help make the expansion project a reality, Midwest Minnesota Community Development Corporation provided \$14.4 million in NMTC financing, which, combined with local and state incentives, covered the \$16.5 million cost needed for construction.

Opened in June 2012, the expanded 75,000 square foot manufacturing facility includes new machinery and equipment, an assembly line extension, and additional warehouse space. The expansion also includes a 17,000-square-foot, state-of-the-art visitor center to give dealers and their customers the opportunity to see AGCO's workmanship. More than 2,700 people have toured the Intivity Visitors Center since it opened to the public.

The \$16.5 million project created over 200 well-paying jobs in Jackson and is spurring additional development in the community. Plans are in place for rehabilitation of a nearby hotel and the construction of a new hotel and restaurant, creating an estimated 95 new jobs.

### NMTC ALLOCATEE

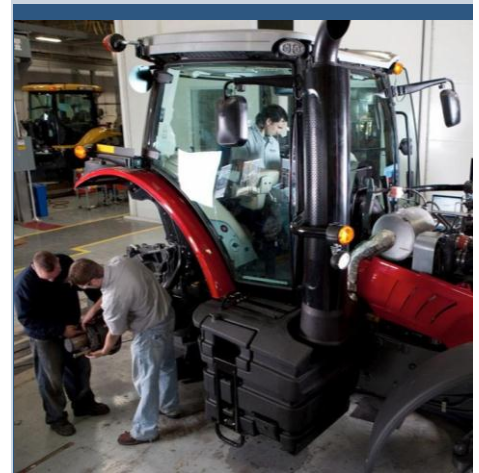
**Midwest Minnesota  
Community Development  
Corporation**  
Detroit Lakes, MN  
Julia Nelmark  
218.847.3191

### COMMUNITY PROFILE

- Jackson, MN
- Median income 75.6% of Area Median Income
- 9% ten year population decrease
- Minnesota TIF district

### PROJECT HIGHLIGHTS

- Expansion of agricultural equipment manufacturing facility
- Total Project Cost: \$16.5 million
- NMTC: \$14.4 million
- Investor: PNC Bank
- Jobs: 54 construction, 130 new direct, 79 indirect



Top: AGCO's manufacturing facility in Jackson, MN

Bottom: AGCO's expanded Jackson, MN facility manufacturers wheeled row-crop tractors

# New Markets Tax Credit

# MINNESOTA

## NMTC ALLOCATEE

### National New Markets Tax Credit Fund, Inc.\*

Minneapolis, MN  
Jennifer Novak  
612.305.2055

\*An Affiliate of Community Reinvestment Fund, USA

## COMMUNITY PROFILE

- Grand Rapids, MN
- 79.3% median family income
- State Job Z Zone

## PROJECT HIGHLIGHTS

- Manufacturing expansion and streamlining
- Total Project Cost: \$1.4 million
- NMTC: \$203,058
- Investor: Multi-investor small business lending pool
- Jobs: 74 retained



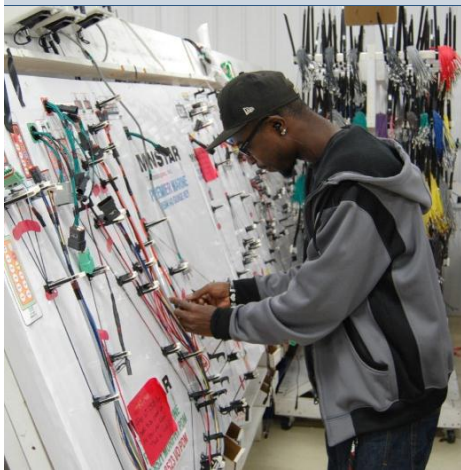
## MNSTAR Technologies Inc.

In 1997, Mike Rhodes, an electrician and former equipment supervisor for the Minnesota Department of Natural Resources, created MNSTAR Technologies Inc. (MNSTAR) to manufacture the wiring needed to operate lights, sirens, two-way radios, radar, and computers in emergency and law enforcement vehicles.

The company is located in Grand Rapids, a rural community in northern Minnesota where the poverty rate is high and jobs are scarce. In 2006, MNSTAR's key customers were experiencing strong sales growth. MNSTAR needed to streamline its manufacturing process in order to meet the increased demand for its products while remaining competitive in the global market.

In February 2006, a group of local lenders, including Grand Rapids State Bank, Northland Foundation, and Arrowhead Regional Development Commission, came together to help the company put together the \$1.4 million in financing needed to expand and improve its facilities and purchase new equipment. While the financing for the facility expansion was in place, there was a gap in the funding needed to purchase new, state-of-the-art equipment. To secure the purchase of this new equipment, the Minneapolis-based community development entity National New Markets Tax Credit Fund, Inc. stepped in with \$203,058 in NMTC financing, which allowed MNSTAR to purchase the new equipment needed to increase production, step up efficiency, and retain its 74 employees with plans to increase that number in the coming years.

CRF's NMTC loan, along with the financing from local institutions, helped MNSTAR to expand its operations, stay competitive in the marketplace, and most importantly, survive the financial crisis. Unlike many small businesses, this firm was able to pay their debts through the economic downturn. MNSTAR emerged from the recession and recently refinanced its obligations, including its NMTC loan, into new financing provided by CRF that restructures their balance sheet and positions the company for significant growth, including adding new employees.



Top: MNSTAR employee tests a harness jig for a wiring harness that will be used by law enforcement

Above: MNSTAR employee builds a wiring harness that will be used in a boat

# New Markets Tax Credit

# MISSISSIPPI



## Resinall Corp

Since 1984, Resinall Corp operated a manufacturing facility that produced thermoplastic resins for use in publication ink. The plant is located in Hattiesburg, Mississippi, a community with high unemployment and poverty rates. In the five years preceding 2011, changes in the market and technology resulted in declining business for Resinall.

In an effort to help Resinall keep its business open, two Community Development Entities, SEDCE Ventures, LLC and MuniStrategies, LLC, provided a total \$18 million in NMTC financing that allowed the company to produce a new Hydrogenated Hydrocarbon resin unit and launch a new line of hydrogenated tackifier resins for use in hot melt pressure sensitive adhesives.

In addition to \$12 million in NMTC financing employed by SEDCE Ventures and \$6 million in NMTC financing, from MuniStrategies, \$15 million was secured from Mississippi Business Finance Corporation to facilitate the completion of this facility expansion for Resinall. The Mississippi Development Authority also utilized a \$2.4 million allocation of state NMTCs, which, along with the federal allocations, helped preserve 125 manufacturing jobs and create 20 new positions, with that number expected to grow.

The expansion of the Hattiesburg plant has enabled Resinall to produce a wide range of resins in solid and solution form – with the added security of manufacturing redundancy. In addition, the new technical, operations, and sales facility have strengthened technical and operational innovation.

As a condition for receiving NMTC financing, Resinall agreed to make significant philanthropic contributions and has already made a \$10,000 donation to Hattiesburg's Oseola McCarty Children's Home to help provide needy children with healthy meals. The company has also committed to providing job opportunities with living wages and benefits to low-income residents, and it utilized Minority Business Enterprises and Women Business Enterprises in the construction of the project.

### NMTC ALLOCATEE

#### SECDE Ventures

Madison, MS  
Trey Waterloo  
601.321.7625

### COMMUNITY PROFILE

- Hattiesburg, MS
- 42.7% poverty rate
- Median income 42.9% of Area Median Income
- 17.4% unemployment rate

### PROJECT HIGHLIGHTS

- Manufacturing facility
- Total Project Cost: \$21.5million
- NMTC: \$18 million
- Co-Allocatee: MuniStrategies LLC
- Investor: Dudley Ventures managed fund on behalf of Trustmark Bank
- Jobs: 45 construction, 125 retained, 20 new direct



Top: Resinall Corps' manufacturing facility in Hattiesburg, MS

Bottom: Resinall Corps' resin storage tanks

# New Markets Tax Credit

# MISSOURI

## NMTC ALLOCATEE

**St. Louis Development Corporation**  
St. Louis, MO  
Bill Seddon,  
314.-259.3415

## COMMUNITY PROFILE

- St. Louis, MO
- 24.41% poverty rate
- 10.1% unemployment rate

## PROJECT HIGHLIGHTS

- Charter school expansion
- Total Project Cost: \$5.13 million
- NMTC: \$5 million
- Investor: U.S. Bank
- Jobs: 7 full time employees, 3 part time employees



## City Garden Montessori Charter School

The City Garden Montessori Charter School is a key feature in the redevelopment of the McRee Town neighborhood in St. Louis, near the Missouri Botanical Gardens. In recent years, this community had fallen into disrepair with abandoned homes, empty storefronts, high unemployment and poverty rates, and a dwindling sense of community. In 2010, a bid to revitalize the Botanical Heights neighborhood was initiated with the intention of preserving area homes and enticing people to move back.

To help ensure City Garden Montessori's role as a redevelopment catalyst in the Botanical Heights neighborhood, the St. Louis Development Corporation provided \$5 million in NMTC financing to help finance the school's new facility in a repurposed historic building. The project also involved the use of federal and state Historic Tax Credits. As a result, City Garden Montessori Charter will be able to expand from K-6 to K-8 by 2013, with the goal of ultimately increasing enrollment from 107 students to 275. Financing was also structured with an affordable, long-term lease with an option to purchase the building in the future.

The benefits of the new City Garden Montessori, opened in 2012, extend beyond the school to the larger community. The St. Louis Business Journal highlighted the City Garden Montessori Charter School's impact on the community by attracting families to what was initially envisioned as housing for young professionals attracted to the proximity of downtown St. Louis. The result is that the school is helping reestablish the neighborhood, even in these trying times, and placing it on firmer footing for the future.



Top: City Garden Montessori School students

Bottom: Rendering of City Garden Montessori School's new ground level entrance



## Grand Center Arts Academy

Confluence Academy (“CA”), founded in 2000, is a network of four charter schools in St. Louis, Missouri that offers exceptional and challenging instruction in areas of music, theater, visual arts, and dance, in addition to traditional academics. CA seeks to encourage intellectual curiosity and develop critical thinking skills of its students, all of whom are from low income communities.

In 2010, after a large increase in enrollment, CA sought to expand and open a fifth school: Grand Center Arts Academy. CA identified two abandoned structures in downtown St. Louis: Pythian Hall, built 1929 and The Beaux Arts Building, constructed in 1925, which was formerly the offices for the Carter Carburetor Corporation.

Confluence Academy serves a highly distressed population and has a very successful academic track record. There was strong local support for the opening of Grand Center Arts Academy in an area of the city plagued with high rates of poverty and unemployment. To make the new school a reality, CA utilized historic tax credits and an \$8 million loan from the state, but the funding was still insufficient for the \$21.9 total project cost. CA turned to National Trust Community Investment Corporation and Central Bank of Kansas City, which together provided \$14 million in NMTC financing to fill the gap.

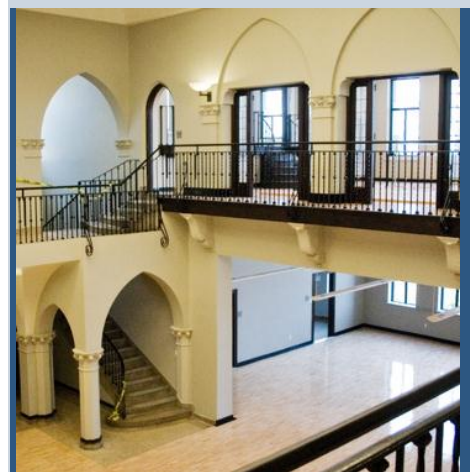
The new school opened in its new permanent location in 2011 with an initial class of 225 students. As students progress, a new class will be added each year, until the school reaches a total enrollment of about 750 students. The completed rehabilitation included new classrooms, performance space, and school office space, totaling over 58,000 square feet. Additionally, the renovation work, which was made possible by the NMTC financing, created over 238 construction jobs, and the opening of the new school will create more than 252 permanent jobs.

The renovation project is also expected to kickstart the local economy of the Grand Center neighborhood, and talk has already begun on redevelopment of several other historic buildings in the area.

**NMTC ALLOCATEE**  
**National Trust Community  
Investment Corporation**  
Washington, DC  
John Leith-Tetrault  
202.588.6064

- COMMUNITY PROFILE**
- St. Louis, MO
  - 41.7% poverty rate
  - Unemployment 5.7 times national average
  - Median income 33.2% of Area Median Income
  - Local TIF district

- PROJECT HIGHLIGHTS**
- Rehabilitation of a historic commercial building for a charter school
  - Total Project Cost: \$21.9 million
  - NMTC: \$14 million
  - Co-Allocatee: Central Bank of Kansas City
  - Investor: Great Southern Bank
  - Jobs: 238 construction, 252 new direct



Top: The former Beaux Arts building and Pythian Hall in St. Louis, MO were renovated for the new Grand Center Arts Academy

Bottom: Interior of the recently renovated Grand Center Arts Academy

## NMTC CONTACT

**Smith NMTC Associates, LLC**  
St. Louis, MO  
Donna Smith  
314.974.7858

## COMMUNITY PROFILE

- St. Louis, MO
- 65% poverty rate
- 28.9% unemployment rate
- Median income 16.9% of Area Median Income

## PROJECT HIGHLIGHTS

- 65 new, affordable, for sale homes
- Total Project Cost: \$14.5 million
- NMTC: \$14 million
- NMTC Allocates: McCormack Baron, USBCDE, Central Bank of Kansas City
- Investor: U.S. Bank
- Jobs: 71 construction



## Habitat for Humanity Saint Louis

The Jeff Vander Lou (JVL) neighborhood of St. Louis, located less than 2 miles from downtown, was once a healthy and vibrant community. However, the neighborhood fell into decline and disrepair after World War II, as businesses closed and low-income renters vastly outnumbered homeowners. By 2008, JVL was suffering from poverty and unemployment rates nearly triple the national average, as well as a vacancy rate that totaled nearly 9 percent of all the city's vacant lots.

In 2008, Habitat for Humanity Saint Louis (HFH STL) launched a revitalization effort for the JVL neighborhood that included development of 65 homes for neighborhood families. Over the next three years, three Community Development Entities, McCormack Baron, USBCDE, and Central Bank of Kansas City, in three separate transactions, provided a total of \$14.5 million in NMTC financing, which was used in conjunction with private donations, grants, and other sources of capital to make the project possible.

This development, completed in 2011, is breathing new life into the JVL neighborhood, creating 71 construction jobs and generating \$6.3 million in direct employee wages and income. The neighborhood's poverty and unemployment rates have decreased. Crime dropped by more than half in 2011 and is on track for a 66% decrease for 2012. The 65 new homes nearly tripled the number of owner-occupied buildings in JVL, and the influx of working families brought more than 60 employed persons to a community with less than 50% labor force participation and only 34% of working age individuals employed. A new bank and coffee shop opened up nearby to serve the new homeowners, and a struggling grocery store and retail center have stabilized. The tax impact generated by the JVL project will result in at least \$130,000 in new local, county, state, and federal tax revenue. All 65 homes were built to Energy Star and LEED certification standards, providing each homeowner with \$435 per year in energy cost savings. Habitat homeowners will also accumulate more than \$2 million in wealth from their home equity over the next 20 years.



Top: Habitat for Humanity homes in St. Louis' JVL neighborhood

Bottom: New homeowners in the redeveloped JVL neighborhood

# New Markets Tax Credit

# MONTANA



## Town & Country Foods, Inc.

Town & Country Foods, Inc. (T&C), owned by the Perlinski family, has been in the business of providing low-cost groceries in Bozeman, Montana for four decades. T&C began its warehouse style of grocery store in an old tea cannery building in Bozeman's industrial neighborhood. Through the years, T&C has become a fixture in the Bozeman community, offering affordable, local, and organic groceries.

In 2009, the Perlinski's considered opening a second store in Bozeman's underserved, low-income, Southside neighborhood that did not have a local grocery. To help T&C open its second location and reach an underserved community, Montana CDC, working with Big Sky Western Bank, provided \$8 million in NMTC financing for the purchase and renovation of a vacant movie theater.

The newly renovated T&C houses the grocery store, which provides the Southside community access to local and organic groceries, and also includes additional retail and restaurant space in an area of town with few commercial services. The NMTC investment generated over 60 permanent full-time jobs, 10 part-time jobs and 100 construction jobs, all in an area with an unemployment rate well above the national average. T&C has a stellar track record of employee loyalty and these high quality jobs feature excellent benefits, including employee ownership options.

T & C has created a catalytic effect on Bozeman's Southside neighborhood. New infrastructure improvements such as a new traffic light, new bike lanes, and improved sidewalks and streetscapes provide an anchor for future commercial services and encourage foot traffic. The neighborhood has also become more resident friendly, with a grocery store where people need it, and making the area more amenable for further development. Since T&C moved into the neighborhood, the area has been designated a residential emphasis mixed-used zoning area (REMU) which will encourage more services and development of the area. In fact, two previously vacant lots have recently been identified for development into mixed use housing and commercial spaces.

### NMTC ALLOCATEE

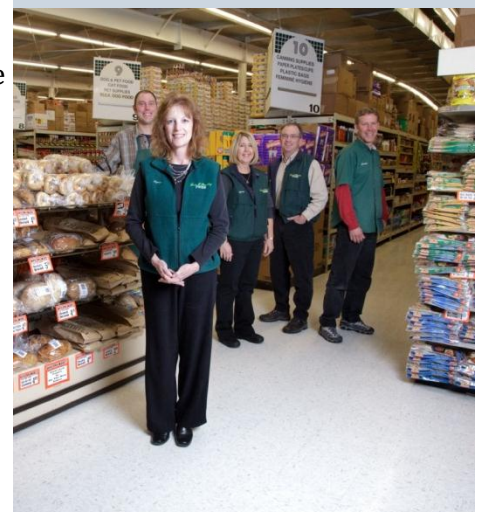
**Montana Community  
Development Corporation**  
Missoula, MT  
Dave Glaser  
406.728.9234

### COMMUNITY PROFILE

- Bozeman, MT
- 30.2% poverty rate
- Unemployment rate 5.4 times the national average
- Median income 63.9% of Area Median Income

### PROJECT HIGHLIGHTS

- Renovation of vacant building for grocery retail
- Total Project Cost: \$8.7 million
- NMTC: \$8 million
- Investor: Big Sky Western Bank
- Jobs: 100 construction, 60 permanent, 10 part-time



Top: Town & Country Foods in Bozeman, MT

Bottom: T&C has a stellar track record of employee loyalty and employee ownership options

# New Markets Tax Credit

# NEBRASKA

## NMTC CONTACT

Smith NMTC Associates, LLC  
St. Louis, MO  
Donna Smith  
314.974.7858

## COMMUNITY PROFILE

- Omaha, NE
- 50.3% poverty rate
- 19.5% unemployment rate
- Median income 28.2% of Area Median Income

## PROJECT HIGHLIGHTS

- 14 new affordable for sale homes
- Total Project Cost: \$2 million
- NMTC: \$1.9 million
- NMTC Allocatee: CEI Capital Management LLC
- Investor: U.S. Bancorp Community Development Corporation
- Jobs: 70 construction, 5 direct new



## Omaha Habitat for Humanity

North Omaha, Nebraska is a neighborhood plagued by high rates of poverty, unemployment, and crime. In an effort to address these challenges, the City of Omaha targeted North Omaha as part of a \$1.4 billion revitalization plan to advance education, job creation, business development, housing, and transportation in an area that has suffered disproportionately from violence, blight, and social ills.

In April 2012, with the help of Smith NMTC Associates, and using its innovative NMTC model, CEI Capital Management LLC (CCML) provided \$1.9 million in NMTC financing to Habitat for Humanity of Omaha for the construction of 14 new, affordable, homes. This investment allowed the Omaha Habitat to extend their budget reach by nearly 25%, creating 70 construction subcontractor jobs that performed electrical, mechanical, and plumbing work on the homes. In addition, the NMTC investment generated three full-time and two part-time Omaha Habitat affiliate jobs.

Construction of the 14 new homes has helped to stabilize the struggling neighborhood and encouraged new investment and further revitalization. Since the Omaha Habitat entered this neighborhood, other developers have begun rehabilitation and construction projects in the neighborhood. This catalytic effect increases the amount of property taxes already generated from the project. This NMTC funding has also attracted additional investment to the project area, including \$380,000 in additional donations and grants directed at revitalizing this blighted community.

Omaha is just one of 21 Habitat for Humanity affiliates nationwide that benefited from a total of \$42 million in NMTC financing from CCML. Using Smith NMTC's multi-QALICB model (where QALICBs share costs), CCML was able to help Habitat affiliates build 500 homes in 16 states with NMTC funding of under \$2 million per affiliate.



Top: Future homeowners and volunteers working on sweat equity at a Habitat Omaha home

Bottom: Future homeowner works on his Habitat for Humanity of Omaha home with a volunteer



# New Markets Tax Credit

# NEVADA



## Veterinary Specialists of Nevada

Located in Reno, Veterinary Specialists of Nevada has been in business since 2003, providing veterinary services throughout Northern Nevada. In June 2004, Dr. Davyd Pelsue, owner of Veterinary Specialist of Nevada, purchased the medical office building where he had been renting space so he could expand his practice and develop a state-of-the-art medical and surgical care facility for small animals.

By 2008, the expanded clinic was employing 15 full-time staff and was looking to bring on additional veterinary staff to respond to the significant growth in demand for services. However, when the already unstable Reno economy, marked by a 15.7% poverty rate, was rocked by the recession, Dr. Pelsue was unable to secure the capital needed to hire new staff.

The National New Markets Fund Inc., an affiliate of the Community Reinvestment Fund, USA, worked with lending local lending partner, Colorado Lending Source, to provide a \$422,500 NMTC loan that enabled Veterinary Specialists of Nevada to save approximately 22% in monthly cash flow, allowing the company to hire four additional vet specialists.

With the addition of the new vet specialists to its staff, Veterinary Specialist of Nevada was able to expand its market to serve clients in Carson City, Reno, and Lake Tahoe. The clinic provides a trusted source of full-range, soft tissue and orthopedic surgical procedures, in a spacious facility equipped with advanced technology that enables its staff to utilize the finest veterinary specialty equipment available.

Veterinary Specialist of Nevada continues to provide the highest quality of care by investing in the latest technology for imaging, surgery, pathology, and all other aspects of veterinary specialty services, and has hired six additional employees since 2008.

### NMTC ALLOCATEE

**National New Markets Tax  
Credit Fund, Inc.\***  
Minneapolis, MN  
Jennifer Novak  
612.305.2055

\*An Affiliate of Community  
Reinvestment Fund, USA

### COMMUNITY PROFILE

- Reno, NV
- 15.7% poverty rate
- Median income 66% of Area Median Income

### PROJECT HIGHLIGHTS

- Veterinary care clinic expansion
- Total Project Cost: \$1.4 million
- NMTC: \$422,500
- Investors: Multi-investor small business lending pool
- Jobs: 10 new, 15 retained



Top: Dr. Pelsue of Veterinary Specialists of Nevada

Bottom: Veterinary Specialists of Nevada offers state-of-the-art medical and surgical care facility to small animals

# New Markets Tax Credit

# NEW HAMPSHIRE

## NMTC ALLOCATEE

### **CEI Capital Management LLC\***

Portland, ME  
Charlie Spies  
207.772.5356

\*An affiliate of Coastal Enterprises, Inc.

## COMMUNITY PROFILE

- Berlin, NH
- Unemployment rate 1.8 times national average
- Non-Metropolitan County

## PROJECT HIGHLIGHTS

- Biomass power plant
- Total Project Cost: \$275 million
- NMTC: \$63.9 million
- Co-Allocatees: New Hampshire Business Finance Authority, RBC, Seedco, Capital Trust Agency CDE
- Investor: U.S. Bancorp Community Development Corporation
- Jobs: 400 construction, 40 direct new



## Burgess BioPower

“The City That Trees Built,” is the motto of Berlin community of over 10,000 residents, situated in New Hampshire’s North Country, alongside the Androscoggin River and White Mountain National Forest. Like many cities with a rich background in forest products, Berlin’s founding paper mill suffered the now-usual fate of a slowdown, bankruptcy, and sale. When the struggling Fraser Paper mill shut down in May 2006, 250 jobs were lost.

In 2011, plans for a \$275 million redevelopment project were announced. The project will transform a portion of the old Fraser Mill facilities, including the existing boiler, into Burgess BioPower, a 75-megawatt biomass power plant, which is expected to be online by 2013. The plant will be among the largest in the Northeast and will burn approximately 750,000 tons of biomass each year, supporting several hundred jobs for local foresters, loggers, and chippers.

Financed in part by \$63.9 million in NMTCs provided by CEI Capital Management LLC along with New Hampshire Business Finance Authority, Royal Bank of Canada, Seedco, and Capital Trust Agency CDE, Burgess BioPower promises to not only create 400 construction jobs, but to bring back an estimated 40 direct, full-time positions once in operation.

Economic models project that operation of the plant should bring in an annual \$11.9 million in state and local tax revenue and \$27 million in federal tax and fee revenue, and will generate \$75.3 million in annual power sales.

In addition to the direct benefits of the project, New Markets also helped fund a \$2.3 million community business assistance fund to serve as a resource for business and training assistance to local business. This fund will be co-administered by Coastal Enterprises Inc., CCML’s parent company, along with the New Hampshire Business Finance Authority (NHBFA).



Top: Artist rendering of completed Burgess BioPower

Bottom: Construction is underway on the former site of the Berlin Station

# New Markets Tax Credit

# NEW JERSEY



## Rutgers Business School

Newark, New Jersey is one of the poorest cities in America, marked by high rates of poverty and unemployment. For many years, much of the city has shown signs of neglect and disrepair, and the once vibrant downtown Arts District has been plagued with abandoned buildings and vacant properties.

In 2006, Rutgers University sought to expand its capacity to meet a rapidly increasing demand for business education and its growing undergraduate and graduate student bodies. Seizing an opportunity to meet its capacity needs and to help spur much-needed revitalization of the downtown, Rutgers decided to open a new business school campus in Newark. The new business school facility represents the second largest capital investment in Rutgers history, and while the school was prepared to make a significant direct investment in the project, it could not finance the \$83 million total cost alone. National Community Investment Fund, working with New Jersey Community Capital, City National Bank of New Jersey, and PNC Bank, provided \$41.5 million in NMTC financing, which, when combined with funding from the State of New Jersey, provided the financing necessary for the purchase, complete renovation, and expansion of the new business school facility.

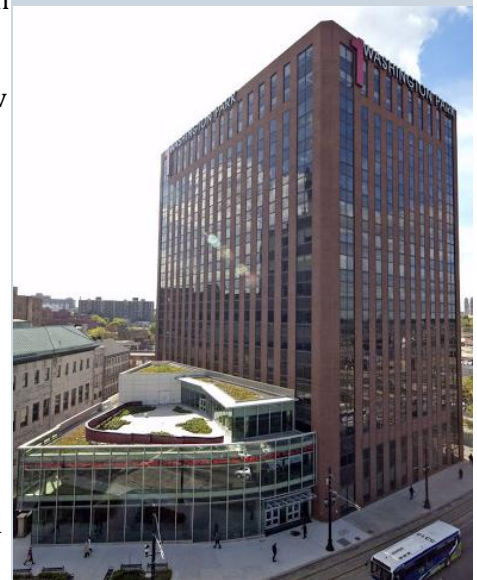
Completed in 2009, the new building at 1 Washington Park was the first major redevelopment project in Newark's downtown area and features classrooms equipped with smart technology, a 130-seat café that serves students and faculty, three lecture halls, faculty and staff offices, and a police substation for added security.

Thanks to the NMTC investment, Rutgers Business School is able to provide eight graduate internships to place students at minority banks. It is also able to provide confidential technical assistance to about 600 small businesses and business skills development training to approximately 1,200 entrepreneurs through its Rutgers-Newark Small Business Development Center. Additionally, the project brought over 4,300 students and over 500 jobs to the area, increasing foot traffic, public safety, and the overall attractiveness of the area. The new campus has also acted as an anchor in the revitalization of the north end of downtown Newark. Nearby owners have made improvements to their buildings and properties, and several new businesses have located in the area.

**NMTC ALLOCATEE**  
**National Community  
Investment Fund**  
Chicago, IL  
Saurabh Narain: 312-881-5826  
**New Jersey Community Capital**  
New Brunswick, NJ  
Marie Mascherin: 732-640-2061

- COMMUNITY PROFILE**
- Newark, NJ
  - 25% poverty rate
  - 21% unemployment rate
  - New Jersey Urban Enterprise Zone
  - Renewal Community

- PROJECT HIGHLIGHTS**
- University business school
  - Total Project Cost: \$83 million
  - NMTC: \$41.5 million
  - Investor: PNC Bank
  - Jobs: 300 construction, 218 new direct, 126 retained



Top and Bottom: Rutgers Business School: 1 Washington Park, Newark, NJ

# New Markets Tax Credit

# NEW JERSEY

## NMTC ALLOCATEE

### Community Loan Fund of New Jersey, Inc.\*

New Brunswick, NJ  
Marie Mascherin  
732.640.2061 x209

\*Operating as New Jersey Community Capital

## COMMUNITY PROFILE

- Jersey City, NJ
- 11% unemployment rate
- HUD Designated Choice Neighborhood Planning Grant Area
- Medically Underserved Area

## PROJECT HIGHLIGHTS

- Campus community center
- Total Project Cost: \$39.8 million
- NMTC: \$38 million
- Investor: Wells Fargo
- Co-Allocatees: Building America CDE, Telesis CDE Corp., Revolution Community Ventures, Wells Fargo
- Jobs: 258 construction, 115 permanent



## Saint Peter's Campus Community Center

Founded in Jersey City in 1872, Saint Peter's University (formerly Saint Peter's College), is a federally designated Hispanic Serving Institution with more than 3,000 full- and part-time students. The area surrounding Saint Peter's University was once a vibrant part of the city, but as people and businesses moved out of the area, the college was surrounded by blight. By 2010, the neighborhood known as McGinley Square had become severely distressed, with an unemployment rate 1.4 times the national average. The decline of the neighborhood limited the college's ability to grow and attract students.

In an effort to address the many challenges the neighborhood presented, Jersey City launched a \$500 million McGinley Square Community Redevelopment Plan designed to increase enrollment for Saint Peter's and provide services to the low-income neighborhood. The first phase of the redevelopment plan was construction of the Saint Peter's Campus Community Center designed to meet the needs of the students and community. In 2011, to help fund construction of the first phase, Community Loan Fund of New Jersey, Inc. working with, Building America CDE, Telesis CDE Corp., both based out of Washington, DC, Revolution Community Ventures, based out of California, and Wells Fargo, provided a combined \$38 million in New Markets Tax Credit financing.

Expected to be completed in January 2013, the center will be the campus' first student center and will allow the college to centralize, expand and increase its programs and services. The 6-story, 90,000 square foot Campus and Community Center will house space to provide medical, educational, cultural and vocational training programs, community and student activities, community service operations and space for lectures, health fairs and conferences.

In addition to bringing programs and services to students and the community, the campus community center is credited with providing 258 construction jobs and it is estimated that the project will generate 115 permanent positions, including an increase in Saint Peter's faculty and staff and others employed by organizations using the center, and will spur additional investment and revitalization and provide long-term social benefits to McGinley Square.



Top: Rendering of the new Campus Community Center

Bottom: Construction on the Campus Community Center is well underway



## Pro's Ranch Market

Las Cruces, New Mexico's third largest city, was eager to resuscitate its dreary downtown which had been dominated for years by government buildings and empty storefronts. The city's efforts to revitalize the downtown area by developing a pedestrian-only Main Street in the 1970s backfired. Without car traffic, retailers suffered and went out of business or moved away. In 2008, California-based Pro's Ranch Markets acquired Downtown Las Cruces' vacant El Paseo Shopping Center and developed a plan to build its second New Mexico grocery store in Las Cruces. Pro's Ranch Markets are known for providing fresh Hispanic food and baked goods in a festive neon-lit atmosphere. The 11-store chain also targets inner-city residents, particularly those without access to transportation, by offering shoppers van transport to and from their homes.

While plans were underway for the Las Cruces store, Pro's Ranch Market faced a significant lack of financing. In order to spur revitalization in a community hard hit by high poverty and unemployment rates, Finance New Mexico, LLC, a New Mexico based Community Development Entity, provided \$12.5 million in NMTC financing to make the project possible.

The completed Pro's Ranch Market project transformed an aging 107,497 square foot shopping center into a vibrant 66,000 square foot full-service grocery store with 41,500 square feet of additional space for retail and businesses.

The first major grocery store in downtown Las Cruces, The Pro's Ranch Market project created more than 300 permanent jobs and 100 temporary construction jobs in a highly distressed community. This is significant for this low-income community which has an unemployment rate nearly twice the national average.

Pro's Ranch Market has given new life to a run-down strip mall and serves as a retail anchor that is expected to spur interest and revitalization in the low-income area.

### NMTC ALLOCATEE

Finance New Mexico, LLC  
Santa Fe, NM  
Marquita Russel  
505 992-9619

### COMMUNITY PROFILE

- La Cruces, NM
- 27% poverty rate
- Median income 69% of Area Median Income
- Unemployment rate 1.8 times the national average
- Colonias Area

### PROJECT HIGHLIGHTS

- Redeveloped shopping center for grocery store and mixed-use
- Total Project Cost: \$13.3 million
- NMTC: \$12.5 million
- Investor: U.S. Bank
- Jobs: 100 construction, 300 new direct



Top: Pro's Ranch Market in Las Cruces, NM

Bottom: The store features south-of-the-border design, products, services, signage, and music.

# New Markets Tax Credit

# NEW YORK

**NMTC ALLOCATEE**  
**National Trust Community  
Investment Corporation**  
Washington, DC  
John Leith-Tetrault  
202.588.6064

## **COMMUNITY PROFILE**

- Beacon, NY
- 15.3% poverty rate
- Unemployment 1.1 times national average
- Median income 66.2% of Area Median Income

## **PROJECT HIGHLIGHTS**

- Rehabilitation of a former manufacturing facility into an art museum
- Total Project Cost: \$34.3 million
- NMTC: \$2.5 million
- Investor: Bank of America Merrill Lynch
- Jobs: 15 construction, 44 new direct



## Dia:Beacon

Andy Warhol and Joseph Beuys are among the many artists of the '60s and '70s who experimented with light, space, and dimension in huge sculptures or multi-painting series and whose masterpieces are being safely preserved by the Dia Art Foundation in Beacon, NY. The 2003 opening of the Dia:Beacon gallery in Beacon created a permanent home for these important pieces of art, as well as revitalized an aging industrial factory that had been vacant since 1991.

After receiving a donation of the former Nabisco carton-making and printing plant, the Dia Art Foundation planned a dramatic reuse of this 292,000 square foot former industrial space. Built in 1929, the structure is a superb example of early twentieth century industrial architecture and is the only one of its kind in Beacon, NY. The finished rehab is an array of stunning single-artist galleries renovated specifically for each installation. The structure's 34,000 square feet of skylights and wide expanses between columns provide an optimal setting for viewing the renowned, yet rarely seen, contemporary art collection.

National Trust Community Investment Fund provided Dia:Beacon with an infusion of both historic and NMTC equity which were used, in part, to create an operating reserve that helped cover projected operating deficits of about 70% of the budget in the first five years of operations.

Opened in 2003, Dia:Beacon has had a significant impact on its economically distressed surroundings as this formerly vacant property now draws approximately 145,000 visitors each year and employs 44 workers. Its total economic impact on the county is estimated at \$10 million to date. It has also helped transform the Beacon area into a vibrant artist community. Furthermore, education programs at Dia:Beacon provide benefits to low-income and special-needs children in the area.



Top: Dia:Beacon after renovation in 2003

Bottom: The vacant Nabisco box making factory before rehabilitation

# New Markets Tax Credit

# NEW YORK



## Hornell YMCA

For most of the 20th century, Hornell, New York prospered as a hub for the Erie Railroad. However, since the demise of the railroad in the 1970s, the city has struggled to regain prosperity. That struggle is evident in the high unemployment and poverty rates in the rural community of 8,500.

The Hornell YMCA has been a landmark to the community since 1883. The YMCA initially provided housing to immigrants who moved to upstate New York near the turn of the 20th Century.

In 2007, the Hornell YMCA launched a capital campaign to construct a new facility to provide a range of social and health services for the community. In 2010, working with the partners of the capital campaign, HEDC New Markets, an affiliate of National Development Council, provided \$6.3 in NMTC financing for the construction of a new 29,000 square foot facility to fit the YMCA's needs.

The new modern facility allowed for the expansion of child development, youth leadership and sports leagues programs, and the addition of new programs, including art and music classes offered by the Fletcher Center. The Hornell YMCA also has a focus on healthy living for all ages and offers programs in a state-of-the-art fitness center, including personal training, seasonal sports leagues, and the Silver Sneakers fitness program, a special program for seniors. It also provides Cardiac Rehab in the Southern Tier of New York and surrounding communities in Northern Pennsylvania.

The YMCA is now central to the life of Hornell, NY. It brought much needed employment to the community, creating 15 construction jobs, retaining 16 full-time jobs and creating 4 new, full-time jobs.

**NMTC ALLOCATEE**  
**HEDC New Markets, LLC\***  
New York, NY  
David Trevisani or Ann Vogt  
212.682.1106

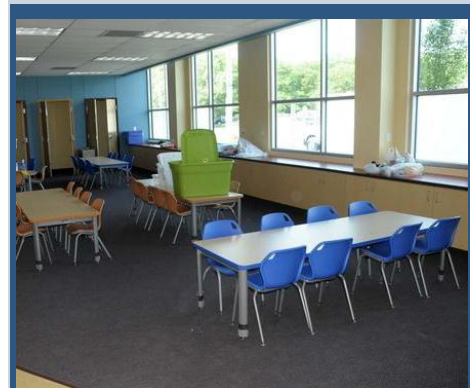
\*An affiliate of National Development Council (NDC)

### **COMMUNITY PROFILE**

- Hornell, NY
- 38.4% poverty rate
- 13.7% unemployment rate
- Median income 56.8% of Area Median Income
- Economic Development Hot Zone
- Enterprise Zone
- Non Metropolitan County

### **PROJECT HIGHLIGHTS**

- New YMCA facility and community space
- Total Project Cost: \$6.3 million
- NMTC: \$6.3 million
- Investor: Chase
- Jobs: 15 construction, 4 new direct, 16 retained



Top: Hornell, NY YMCA

Bottom: New day care center at the Hornell YMCA

## NMTC ALLOCATEE

### Low Income Investment Fund

San Francisco, CA

Judith Kende

212.509.5509 x11

## COMMUNITY PROFILE

- Bronx, NY
- 12% unemployment rate
- 40.8% poverty rate
- 88% of area students qualify for free or reduced-priced lunches

## PROJECT HIGHLIGHTS

- Community facility
- Total Project Cost: \$18 million
- NMTC: \$18 million
- Investor: Goldman Sachs Urban Investment Group
- Co-Allocatee: Local Initiatives Support Corporation (LISC)
- Jobs: 22 new direct, 28 construction



## New Settlement Community Center

Settlement Housing Fund (SHF) was founded in 1969 to rehabilitate and develop abandoned properties in the Mount Eden section of the Bronx, one of the poorest neighborhoods in New York City and in the country. The median household income in the area is approximately \$32,563, 50% of families live in poverty, and the unemployment rate is 12%.

Settlement Housing Fund developed the New Settlement Community Center as part of their New Settlement Community Campus partnership with the New York City School Construction Authority. In addition to the community center, the New Settlement Community Campus also includes a new state-of-the-art public school for 1,000 pre-K through 12<sup>th</sup>-grade students in a community where only 29% of the residents over 25 years of age have a high school diploma.

SHF worked with a range of public and private partners to assemble the financing for the project, including two Community Development Entities, the Low Income Investment Fund (LIIF) and the Local Initiatives Support Corporation (LISC). LIIF and LISC, working with Goldman Sachs Urban Investment Group, provided \$10 million and \$8 million in NMTC financing respectively, for construction of the community center.

Settlement Housing Fund works to incorporate community services into their neighborhood revitalization work. The New Settlement Community Center is a clear example of this effort. The completed New Settlement Community Campus enables SHF to expand and enhance programs aimed at improving the lives of youth in the neighborhood. Among the broad range of programs offered onsite are after-school programs and dance, cooking, and swimming classes. The campus also offers multipurpose rooms available to the entire community for meetings and recreation, and the building's green rooftop terrace is available for educational and recreational uses.



Top: New Settlement Community Center in the Bronx

Bottom: New Settlement Community Center offers an outdoor play area as well as a green rooftop terrace and multipurpose rooms available to the entire community





## SL Green StreetSquash Center

StreetSquash, located in Harlem, is an innovative and successful urban youth enrichment program that was founded in 1999. StreetSquash combines academic activities, college preparation, community service, mentoring, and squash for boys and girls ages 9-18 to help them graduate from high school and move on to active and productive lives.

Thanks to \$6.5 million in NMTC financing provided by HEDC New Markets, Inc., StreetSquash expanded into a 19,000 square foot facility in Harlem, NY in November 2008. The new facility has allowed StreetSquash to serve more than 750 Harlem public school children each year, providing 4 classrooms and a library, as well as 8 squash courts, a workout area, locker rooms, and administrative offices. StreetSquash was able to expand its after-school program to serve more 160 children annually; provide College Prep Program to 100 students annually; expand the Summer Discovery and Youth Employment Program to serve over 300 students annually; create an Alumni Outreach Program for nearly 100 high school graduates; and launch the Physical Education for Public Schools Program that serves over 750 students annually through daytime squash instruction gym programs.

Now that it has the physical capacity to serve more students, the organization added six full-time positions and fifteen part-time positions – two of which are filled by parents who live in the neighborhood. StreetSquash also doubled its volunteer base to 100 so that it can serve more students. Outside of organizational growth, the new building has increased StreetSquash's efficiency, bolstered the organization's external credibility, encouraged cohesion and community building, and improved students' experiences of their physical surroundings. By investing in a center that expands operations and improves participants' experiences, StreetSquash serves as a true community asset.

StreetSquash has done so well in the last six years with this incredible youth enrichment program that it has helped other programs open in Minnesota and most recently in Newark, NJ in September 2012.

**NMTC ALLOCATEE**  
HEDC New Markets, LLC\*  
New York, NY  
David Trevisani or Ann Vogt  
212.682.1106

\*An affiliate of National Development Council (NDC)

### **COMMUNITY PROFILE**

- New York, NY
- 49.1% poverty rate
- 9.8% unemployment rate
- Median Income of 28% of Area Median Income
- CDFI Hot Zone
- Enterprise Community
- SBA HUB Zone

### **PROJECT HIGHLIGHTS**

- Squash and community center
- Total Project Cost: \$9.1 million
- NMTC: \$6.5 million
- Investor: TransCapital
- Jobs: 30 construction, 8 retained, 6 new full-time, 15 new part-time



Top: SL Green StreetSquash Center in New York

Bottom: One of the center's 8 squash courts

## NMTC ALLOCATEE

### Self-Help Ventures Fund

Durham, NC

Amanda Frasier Wong

919.666.7089

## COMMUNITY PROFILE

- Durham, NC
- 35% poverty rate
- Unemployment 3.19 times national rate
- HOPE VI redevelopment area
- CDFI Fund Hot Zone
- Brownfield redevelopment area

## PROJECT HIGHLIGHTS

- Rehabilitation of abandoned building for mixed use
- Total Project Cost: \$26.3 million
- NMTC: \$12 million
- Investor: U.S. Bancorp Community Development Corporation, SunTrust Bank
- Jobs: 140 construction, 400 new direct



## Golden Belt Complex

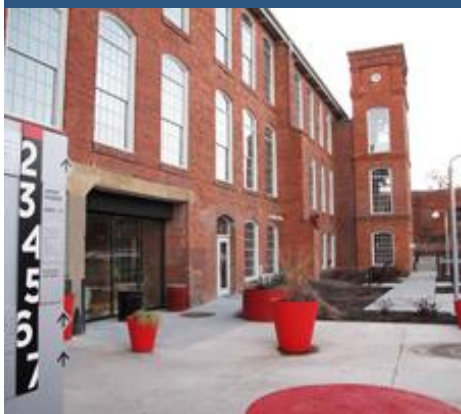
Throughout the late 19th and early 20th century, downtown Durham, North Carolina was a thriving manufacturing center engaged in the tobacco and textile industries. However, as both industries declined in the 1960s, so too did the vitality of downtown Durham. Steady disinvestment over the years led to physical deterioration of the neighborhood, and the once vibrant factories sat vacant.

Golden Belt was a textile factory that produced pouches for Bull Durham loose leaf tobacco and then, paper cigarette cartons. When tobacco moved out, the Golden Belt complex was donated to the Durham Housing Authority (DHA) who in turn, sold a majority of the facility to Scientific Properties, LLC, a North Carolina-based real estate and development company, in 2006.

Scientific Properties planned to convert the historic site into a mixed-use commercial, arts, and residential space, with the potential to spark additional revitalization of the neighborhood, but was unable to secure \$12 million in gap financing needed to complete the \$26.3 million project. In 2008, Scientific Properties approached Self-Help Ventures Fund, a community development entity based Durham for a financing solution.

Self-Help recognized the project's potential to anchor the area's revitalization, but at the time had only \$8.2 million in NMTC financing remaining in a blind pool – not enough to bridge the \$12 million gap – so they turned to Wachovia (now Wells Fargo) to borrow \$3.9 million in NMTC allocation to secure the financing needed to make the Golden Belt Complex project viable.

The \$12 million in total NMTC financing enabled Scientific Properties, LLC to rehabilitate a deteriorating factory; generate 140 construction related jobs and 400 permanent jobs; put six warehouses back into use; and provide affordable commercial and office space for local businesses and non-profits that serve community residents, including the Center for Employment Training. Additionally, the Golden Belt Complex provides 35 artist studios, an art gallery, 37 loft apartments, office space, a café, and multiple ground floor retailers.



Top: Golden Belt Complex, Durham, North Carolina

Bottom: Golden Belt's artist studios are housed in building 3



## Family HealthCare Center

Family Healthcare (FHC) of Fargo is a non-profit, Federally Qualified Community Health Center (FQCHC) that has provided medical, dental and pharmacy services to low-income and homeless persons in the Fargo-Moorhead region since 1990. The clinic serves a large, rural area of southeastern North Dakota and western Minnesota, with some patients traveling as far as 200 miles for medical or dental care. FHC serves more than 12,000 patients each year.

The population served by the clinic has grown five-fold over the past decade, and the number of patients who are homeless has almost doubled over the past three years. Because FHC's space was extremely limited it could not meet the increasing demand. In order to ensure it was able to serve all patients that depended on their services, FHC needed to expand.

Securing traditional financing for the expansion project proved difficult. In 2011, Dakotas America and Wells Fargo Community Development Enterprises provided a combined \$15 million in NMTC financing to make the expansion project possible.

Completed in October 2012, the new facility allowed FHC to consolidate its three facilities into one central location and more than doubled the clinical space available. The expanded location allows FHC to provide primary care to 19 more patients each day, or 5,000 more every year. The new facility houses 30 medical exam rooms, 7 dental operatories, 2 optometry rooms, and new space for behavioral health practitioners, lifestyle medicine programs, administrative offices, and meeting areas.

FHC's new facility provides the additional space needed to meet demand, while eliminating the overhead and administrative burden that is associated with offering services at multiple locations. Additionally, the added space created 18 more clinical positions, bringing current staffing to 138 full-time employees, with new services including behavioral health, optometry, and a wellness program.

### NMTC ALLOCATEES

#### **Dakotas America LLC**

Renner, SD

Lin VanHofwegen 605.978.2804

#### **Wells Fargo Community**

#### **Development Enterprises, Inc**

Minneapolis, MN

Lee Winslett 619.699.3037

### COMMUNITY PROFILE

- Fargo, ND
- 31% poverty rate
- 11.4% unemployment rate
- Median income 70.3% of Area Median Income

### PROJECT HIGHLIGHTS

- Health care center
- Total Project Cost: \$15.5 million
- NMTC: \$15 million
- Investor: Wells Fargo
- Jobs: 36 construction, 18 new direct, 120 retained



Top: New Family HealthCare Center

Bottom: Family HealthCare Center emphasizes diabetes education for patients

# New Markets Tax Credit

# OHIO

## NMTC ALLOCATEE

Finance Fund  
Columbus, Ohio  
Amanda Hoyt  
614.221.1114

## COMMUNITY PROFILE

- Columbus, OH
- 43.4% poverty rate
- Median Family Income 42.8% of AMI
- Median Household Income \$28,438

## PROJECT HIGHLIGHTS

- Grocery Store
- Total Project Cost: \$2.3 million
- NMTC: \$1 million
- Investors: Fifth Third, Peoples Capital, and M&I CDC
- Jobs: 46 new direct



## Heritage Square Marketplace

Economically distressed urban communities face many challenges, including access to affordable healthcare, childcare, and housing. One often overlooked, but equally important challenge is access to fresh, yet affordable groceries. Residents of the Near East Side of Columbus have been without a local grocery store since 2006.

Without access to an affordable grocery store, residents had no choice but to purchase groceries from convenience stores, which could cost nearly twice as much. As an alternative, many families arranged for taxis to grocery stores several miles away, ultimately increasing the overall price tag of their grocery shopping.

The Columbus Compact Corporation works to bring new retail goods and services to the Near East Side of Columbus, a neighborhood with a high poverty rate and low median incomes. After several years of planning, Columbus Compact moved forward with Heritage Square Marketplace, a \$2.3 million shopping center in the heart of the neighborhood.

Finance Fund's NMTC program provided Columbus Compact with a \$1 million NMTC low interest loan to buy the land and build the marketplace. The project's first phase resulted in 46 full- and part-time jobs and access to affordable groceries for 25,000-plus nearby residents. Ohio Congressman Pat Tiberi, who toured the site before and after the construction, says the project is "a perfect example" of the benefit NMTC can have on community revitalization.

The project further enhances the commercial revitalization taking place along the Main strip coordinated by the Compact (which is the local administrator of the Columbus Empowerment Zone).

In May 2008, the Near East Side enthusiastically welcomed the Save-A-Lot and Simply Fashions stores. Residents finally had a grocery store to call their own. Jonathon Beard, president of Columbus Compact Corporation, described the opening day as a "realization of a lot of people's wishes."

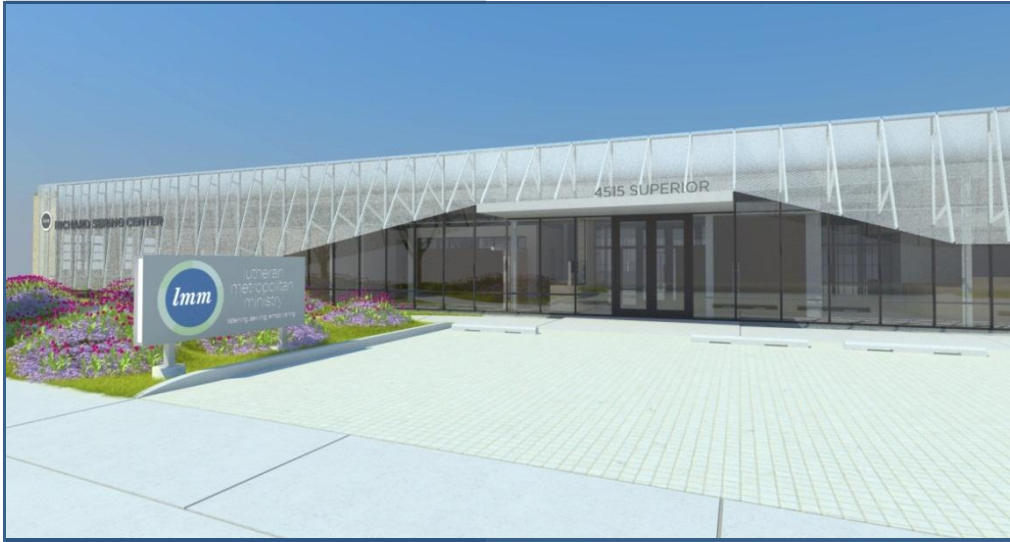


Top: Heritage Square Marketplace

Bottom: Heritage Square Marketplace provides residents with access to fresh and affordable groceries

# New Markets Tax Credit

# OHIO



## The Richard Sering Center

Since 1969, the Cleveland based Lutheran Metropolitan Ministry (LMM) has served people who are homeless, unemployed, involved in the criminal justice system, at-risk youth, and vulnerable adults throughout Northeast Ohio. Each year, LMM serves more than 10,000 people with the help of thousands of volunteers. In 2011 alone, LMM assisted 359 people in obtaining employment and 647 people in completing job training or education programs.

In 2009, LMM launched its "Building on the Promise" capital campaign to finance a larger, more integrated facility to better serve clients. With support of the State of Ohio, foundations, individuals, and corporations, PNC Bank and the Cleveland New Markets Investment Fund II provided \$8 million in NMTC financing to make the project a reality.

The Richard Sering Center, scheduled to open in November 2012, will be in an old glove factory in Cleveland's St. Clair-Superior neighborhood. The 40,000 square foot state-of-the-art facility will include 80 staff offices and a Central Kitchen to provide meals to local homeless shelters. The center will allow for expanded job and volunteer training programs and will also launch a new partnership with North Presbyterian Church with shared space for the congregation.

The two social enterprise programs, Central Kitchen and Metro Metal Works, that build and install bicycle racks, will flourish as they apply earned-income strategies to operate businesses that empower individuals experiencing barriers to employment with a goal of long-term employment.

The center is located in a highly distressed community with high poverty and unemployment rates. In addition to expanded services, the new center created 20 construction jobs and some 80 permanent jobs were created or retained.

### NMTC ALLOCATEE

**Cleveland New Markets  
Investment Fund II, LLC**  
Cleveland, Ohio  
Steve Luca  
216.592.2245

### COMMUNITY PROFILE

- Cleveland, OH
- 45.7% family income below area median income
- 41.5% poverty rate

### PROJECT HIGHLIGHTS

- Social services and enterprises facility
- Total Project Cost: \$8 million
- NMTC: \$8 million
- Investor: PNC Bank
- Jobs: 20 construction, 20 new direct, 60 retained



Top: Architects' rendering of the entrance to the new Richard Sering Center

Bottom: Rendering of the shared space to be used by North Presbyterian Church

## NMTC ALLOCATEE

### **Cincinnati Center City Development Corporation (3CDC)**

Cincinnati, OH  
Steve Leeper  
513.621.4400

## COMMUNITY PROFILE

- Cincinnati, OH
- 58% poverty rate
- 25% unemployment rate
- Median income 22% of Area Median Income

## PROJECT HIGHLIGHTS

- Park renovation and expansion
- Total Project Cost: \$48 million
- NMTC: \$48 million
- Co-Allocatees: Cincinnati New Markets Fund, LISC, Cincinnati Development Fund
- Investor: PNC Bank
- Jobs: 609 construction, 50 new direct



## Washington Park

Washington Park is located in the Over-the-Rhine neighborhood of Cincinnati, Ohio. Over-the-Rhine is one of the most economically distressed areas in the country, with a 58% poverty rate, a 25% unemployment rate, and a homeownership rate of 4%. The area has experienced a population decline of 45% since 1980, leaving the neighborhood and Washington Park neglected and ignored. The distressed condition of the park caused many residents to avoid it, and crime and violence took over, leaving residents with no access to green space in their own neighborhood. The more than 50 buildings standing around the park's boundaries also suffered from the deterioration of Washington Park, and most were abandoned and sat vacant.

In 2005, 3CDC, a Cincinnati nonprofit, began purchasing vacant property to revitalize the area. At the forefront of this revitalization plan was Washington Park. However, a lack of funding sources due to the uncertain nature of the revenue stream generated by the park made financing challenging. To remedy this, 3CDC turned to Cincinnati New Markets Fund, LISC, and Cincinnati Development Fund, that together provided a total of \$48 million in NMTC financing, bringing the Washington Park project to life.

The restored Washington Park, completed in July 2012, expands the park across 8 acres and includes a 450-space underground parking garage; a performance stage; event plaza; interactive water feature with lights and sound; children's playground; dog park; restored historic bandstand; seasonal planting beds; and a half-acre of meandering pathways through beautiful landscaping.

This project was a critical and transformative undertaking that serves as the catalyst for revitalization of the Over-the-Rhine neighborhood. In addition to becoming a stand-alone destination, the restoration of Washington Park complements its surrounding amenities, including Cincinnati's home for performing arts (Music Hall), the new public K-12 School for Creative & Performing Arts, and on-going residential and commercial development.



Top: Washington Park located in Cincinnati's Over-The-Rhine neighborhood

Bottom: Children play at Washington Park's new playground



## First Wave Aviation

In 2005, First Wave Aviation, a Tulsa-based aerospace company, was seeking a larger facility to repair and overhaul commercial aircrafts. First Wave had experienced rapid growth over the previous thirteen years, with offices and customers in Dubai, UAE, Sao Paulo, Brazil, and Miami, Florida. The company had a staff of 140 people in its Tulsa facility, where they shipped commercial jet aircraft parts throughout the world 24 hours a day, seven days a week, 365 days a year.

In 2004, the Black and Decker manufacturing facility in Bristow, Oklahoma closed and the rural community of 4,300 lost 1,200 jobs. The layoffs were a hard blow to a local economy of which Black & Decker had been a mainstay.

In an effort to help the suffering community of Bristow, REI New Markets Investment, a Community Development Entity based in Durant, Oklahoma, encouraged First Wave Aviation to consider building its new facility in the town. First Wave agreed and REI, with its NMTC investments partner, SpiritBank, provided \$14.6 million in NMTC financing for the construction of a new 220,000 square foot aircraft repair facility, purchase of equipment used for refurbishing aircrafts and inventory and operating expenses.

The plant, which opened in late 2005, is helping rebuild the economy of Bristow, Oklahoma. The facility currently employs 125 people, with the possibility of an additional 375 jobs over the next five years.

According to Debbie Partin, Financial Services Director at REI, the NMTC provided critical assistance to bringing First Wave to Bristow. Without it, she said that it would have been unlikely that the company would have expanded its operations or made a multi-million dollar investment in such a small, rural, and impoverished town. Investors would have found the risk to be too great in Bristow, as opposed to cities such as Tulsa and Oklahoma City and almost certainly would have located in a larger community.

### NMTC ALLOCATEE

#### REI New Markets Investment

Durant, OK  
Kenny Simpson  
800.658.2823

### COMMUNITY PROFILE

- Bristow, OK
- Poverty rate 26.7%
- Unemployment rate 6.6%
- Median Income Area \$50,935
- Median Income \$40,081

### PROJECT HIGHLIGHTS

- Construction of a local airplane parts and repair facility
- Total Project Cost: \$14.6 million
- NMTC: \$14.6 million
- Investor: SpiritBank
- Jobs: 500 new direct



Top: First Wave Aviation Bristow facility

Bottom: First Wave focuses on the repair and overhaul of engine nacelle

# New Markets Tax Credit

# OREGON

## NMTC ALLOCATEE

### Portland New Markets Fund I\*

Portland, Oregon  
Cam Turner  
503.226.1370

\*Partnership between Portland Family of Funds, United Fund Advisors and Portland Development Commission

## COMMUNITY PROFILE

- Portland, OR
- 41.3% poverty rate
- Median income 44.8% of Area Median Income
- Unemployment rate 2.8 times the national average

## PROJECT HIGHLIGHTS

- Small business lending fund
- NMTC: \$5.5 million
- Investor: U.S Bank
- \$4 million in small business real estate loans to 6 borrowers and \$860,550 in small business working capital to 22 borrowers



## Small Business Loan Fund

The Portland Small Business Loan Fund (PSBLF) was formed in July 2006 to address the lack of access to affordable capital, which had been identified as an acute problem for small businesses in Portland, Oregon's low-income communities. Strongly supported by Portland's Mayor, the Portland City Council and the Portland Development Commission, PSBLF was created by Portland Family of Funds Holdings, Inc. (PFF) through an infusion of \$5.5 million in NMTC financing from Portland New Markets Fund I, LLC (PNMF).

PSBLF addresses the strong need for small business working capital and other non-real estate related business needs and currently offers two products that feature below market interest rates and flexible terms: (1) *Small Business Loans*: Ranging in size from \$5,000 to \$275,000; PSBLF's Small Business Loans are made to qualifying low-income community businesses in Portland for operations, expansion, working capital and/or equipment. Loan terms range from 12 to 120 months. Micro Enterprise Services of Oregon (MESO) serves as the Program Manager for the Small Business Loan program. (2) *Small Real Estate Loans*: PSBLF's Real Estate loans can be up to \$1,000,000 and are made to small businesses located in low-income communities within Portland's Urban Renewal Areas for real estate activities. Most loans have been for facility expansion by small, local businesses.

Since July 2006, PSBLF has successfully deployed \$4 million in small business real estate loans to 6 borrowers and \$860,550 in small business working capital to 22 borrowers – including Discovery Gardens Family Care, an affordable and quality childcare provider, which has received 3 small business loans totaling \$27,000 enabling them to expand operations to three customized learning childcare facilities. In 2012, JD's Shoe Repair received a \$5,000 PSBLF small business loan to support business expansion and increase shoe repair and maintenance services.

These loans have created jobs, facilitated wealth building and provided numerous goods and services in Portland's low income communities.



Top: In 2012, JD's Shoe Repair received a \$5,000 PSBLF small business loan

Bottom: Discovery Gardens Family Care, has received 3 small business loans totaling \$27,000



# New Markets Tax Credit

# PENNSYLVANIA



## Fare and Square

Lack of access to healthy food is a critical issue in Chester, Pennsylvania, where more than 15,000 residents do not have adequate access to a full-service supermarket. Philabundance, the Delaware Valley's largest nonprofit hunger-relief organization, sought to help residents of Chester combat this critical situation, by creating the country's only not-for-profit grocery store called Fare & Square.

Fare & Square, set to open in the spring of 2013, will be located in a community that is a USDA-designated food desert and has been without a grocery store for over 11 years. Commercial grocery stores have increasingly fled urban areas such as Chester due to higher operating costs and limited space, forcing residents to travel far distances for fresh food.

Because of the severely distressed nature of Chester, the city had difficulty attracting healthy food retailers to the area, so The Reinvestment Fund (TRF), working with Nonprofit Finance Fund, stepped in to provide \$7 million in NMTC financing to Philabundance. This financing allowed Philabundance to acquire and renovate an abandoned grocery store property and covered equipment and other start-up costs. TRF also provided a \$1.3 million bridge loan made possible by Pennsylvania Fresh Food Financing Initiative and federal Healthy Food Financing Initiative funds. This project has also attracted considerable philanthropic and private support, including the Robert Wood Johnson Foundation, the Rockefeller Foundation, Sunoco and Wawa.

The Fare and Square supermarket will bring approximately 14,000 square feet of food retail space to Chester, offering a full range of food staples for purchase, all at below-market prices. The new store involves an innovative business model combining an emergency food pantry and a retail store that will, as Fare & Square grows, be introduced to other communities in need. Fare & Square promises several advantages for the community - access to fresh food, the creation of 30 permanent jobs, volunteer opportunities, and increased economic activity.

### NMTC ALLOCATEE

#### **The Reinvestment Fund (TRF)**

Philadelphia, PA  
Nancy Wagner-Hislip  
215.574.5800

### COMMUNITY PROFILE

- Chester, PA
- 28% poverty rate
- 12.2% unemployment rate
- Median income 44.6% of Area Median Income
- USDA Food Desert
- Medically Underserved Area
- CDFI Hot Zone

### PROJECT HIGHLIGHTS

- Renovation for not-for-profit grocery store
- Total Project Cost: \$7 million
- NMTC: \$7 million
- Co-Allocatee: Nonprofit Finance Fund
- Investor: TD Bank
- Jobs: 30 permanent



Top: Philabundance, a nonprofit hunger relief organization, is creating a not-for-profit grocery store called Fare & Square

Bottom: The Fare and Square project broke ground in September, 2012 and expected to be completed in 2013.

# New Markets Tax Credit

# PENNSYLVANIA

## NMTC ALLOCATEE National City New Market Fund \*

Pittsburgh, PA  
David Gibson  
412.762.3081

\*An affiliate of PNC Financial Services

### COMMUNITY PROFILE

- Erie, PA
- 25.8% poverty rate
- Median income 48.6% of Area Median Income
- 14.2% unemployment rate

### PROJECT HIGHLIGHTS

- Manufacturing plant modernization
- Total project cost: \$8 million
- NMTC: \$7.3 million
- Investor: PNC Bank
- Jobs: approximately 130 high-skill jobs retained



## Zurn Industries, LLC

Since its founding in 1900, Zurn Industries, LLC has been a recognized leader in commercial, municipal, and industrial markets and manufactures the largest breadth of engineered water solutions in the industry, including a wide spectrum of sustainable plumbing products. Zurn delivers total building solutions for new construction and retrofit applications that enhance any building's environment.

In 2007, Zurn was acquired by Rexnord, a leading worldwide multi-platform industrial company specializing in highly engineered solutions for a broad range of industries including water management. To remain strong in an increasingly competitive and global market, Rexnord knew it needed to upgrade the equipment and infrastructure at its foundry but the cost of the retooling effort was prohibitive. Rexnord officials reached out to local city leaders, and the EDC of Erie County which contacted PNC's NMTC team for assistance.

PNC, a national bank with a sizeable community development footprint in Pennsylvania, stepped in and made a \$7.3 million NMTC investment that helped Zurn finance equipment upgrades at the Erie foundry. The Commonwealth of Pennsylvania also provided funding through a \$275,000 Opportunity Grant.

The plant upgrades made it financially feasible for the company to maintain their century-long presence in Erie. Without a NMTC investment making the modernization feasible, the company would have struggled to maintain the approximately 130 skilled-labor manufacturing jobs that average over \$25/hour. Beyond sustaining the plant and its good paying jobs, these upgrades allowed Zurn to reduce operating costs and become more efficient and competitive in the market.

The NMTC investment provided the capital that allowed a longstanding business to finance the modernization of one of its manufacturing plants, thereby shoring up efforts to revive the manufacturing base in a community with a 25.8% poverty rate and a median family income that is 48.6% of the area median income.



Top: New electric melt furnace installed at Zurn Industries in Erie, PA

Above: Zurn is investing in upgraded facilities in Erie.

# New Markets Tax Credit

# RHODE ISLAND



## Capital Good Fund®

Capital Good Fund® (CGF) is a non-profit that fights poverty by providing one-on-one financial coaching and micro-loans of \$300-\$5,000 to low-income-community entrepreneurs in Providence, Rhode Island. CGF relies on a variety of funding sources, including NMTC investments made by Rockland Trust Community Development Corporation.

CGF began in the fall of 2008 in a social entrepreneurship class at Brown University. It is now a rapidly growing 501(c)(3) non-profit and an emerging community development financial institution that takes a comprehensive approach to fighting poverty. CGF, whose clients are 68% Hispanic, 25% African-American, and 7% Caucasian, is committed to the notion that small amounts of money can mean a great deal in the right hands.

A key component of Rockland Trust Community Development Corporation's NMTC strategy is Financial Counseling and Other Services (FCOS) investments that provide technical assistance to low-income-community residents and businesses. Rockland Trust made NMTC investments of \$8,000 in 2010 and \$15,000 in 2012, helping to increase CGF's microenterprise capacity in severely distressed Providence, Rhode Island census tracts.

The 2010 investment provided funding for 16 minority residents to receive more than 200 hours of classroom time and one-on-one business training that prepared 10 residents to receive micro-loans from CGF ranging from \$500 and \$2,000. Rockland Trust's 2012 NMTC investment will fund financial coaching for approximately 75 low-income-community residents and businesses during the next 12 months. By meeting the educational and capital needs of its clients, CGF is helping low-income-community businesses to grow and create jobs.

### NMTC ALLOCATEE

**Rockland Trust Community  
Development Corporation**  
Rockland, MA  
Michael Savage  
781.982.6546

### COMMUNITY PROFILE

- Providence, RI
- 41.9% poverty rate
- 14.3% unemployment rate
- Median income 54% of Area Median Income

### PROJECT HIGHLIGHTS

- Financial counseling and other services investments
- Total Project Cost: \$23,000
- NMTC: \$23,000
- Investor: Rockland Trust
- Will provide an estimated 91 low-income community residents/businesses with business financial counseling



Top: Capital Good Fund offers individual Financial Coaching among other services

Bottom: CGF Co-Founder Andy Posner with a business borrower

# New Markets Tax Credit

# SOUTH CAROLINA

## NMTC ALLOCATEE

UA, LLC\*

New York, NY  
Edward Scott  
212.612.9100

\*An affiliate of UrbanAmerica Advisors, LLC

## COMMUNITY PROFILE

- Sumter, SC
- 17.3% poverty rate
- Unemployment 1.5 times national average

## PROJECT HIGHLIGHTS

- Manufacturing facility
- Total Project Cost: \$324 million
- NMTC: \$58.9 million
- Co-Allocatees: Chase New Markets Corporation, Community Reinvestment Fund, People Incorporated, National Development Council
- Investor: Chase
- Jobs: 854 construction, 1,700 permanent



## Continental Tire

Continental Tire the Americas, LLC is an international automotive supplier and tire producer. In 2011, the company decided to locate a new one-million square foot state-of-the-art plant in Sumter County, South Carolina.

Sumter County is a severely distressed community with a 17.3 percent poverty rate and an unemployment rate of 12.1 percent. Continental's new facility will provide much needed job creation and economic stimulus to the area. The project will create an estimated 1,700 permanent new positions over two phases of development. The first phase of the project, of which construction and hiring are underway, will allow the plant to increase production capacity to approximately five million tires per year by 2017. The second phase is expected to bring the plant's full production capacity to approximately eight million tires per year by 2021. Phase 1 project costs total \$324 million and altogether, Continental will invest more than \$500 million into the Sumter plant.

In 2012, Urban America LLC provided \$10 million in NMTC financing which bolstered NMTC commitments from four other Community Development Entities: Chase New Markets Corporation, Community Reinvestment Fund, People Incorporated, and the National Development Council/HEDC, which combined, totaled \$58.9 million, providing the funding necessary for Phase I of the Continental plant to move forward.

Construction of the new facility, expected to become operational in 2013, will generate approximately 854 full-time construction jobs, and once operational, Continental will offer full-time, high entry-level and managerial wages and comprehensive benefits. Entry-level wages begin at \$14.66 per hour, over 25% higher than the area's median wage. The company also intends to offer job training through ReadySC, a division of the South Carolina Technical College System. Through an agreement with Sumter County, an RFP process will identify local construction companies and will utilize qualified WMBE vendors.



Top: Artist rendering of the Continental Tire Plant in Sumter, SC

Bottom: South Carolina Governor Nikki Haley joins Continental executives and Sumter city officials for the Phase I groundbreaking



## Highland Baking Company

Highland Baking Company, LLC is a family-owned and operated business founded in 1984 and based in Northbrook, IL. Highland's mission is to work closely with companies in the foodservice industry – large and small, independent and chain – to deliver the best-tasting, highest quality breads, buns, and rolls. The company serves airlines, bakeries, cafes, cafeterias, caterers, coffee shops, commissaries, concessions, country clubs, food manufacturers, grocery stores, hotels, hot dog stands, and restaurants across the United States.

In 2012, Highland sought to expand their business by opening a new production and distribution plant in Spartanburg, S.C., which has a business-friendly climate and excellent market access. Highland planned to move into an existing bakery facility that had been vacant since the former bakery shuttered in 2008; however, the company was unable to obtain conventional financing needed for the purchase.

To get the project back on track, Stonehenge Community Development provided \$13 million in NMTC financing for the purchase and renovation of the vacant bakery. The new facility includes a 240,200 square foot industrial building and an 8,184 square foot retail building, allowing for improved capacity and efficiencies.

Highland's new facility is located in a highly distressed census tract in Spartanburg, with a 40.7% poverty rate and an unemployment ratio nearly twice the national average. The new facility will generate an estimated 196 new, full-time jobs, with an average annual wage of more than \$25,000. The Highland project will catalyze local economic development by utilizing Spartanburg's skilled workforce and bringing back the food manufacturing jobs lost in the community when the former bakery was shut down.

**NMTC ALLOCATEE**  
**Stonehenge Community  
Development, LLC**  
Baton Rouge, LA  
L'Quentus Thomas  
614.545.7244

- COMMUNITY PROFILE**
- Spartanburg, SC
  - 40.7% poverty rate
  - Unemployment 1.89 times the national average
  - Median income 60.4%
  - 36% minority population

- PROJECT HIGHLIGHTS**
- Acquisition and renovation of a food manufacturing facility
  - Total Project Cost: \$13.5 million
  - NMTC: \$13.5 million
  - Investor: Chase
  - Jobs: 196 new direct



Top: Highland Baking Company's processing area

Bottom: Ariel view of the new production and distribution center

# New Markets Tax Credit

# SOUTH CAROLINA

## NMTC ALLOCATEE

### **Banc of America CDE**

Charlotte, NC  
Leigh Ann Smith  
980.386.3855

## COMMUNITY PROFILE

- Barnwell, SC
- 20.7% poverty rate
- 17.1% unemployment rate

## PROJECT HIGHLIGHTS

- Construction of a manufacturing facility
- Total Project Cost: \$71.7 million
- NMTC: \$20 million
- Co-Allocatee: CEI Capital Management LLC
- Investor: Bank of America Merrill Lynch
- Jobs: 499 construction, 116 new direct, with 80% of all jobs going to low-income persons



## Horsehead Corporation

Headquartered in Pittsburgh, Pennsylvania, the Horsehead Corporation is North America's largest recycler of zinc-bearing materials, including electric arc furnace (EAF) dust, a listed hazardous waste generated during the melting of recycled steel scrap.

In 2009, the Horsehead Corporation chose Barnwell, South Carolina as the site for a new plant that would both increase its capacity and cost efficiency. Plans for a new manufacturing facility were in place, but commercial credit was tight due to the recession. Recognizing the importance of the plant for the economy of this rural community, Banc of America CDE and CEI Capital Management stepped in and each provided \$10 million in NMTC financing to support construction of the \$71.1 million facility.

The Horsehead Barnwell Facility project was an important economic development project for Barnwell, a community where unemployment reached 17.3 percent in February 2009, largely due to the closing of textile and apparel plants that had employed 10.5 percent of the local workforce. During construction, the project generated economic impacts to South Carolina in the form of \$66 million in economic output, 499 new full-time jobs, 116 permanent jobs, and \$16.7 million in increased employee wages.

The new plant, which became operational in early 2010, increased Horsehead's capacity to recycle hazardous EAF dust by nearly 30 percent and expanded Horsehead's capacity to serve approximately 75 percent of the US market. The plant is located in an industrial park that now serves as the centerpiece of the Barnwell County's economic development plan to promote economic growth, job creation, and opportunity for more South Carolinians.



Top: Horsehead Corporation's Barnwell, South Carolina plant

Bottom: Horsehead Corporation is North America's largest recycler of electric arc furnace dust



## Shannon County Schools

Located in South Dakota, the Shannon County school district encompasses the towns of Batesland, Rockyford and the Lakota Pine Ridge Indian Reservation. The Lakota Pine Ridge Reservation is one of America’s most impoverished communities. In the past, dropout rates on the reservation have been as high as 70% for teens and the current school facility is in serious disrepair.

In order to improve its facilities, reduce dropout rates through improved early education programs and attack exceedingly high unemployment rates, Shannon County Public Schools officials decided to modernize two elementary schools located in Rockyford and Batesland.

The two new facilities will accommodate a growing population and provide modernized classrooms and technology to improve the quality of education for some of America’s neediest students. However, the cost for the rehabilitation and expansion presented a significant challenge to the Shannon County Public School system so Dakotas America, a Community Development Entity serving North and South Dakota, and Citi Community Capital, who provided \$44.1 million in NMTC financing for the project.

The new Rockyford facility provides space for outreach programs such as sports, art, music, theater, language education and summer camps to improve the overall quality of education. The expansion of the Batesland facility included the addition of a new gymnasium, classrooms, support areas, reading room/ library, community room and a new cafeteria with kitchen, as well as a new geothermal heating/cooling system. Additionally, the project retained 356 employees and generated 28 construction and 20 new much needed permanent jobs.

“This project is a model of how the public and private sector can work as partners to improve the education of our children and provide a near-term boost to the economy,” said Senator Tim Johnson.

### NMTC ALLOCATEES

#### **Dakotas America LLC**

Renner, SD  
Lin VanHofwegen  
605.978.2804

#### **Citi NMTC Corporation**

Gina Nisbeth  
212.723.4233

### COMMUNITY PROFILE

- The Lakota Pine Ridge Indian Reservation, South Dakota
- 49% poverty rate
- 80% unemployment rate

### PROJECT HIGHLIGHTS

- Expansion and renovation of two schools
- Total Project Cost: \$44.1 million
- NMTC: \$44.1 million
- Investor: Citi
- Jobs: 28 construction, 20 permanent new, 356 retained



Top: Rendering of the new Rockford, SD pre K – 8<sup>th</sup> grade school

Bottom: Teacher Denise Schulz works with a student during class at Batesland Elementary School

# New Markets Tax Credit

# TENNESSEE

## NMTC ALLOCATEE

### **MBS Urban Initiatives\***

St. Louis, MO  
Laurel Tinsley  
314.335.2740

\*An affiliate of McCormack Baron  
Salazar

## COMMUNITY PROFILE

- Memphis, TN
- 58.8% poverty rate
- Median income 25.3% of Area Median Income
- Unemployment rate 3.78 times national average
- Delta Regional Authority designated distressed
- Memphis Renewal Community

## PROJECT HIGHLIGHTS

- Mixed-used commercial and residential buildings  
Total Project Cost: \$8.4 million
- NMTC: \$8.4 million
- Investor: U.S. Bank
- Jobs: 137 construction, 65 new direct



## Quimby Plaza

In 2005, the City of Memphis, Tennessee used HUD HOPE VI funds to demolish Dixie Homes, a public housing development that had suffered from disinvestment and fallen into disrepair. In its place a new commercial and residential mixed-use facility - Legends Park – was developed to serve as an anchor for revitalization of the community.

The cornerstone building in the Legends Park development complex is Quimby Plaza. This building was designed to complete the physical transformation of the neighborhood by bringing important new commercial and service amenities to the community. To ensure the completion of the project, MBS Urban Initiatives provided \$8.4 million in NMTC financing for the construction of the 45,000 square foot Quimby Plaza building.

Located on Poplar Avenue, east of the Memphis Medical District, Quimby Plaza resulted in the creation of 137 construction jobs and 65 permanent jobs and includes a 5,500 square foot community center and management space, as well as 24 units of market-rate rental housing. The building also provides 9,000 square feet of medical office space for Methodist Hospital, a non-profit health care provider that provides low-income residents with access to a full range of medical services.

The NMTC financing from MBS Urban Initiatives provided Methodist Healthcare a lease that included one year rent-free and below-market rent for up to nine years, allowing them to open the Le Bonheur Pediatric Outpatient Rehabilitation Clinic within this low-income community and thus, erase an historic boundary between the medical district and the neighborhood.



Top: Quimby Plaza in Memphis, TN

Bottom: Quimby Plaza Community Center



# New Markets Tax Credit

# TENNESSEE



## Smart Furniture, Inc.

Smart Furniture, Inc. is a Chattanooga, Tennessee based furniture company that sells customizable home and office furniture through its Design on Demand ® platform via [www.SmartFurniture.com](http://www.SmartFurniture.com). In addition to its patented Smart Shelves ® product line, the Company has partnered with leading furniture manufacturers to provide customers with the ability to customize furniture that is uniquely suited to their needs and preferences. Smart Furniture sells its products almost exclusively via the Internet, but it has one flagship store, the Smart Furniture Studio, located in an economically distressed neighborhood in downtown Chattanooga.

In 2004, when the company was starting up, its owner and sole employee was looking for investment capital that would take the company to the next level. As a small start-up it was difficult to secure financing from conventional banks or venture capital funds. Impressed by Smart Furniture's owner and his innovative approach for selling and marketing furniture, Southern Appalachian Fund - a Community Development Entity affiliated with Kentucky Highland Investment Corporation - made a \$170,000 NMTC investment in the company. This NMTC investment provided the company the capital needed to move ahead with product development and design, executive recruitment, market research and marketing, and website design.

Southern Appalachian Fund has remained committed to Smart Furniture, closing eight investments over the past six years with the company for a total of \$1.2 million. These investments have enabled Smart Furniture to grow and expand, from a single employee shop in 2004 to a company that now employs 29 individuals, with all employees enjoying health and retirement benefits in a community with very high poverty and unemployment rates.

### NMTC ALLOCATEE

#### **Southern Appalachian Fund**

London, KY  
Brenda McDaniel  
606.864.5175

### COMMUNITY PROFILE

- Chattanooga, TN
- 38% poverty rate
- Median income 50% of Area Median Income
- Unemployment rate 2.2 times the national average

### PROJECT HIGHLIGHTS

- Investment in start-up furniture company
- Total Project Cost: \$1.2 million
- NMTC: \$170,000
- Investor: Multi-investor fund
- Jobs: 1 retained, 28 new full-time



Top: Smart Furniture's flag store in Chattanooga, TN

Bottom: Smart Furniture sells customizable home and office furniture

# New Markets Tax Credit

# TEXAS

## NMTC ALLOCATEES

### **Texas Mezzanine Fund**

Dallas, TX

Victor Elmore: 214.943.5900

### **National New Markets Fund**

Los Angeles, CA

Steve MacDonald: 310.914.5333

## COMMUNITY PROFILE

- San Antonio, TX
- 33.5% poverty rate
- 15.6% food insecurity in the 16-county service region
- Texas Enterprise Zone

## PROJECT HIGHLIGHTS

- Food bank expansion
- Total Project Cost: \$28.3 million
- NMTC: \$27 million
- Investor: Chase
- Jobs: 50 construction, 120 new direct



## San Antonio Food Bank

The San Antonio Food Bank (SAFB), the 14th largest food bank in the country, serves 16 counties in Southwest Texas. The mission of SAFB is to fight hunger through food distribution, service programs, education, and advocacy. SAFB partners with more than 530 agencies to deliver food (45 million pounds in 2011) and services to 58,000 people per week.

SAFB operates 34 programs in six core areas: Food Distribution, Client Services, Nutrition and Health (including operating a 5.4 acre farm), Disaster Relief, Job Training and Placement, and Social Enterprises. SAFB is the most important source of food for emergency food providers in a region, in which 19% of the residents live in poverty. When the recession hit in 2008, the demand for SAFB's food distribution drastically increased, and it expanded food distribution from 35 million pounds in 2009. Demand is to grow to an estimated 60 million pounds in 2014, a 71% overall increase. However, SAFB's ability to meet this growing demand is constrained by its facility and storage capacity limitations, especially for fresh and healthy food.

To help meet this demand, the Texas Mezzanine Fund and National New Markets Fund provided \$13 million and \$14 million NMTC loans, respectively, to help finance a \$28.3 million expansion project. This project will double the overall facility to 204,000 sq. ft., more than double food storage capacity, and triple the cold storage space available for healthy fresh and frozen foods. A new pavilion will be constructed for new community service programs and weekly farmer's markets. SAFB will enhance its environmental stewardship by adding a wind turbine to supplement the existing rooftop solar panel array, triple its water catchment capacity, and incorporate gray water reuse for its farm from an adjacent food processing facility. Its pilot Workforce Development Initiative will receive designated client service space and expand staffing. The expansion project will help increase SAFB's food distribution by 33%, including its rural-serving Mobile Pantry Program. Over the next 6-7 years, SAFB will expand its staff by an additional 105 employees, many likely filled by low-income workers.



Top: San Antonio Food Bank in San Antonio, TX

Bottom: Volunteer sorting food to provide to a needy person or family

# New Markets Tax Credit

# TEXAS



## Tom Green Library

In 1999, the City of San Angelo, a low-income community of 94,000 residents in Central Texas, acquired the former Hemphill Wells Department Store building in its downtown area. The City of San Angelo and Tom Green County joined forces with the goal of redeveloping this highly recognizable structure in the heart of the city for use as a library and community space.

In 2008, HEDC New Markets Inc., working with the City of San Angelo and officials from Tom Green County, assembled \$12.6 million in NMTC financing for the development and rehabilitation of the former department store building into an 85,000 square foot state-of-the-art library facility that doubled the number of public access computers available in the city and provided 14,000 square feet of space dedicated solely to children's literature and educational services. In addition, the new space offers community members large meeting rooms and wireless internet, attracting patrons who might not otherwise visit the library. The new facility includes a large Library Store and Coffee Shop that generates nearly \$30,000 in monthly sales. The facility created 61 new full time jobs and 11 part-time jobs, in addition to approximately 70 construction jobs created during the development.

More than 38% of San Angelo's residents are living in poverty, one of the highest poverty rates in the state, and the city and its partners wanted to encourage community residents to take advantage of the free services made available through the new Tom Green Library. Currently, 45% of the area residents are registered users of the facility and participation is growing.

This building has become an anchor for downtown San Angelo revitalization. Tom Green Library has sparked an interest in downtown that has resulted in the growth of cultural interest in the community.

**NMTC ALLOCATEE**  
**HEDC New Markets, LLC\***  
New York, NY  
David Trevisani or Ann Vogt  
212.682.1106

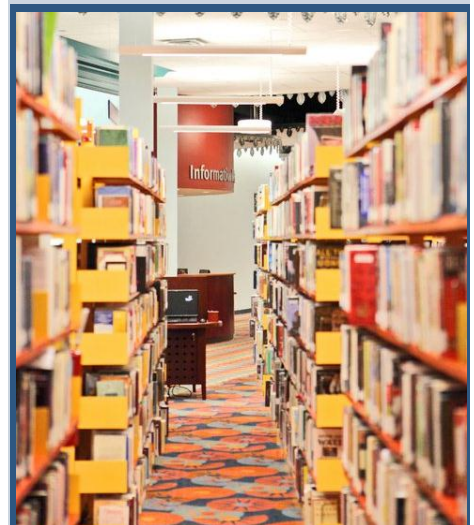
\*An affiliate of National Development Council (NDC)

### **COMMUNITY PROFILE**

- San Angelo, TX
- 38.4% poverty rate
- Enterprise Zone
- CDBG Target Area
- Texas Main St. District

### **PROJECT HIGHLIGHTS**

- Rehab of department store building into library and community space
- Total Project Cost: \$14 million
- NMTC: \$12.6 million
- Investor: Wells Fargo
- Jobs: 70 construction, 72 new direct



Top: Tom Green Library

Bottom: Library shelves in the renovated space. Copyright: Melissa Davis-Crump Photography

# New Markets Tax Credit

# UTAH

## NMTC ALLOCATEE

**HEDC New Markets, LLC\***

New York, NY

David Trevisani or Ann Vogt

212.682.1106

\*An affiliate of National Development Council (NDC)

## COMMUNITY PROFILE

- Salt Lake City, UT
- 36% poverty rate
- Unemployment rate 3.8 times the national average
- Median income 74% of Area Median Income
- Hot Zone

## PROJECT HIGHLIGHTS

- Construction of a solar installation
- Total Project Cost: \$9.3 million
- NMTC: \$7 million
- Investor: Chase
- Jobs: 31 construction, 4 new direct



## Salt Palace Convention Center

The area surrounding the Salt Lake City Convention Center has suffered from high unemployment and poverty for many years. At the height of the recession, two partners in community development, Salt Lake County and HEDC New Markets, Inc., collaborated to bring new investment to the community in the form of renewable energy.

The Salt Lake County Solar Facilities project involved the installation of a solar array atop the Calvin Rampton Salt Palace Convention Center in Salt Lake County. The installation nearly doubled the state's current solar capacity, and the 1.65 megawatt array is expected to provide the convention center with up to 17 percent of its power needs, saving the county \$8.5 million over the 25 to 35 years. As a result of the clean solar energy system, Salt Palace will reduce its CO<sub>2</sub> emissions by an estimated 86 million pounds, and over 26 million gallons of water used in association with coal-fired electricity will be saved.

A key element of project financing was \$7 million in New Markets Tax Credit financing from the National Development Council's affiliate, HEDC New Markets, Inc. The project also benefited from other sources of public and private capital, including federal grants. Salt Lake County partnered with Bella Energy to build the system, which is owned and operated by Carbon Technology.

Beyond creating 31 construction jobs and 4 full time jobs, the size and scale of this project will also create major opportunities for public education about the benefits of renewable energy to a nationwide audience. Salt Lake County has taken steps to cement the educational opportunities on-site with an appropriation to design and build a viewing platform for visitors, students and members of the public to witness the power generation of a rooftop solar array. The project was awarded the 2012 CDFA Excellence in Development Finance Award, honoring excellence in the use of creative financing tools for economic development.



Top: Ariel view of the solar panels installed on the Calvin Rampton Salt Palace Convention Center in Salt Lake City, Utah

Bottom: Jose Perez installs solar panels on the roof of the Salt Palace Convention Center: Jeffrey D. Allred, Deseret News



## Sorenson Unity Center

In 2003, Salt Lake City Mayor Rocky Anderson proposed the creation of the Unity Center to provide services, programming, and recreation facilities to the City's low-income Glendale area. The Salt Lake City Council approved plans for the project, and the Salt Lake City Foundation acted as the conduit for the funds. In 2006, USBCDE LLC provided a \$6.7 million NMTC loan to help construct the Sorenson Unity Center.

The Sorenson Unity Center was completed in 2007 on four acres of land donated by James Sorenson, a Utah businessman, and the Church of Jesus Christ of Latter-day Saints. It was the first new construction project that had taken place in the Glendale neighborhood in more than 20 years and, since the center opened, has spurred much needed additional development in the area.

Constructed as a LEED-certified facility, the Unity Center is a one-story, 26,500 square foot facility that contains a health center, a performance and reception area, gallery space, and flexible rental space for various community uses. In addition, the facility provides vocational and technical training through Salt Lake City Community College for educationally, socially, and or economically disadvantaged individuals, provides full-service dental treatment through Salt Lake City Donated Dentist Services (SLDDS), and a provides a Computer Center, which offers 14 personal computers, scanners, and laser printers.

The Skills Center, located within the Sorenson Unity Center, offers courses along with intensive student support services, preparing students to be more effective within the circumstances of their lives and work. SLDDS provides on-site dental treatment for those with no other access to dental care; 45 percent of their patients are homeless and 44 percent fall below the federal poverty line. In partnership with Intel Corporation and the Boston Museum of Science, neighborhood youth can get assistance in the Computer Clubhouse, an after-school program in the Computer Center that focuses on art, science, education, and technology.

### NMTC ALLOCATEE

**USBCDE, LLC\***  
St. Louis, MO  
Matt Philpott  
314.335.2621

\*An affiliate of U.S. Bancorp

### COMMUNITY PROFILE

- Salt Lake City, UT
- 21% poverty rate
- Median income 66% of Area Median Income
- Unemployment rate 1.8 times national rate

### PROJECT HIGHLIGHTS

- LEED Certified Community Center
- Total Project Cost: \$6.8 million
- NMTC: \$6.7 million
- Investor: U.S. Bank
- Jobs: 85 construction, 50 new direct



Top: Sorenson Unity Center in Salt Lake City, UT

Bottom: Adult computer class provided by and held at the Sorenson Unity Center

# New Markets Tax Credit

# VERMONT

## NMTC ALLOCATEES

### **Vermont Rural Ventures**

Burlington, VT

Beth Boutin 802.863.8424

### **CEI Capital Management LLC\***

Portland, ME

Charlie Spies 207.535.2932

\*An affiliate of Coastal Enterprises, Inc.

### **Massachusetts Housing Investment Corporation**

Boston, MA

Andrea Daskalakis 617.850.1033

## COMMUNITY PROFILE

- Brattleboro, VT
- Non-Metropolitan County
- Locally-designated economic development zone
- Federally declared disaster area

## PROJECT HIGHLIGHTS

- Dairy processing facility
- Total Project Cost: \$43 million
- Total NMTC: \$40 million
- Investor: U.S. Bancorp Community Development Corporation
- Jobs: 150 construction, 101 permanent



## Commonwealth Dairy

Dairy farms have always been a major part of Vermont's culture and economy, but recent economic conditions have led to a significant decrease in the number of dairy farms in the state. In addition, a dwindling number of local dairy processors have made the environment even harsher for Vermont dairy farmers.

In 2008, Commonwealth Dairy, a start-up enterprise seeking to manufacture private label, co-pack and branded yogurt products, approached the Town of Brattleboro and the State of Vermont about locating their Class II dairy processing facility in the community. Brattleboro was eager to welcome Commonwealth Dairy. However, starting a new Class II dairy processing facility requires a significant financial investment, and state and local funds proved to be insufficient to attract the private capital needed to make the project feasible. Utilizing New Markets Tax Credits, CEI Capital Management, LLC and Massachusetts Housing Investment Corporation assembled \$27.8 million to finance construction and make the new Class II dairy processing facility operational.

The 39,000 square foot plant opened in March 2010, and after just one year of operation, it exceeded its five year sales, milk use, and employment projections and was operating at 90% capacity. Less than three years after breaking ground, Commonwealth needed to expand its facility. In October 2012, Vermont Rural Ventures, along with Massachusetts Housing Investment Corporation, again utilized the New Markets Tax Credits and provided \$12.2 million in financing, allowing Commonwealth to expand its warehouse and storage space, hire more workers, and acquire specialized equipment to improve operating efficiencies, control costs, and keep the company competitive within the marketplace. Today, Commonwealth Dairy produces 50,000 cases of yogurt per week and creates an estimated \$778,000 in local and state revenue annually.



Top: Commonwealth Dairy's Class II processing facility in Brattleboro, VT

Bottom: Commonwealth Dairy utilizes state-of-the-art technology to ensure the quality of its product

The impact of Commonwealth on Brattleboro and the state of Vermont has been invaluable. Its workforce stands at over 100 and demand for Vermont milk and its underutilized skim milk has soared, bringing higher net prices to Vermont farmers. This project also has several additional benefits for the local community, including scholarships for students studying to enter the dairy industry.

# New Markets Tax Credit

# VIRGINIA



## Lyon Shipyard

The Norfolk Ship Repair & Drydock Company (NSDC) is located in the South Brambleton Redevelopment Area of Norfolk, VA. The company was once a leader in the ship repair industry, but since the late 1990s, its plant and facilities faced growing disinvestment and underutilization, and needed repairs to existing buildings, upgrading of production equipment, and environmental remediation.

Lyon Shipyard, Inc. is a full-service ship repair company also based in Norfolk, with a facility adjacent to the NSDC shipyard. Lyons provides a full range of ship maintenance and repair to the U.S. Navy and related maritime companies in the area. With 120 employees, Lyon Shipyard had a strong track record in maintaining and investing in its facilities and sought to purchase the fledgling NSDC.

In 2007, City First Capital provided \$7.1 million in NMTC financing for Lyon Shipyard's acquisition and rehabilitation of the NSDC shipyard, which included 2 dry docks, a pier, machinery, and a cluster of buildings on the approximately 11-acre property. Dry docks, which are narrow basins that can be flooded for ship construction and transportation, are in high demand and had a two-year waiting period for new construction. The expanded capacity gave Lyon Shipyard a competitive edge in the shipbuilding and repair industry.

The acquisition and upgrade of the shipyard helped retain 120 existing jobs. With the full rehabilitation, which included re-roofing of existing buildings, pier repairs, removal of a damaged pier, utility repairs and upgrades, production equipment upgrades, and integration of the shipyard with Lyon Shipyard's existing facilities, the number of new jobs created by this project exceeded 100.

### NMTC ALLOCATEE

City First New Markets  
Funds II, LLC  
Washington, DC  
Marie Mann Bibbs  
mbibbs@cityfirstbank.com

### COMMUNITY PROFILE

- Norfolk, VA
- 52% poverty rate
- 16.5% unemployment rate
- Median income 39.2% of Area Median Income
- Empowerment Zone
- SBA HUBZone
- Enterprise Zone

### PROJECT HIGHLIGHTS

- Shipyard acquisition and rehab
- Total Project Cost: \$8.5 million
- NMTC: \$7.1 million
- Investor: Wells Fargo
- Jobs: 120 retained, 100 new direct



Top: Lyon Shipyard in Norfolk, VA

Bottom: One of Lyon Shipyard's dry docks

# New Markets Tax Credit

# VIRGINIA

## NMTC ALLOCATEE

**Hampton Roads Ventures**  
Norfolk, VA  
Jennifer Donohue  
757.314.2095

## COMMUNITY PROFILE

- Culpeper, VA
- NMTC Highly Distressed QCT
- Housing Hot Zone
- Median Family Income 59.5%

## PROJECT HIGHLIGHTS

- Historic warehouse rehab into mixed-use space
- Total Project Cost: \$7.5 million
- NMTC: \$6.7 million
- Investor: Dudley Ventures managed fund on behalf of Valley National Bank
- Jobs: 120 construction, 60 new direct



## Waters Place

In 2007, Octagon Partners, a national real estate investment firm, purchased two historic buildings in downtown Culpeper, Virginia and announced plans to revitalize the commercial center in this distressed community of 16,000 by renovating the buildings into Water Place, a mixed-use development with retail and office space, community-oriented commercial space, and affordable rental housing. The two historic warehouses, constructed in 1921 and 1931, were previously occupied by Culpeper's lumber mill and hardware store, but both structures had been vacant for decades.

After the purchase of the buildings, Octagon Partners worked to assemble the \$7.5 million needed to renovate the vacant buildings, but faced significant challenges securing conventional financing. Hampton Roads Venture, a community development entity based in Norfolk, Virginia, stepped in with \$6.7 million in NMTC financing to launch Phase I of the Waters Place redevelopment, which included renovation of the four-story North Building.

Phase I, completed in May 2010, includes 11 apartments that are rented below the market rate, and new 6,000 square feet of commercial space that houses anchor tenant Culpeper New Business Incubator, among others.

Phase II, expected to be completed by 2013, will consist of 14 workforce housing apartments and 9,000 square feet of commercial space. The anchor tenant for Phase II will be Culpeper Cosmetology Training School. The construction of Phase II will create an estimated 120 construction-related jobs, 10 jobs relating to the residential units, additional jobs at the cosmetology school, an estimated 8 jobs from the below market-rate, nonprofit tenants, and an estimated 25 jobs at the Culpeper New Business Incubator.

Waters Place fuses the affordability and charm of small-town living with the ability to commute to Washington, DC in less than an hour. The Culpeper Amtrak Station, located just steps from Waters Place, has daily commuter trains to and from DC. Culpeper is also a short drive to the Blue Ridge Mountains, lakes, and rivers, making it convenient to outdoor recreation.



Top: Completed Phase I of Waters Place

Bottom: Phase I of Waters Place includes 6,000 square feet of commercial space and anchor tenant, Culpeper New Business Incubator





## CCAP Wind Turbine

Coastal Community Action Program (CCAP) is a nonprofit social services agency based in Aberdeen, Washington on the Olympic Peninsula. CCAP provides housing services, energy assistance, job training, and emergency social services to low-income families in Grays Harbor and Pacific Counties. With 165 employees and an \$8 million annual budget, CCAP historically relied on federal and state funding and charitable donations to support its programs and operations.

In an effort to become more self-sufficient and less dependent on outside funding, CCAP's Chief Executive Officer, Craig Dublanko, developed a plan for CCAP to own and operate a wind farm that would generate income for the organization by selling power to Grays Harbor Public Utility.

In 2010, with the help of a state grant and \$8 million in NMTC financing provided by Craft3, a community development entity based in Astoria, Oregon, CCAP installed four 1.5 megawatt wind turbines off the Pacific Ocean in Grayland, Washington. The became operational later in 2010 and is anticipated to produce 13.5 million kilowatt-hours of electrical energy annually, potentially generating as much as \$500,000 a year for 20 years to help fund CCAP's programs in Grays Harbor and Pacific counties.

Craft3's NMTC investment in CCAP provided low cost electricity to 10,000 low-income families, created or retained 30 jobs, minimized carbon emissions, increased the supply of renewable energy, and strengthened the ecological resilience of the region.

### NMTC ALLOCATEE

#### **Craft3**

Astoria, OR  
Jennifer Janda  
503.325.4476 x105

### COMMUNITY PROFILE

- Aberdeen, WA
- Median income 80% of Area Median Income
- Unemployment rate 2.17 times national average

### PROJECT HIGHLIGHTS

- Wind farm
- Total Project Cost: \$15 million
- NMTC: \$8 million
- Investor: Wells Fargo
- Jobs: 30 created or retained



Top: Two of CCAP's four wind turbines in Grayland, Washington

Bottom: The wind turbines became operational in 2010

## NMTC CONTACT

### National Development Council

New York, NY

David Trevisani or Ann Vogt

212.682.1106

## COMMUNITY PROFILE

- Vancouver, WA
- 34.7% poverty rate
- Median income 36.6% of Area Median Income
- Unemployment rate 2.12 times the national average

## PROJECT HIGHLIGHTS

- Construction of a new steel processing facility
- Total Project Cost: \$48 million
- NMTC: \$48 million
- Co-Allocatees: Brownfield Revitalization, Community Reinvestment Fund, National Community Fund, Bank of America Merrill Lynch
- Investors: Chase, Bank of America Merrill Lynch
- Jobs: 300 construction, 128 new permanent, 100 retained



## Farwest Steel

Farwest Steel is a 56-year old carbon steel product manufacturer and distributor, headquartered in Eugene, Oregon. In 2011, as it looked to expand to stay ahead in a competitive market, Farwest considered building a new processing facility to handle fabricating and distributing services and to house an additional line of business in Vancouver, Washington.

Vancouver is a highly distressed city, with high poverty and unemployment rates. The City, along with the Port of Vancouver, saw Farwest Steel's move to the area as a critical role in their efforts to generate more economic activity and new jobs in the area.

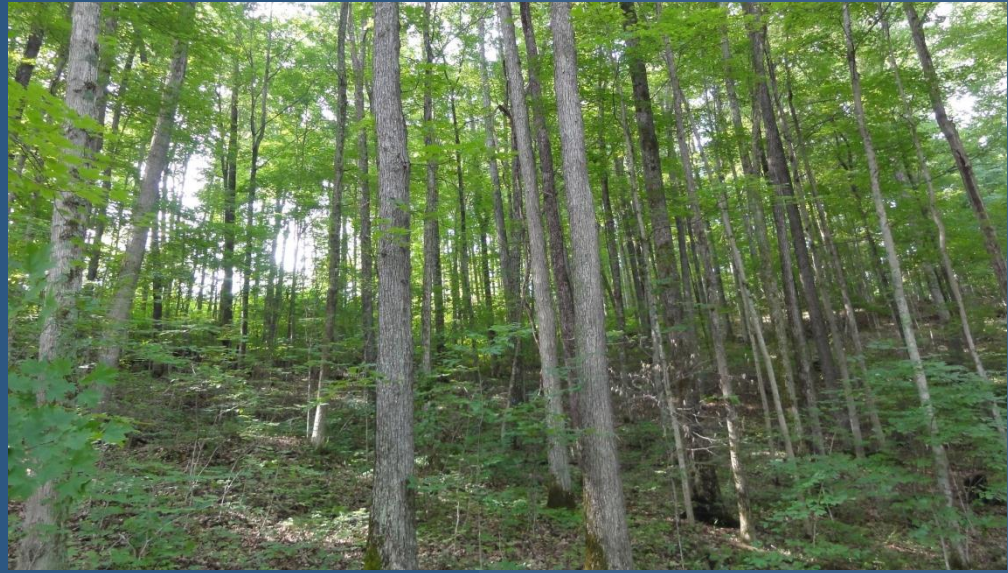
As a first step, Farwest Steel purchased land from the Port of Vancouver. Once the property was acquired, the City of Vancouver, working with the National Development Council, helped Farwest engage the help of three Community Development Entities: the Community Reinvestment Fund, National Community Fund, and Brownfield Revitalization, which provided a combined \$38 million in NMTC financing to help construct the new 365,000 square-foot regional steel processing center. In a separate transaction, Bank of America Merrill Lynch, provided \$10 million in NMTC financing to Farwest for the purchase of the machinery and equipment needed to expand its steel processing operation and to create a new line of business. These two NMTC investments, totaling \$48 million, helped the company expand its operations, generate 300 construction jobs, retain 100 existing jobs, create 128 new permanent jobs, and accelerate the revitalization of Vancouver's working waterfront.

Completed in June 2012, the Farwest Steel facility includes a rebar shop, a fabrication plant, two bays with burning tables and lasers, and two distribution bays for bars and tubes. It has resulted in increased production and service capabilities. The facility represents a significant expansion for the company and an important step toward the revitalization of the Port of Vancouver and the surrounding community. But for the NMTC allocation and collaboration of all involved, this expansion would not have occurred.



Top: Ariel view of Farwest Steel's processing facility in Vancouver, WA

Bottom: Farwest's Vancouver plant includes a rebar shop, a fabrication plant, and two distribution bays for bars



## Allegheny Rural Woodlands

The economy of West Virginia is heavily dependent on its forests. Between forest-based industries and tourism, the woodlands of West Virginia account for over 20% of the state's total employment. However, by 2009, many forestland companies were struggling to stay open. In an effort to help these companies and their hundreds of employees stay in business, CEI Capital Management, working with Rural Development Partners, provided \$25 million in NMTC financing that allowed The Forestland Group (TFG) to purchase 123,000 acres of working forestland in Eastern and Central West Virginia.

The Forestland Group is an independent timberland investment and management organization, headquartered in Chapel Hill, NC. Since 1995, TFG, working with private investors and communities, has successfully purchased forest lands across the country in an effort to maintain the productive capacity of the forests while ensuring sustainably. TFG's purchase of the Allegheny Woodlands in West Virginia saved hundreds of jobs in the timber, harvesting, and milling industries that are the backbone of the rural economy.

The \$25 million in NMTC financing provided by CEI Capital Management and Rural Development Partners enabled TFG to invest in locally owned and established sawmill operations in West Virginia, helping 13 different mills create 925 new, direct jobs and 840 indirect jobs in the forest products industry in the state. As part of the financing agreement, several of the mills have entered into long-term, wood-supply agreements with TFG.

In addition to saving and creating jobs in the timber industry, the Allegheny Woodland purchase will generate significant conservation benefits through a conservation easement or sale to a public agency of approximately 3,000 acres surrounding the Cheat River Canyon area.

### NMTC ALLOCATEE

**CEI Capital Management LLC\***  
Portland, ME  
Charlie Spies  
207.772.5356

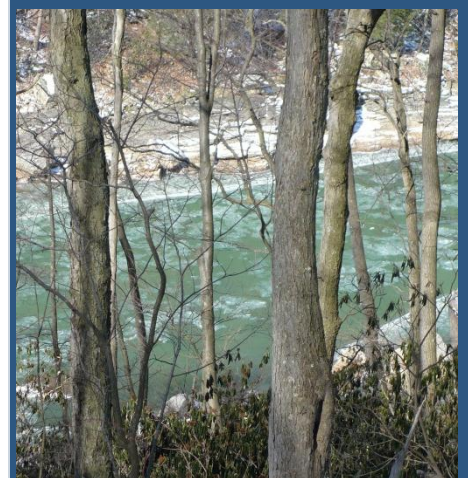
\*An affiliate of Coastal Enterprises, Inc.

### COMMUNITY PROFILE

- Eastern and Central WV
- Poverty rate 26.7%
- Unemployment rate 1.8 times the national average
- Non-Metropolitan County
- FEMA disaster area
- Appalachian Regional Commission designated distressed

### PROJECT HIGHLIGHTS

- Forestland preservation
- Total Project Cost: \$31 million
- NMTC: \$25 million
- Co-Allocatee: Rural Development Partners
- Investor: GE Capital
- Jobs: 925 direct new, 840 indirect



Top: Allegheny Rural Woodland in West Virginia

Bottom: Allegheny Rural Woodland in West Virginia

## NMTC ALLOCATEE

**National Trust Community  
Investment Corporation**  
Washington, DC  
John Leith-Tetrault  
202.588.6064

## COMMUNITY PROFILE

- Wheeling, WV
- 33.6% poverty rate
- Unemployment 1.9 times national average
- Median income 59.7% of Area Median Income

## PROJECT HIGHLIGHTS

- Conversion of industrial building into fully modernized office space
- Total Project Cost: \$10.5 million
- NMTC: \$907,596
- Investor: Bank of America Merrill Lynch
- Jobs: 300 construction, 350 new permanent



## Wheeling Stamping Building

The Wheeling Stamping Building, located in Wheeling, WV, first made a name for itself as the home of the metal stamping industry in the late 19<sup>th</sup> century. However, by the 1980s, Wheeling and other rural communities saw their industrial base decline. Many factories, including the Wheeling Stamping Building, closed and sat vacant for decades.

In 2002, Orrick, Herrington & Sutcliffe, an international law firm with 20 offices and 1,200 lawyers around the world, designated Wheeling as the location for the firm's new global hub for all its back-office operations. The Wheeling Stamping Building, however, needed substantial repairs.

To help bring the structure back to life through an adapted rehabilitation, National Trust Community Investment Fund provided \$907,596 in NMTC financing to help bridge a gap in the development budget. Other sources of financing included the City of Wheeling, local church funds, and the West Virginia Infrastructure and Jobs Development Council. Historic rehabilitation on the 94,000 square-foot building included replacement of the existing roof supports, steel and wood windows repair, and installation of code compliant elevators and stairs, along with new electrical, HVAC, and mechanical systems.

In its new role, the Wheeling Stamping Building is a boom to the local economy. Orrick opened in 2002 with 70 employees. That number has grown to 350 workers, with more to come. These jobs pay an estimated 25% more than the average wage in the area. Since the Wheeling Stamping rehabilitation, two adaptive reuse office developments have been completed in the vicinity of the previously blighted area. Neither project would have been pursued without the Wheeling Stamping precedent. Employees and visitors to these properties have increased business at surrounding retail outlets, helping to transform a previously derelict area into a bustling office environment.



Top: Wheeling Stamping Building in Wheeling, WV

Bottom: Workspace inside the renovated Wheeling Stamping Building



## Super Steel, LLC

Super Steel, LLC, formerly known as Super Steel Products Corporation (SSPC), has been in existence since 1923, providing contracted manufacturing services to customers in the industrial, construction, agricultural, and defense markets, and specializing in providing metal fabrication to the rail industry. Despite its long history, the Milwaukee, Wisconsin based company could not withstand the economic recession and was forced to file for receivership in 2010.

The closure of the company would have meant the loss of jobs and economic activity in the region. The City of Milwaukee made saving the jobs threatened by the potential demise of Super Steel a high priority and looked for ways to keep the company afloat.

In 2010, First-Ring Industrial Redevelopment Enterprise (FIRE), a CDE formed by the City of West Allis, WI, offered a solution and provided \$15.5 million in NMTC financing. This financing supported the acquisition, operational upgrades, and working capital requirements for the re-launch of the company. With the re-launch, Super Steel was able to retain its 223 employees and add 207 new, permanent, quality jobs at an average wage of \$36,000, the majority of which are held by low-income persons.

Super Steel, LLC's focus is on reemerging as a best in class contract manufacturer by building upon its skills in the rail industry and pursuing contracting services with leading Original Equipment Manufacturers.

### NMTC ALLOCATEE

#### **First-Ring Industrial Redevelopment Enterprise**

West Allis, WI

John Stibal

Jstibal@westallis.wi.gov

### COMMUNITY PROFILE

- Milwaukee, WI
- 20% poverty rate
- 5.7% unemployment rate
- 2010 FEMA Designated Area
- Economic Development Hot Zone

### PROJECT HIGHLIGHTS

- Metal fabrication factory
- Total Project Cost: \$15.5 million
- NMTC: \$15.5 million
- Investor: Chase
- Jobs: 223 retained, 207 direct new, a majority of which are accessible to low-income persons



Top: Metal fabrication in the Super Steel plant in Milwaukee, WI

Bottom: Super Steel welder

# New Markets Tax Credit

# WYOMING

## NMTC ALLOCATEE

HEDC New Markets, LLC\*

New York, NY

David Trevisani or Ann Vogt

212.682.1106

\*An affiliate of National Development Council (NDC)

## COMMUNITY PROFILE

- Casper, WY
- 9.4% unemployment rate
- Median income 60% of area median income
- Brownfield Redevelopment Area
- CDFI Hot Zone

## PROJECT HIGHLIGHTS

- Historic rehab for commercial offices
- Total Project Cost: \$1.8 million
- NMTC: \$1.5 million
- Investor: First Interstate Bank
- Jobs: 50 construction, 19 permanent



## Casper Fire Station

Downtown Casper, Wyoming was once a thriving commercial center in the state's largest city. Since the discovery of crude oil in the region during the 1890s, Casper had been a regional petroleum industry center. Oil has figured prominently in the city's history, and as recently as 1980, the city was near or home to three oil refineries. But following the oil industry downturn in the mid-1980s, Casper lost many businesses, and its once vibrant downtown fell into disrepair.

Nothing symbolized the decline of the downtown more than the Casper Fire Station. The first fire station built in Casper in 1921, this historic structure operated until the mid-1970s. As fire equipment became more sophisticated in terms of capacity, length, and height, a modern facility was needed, and the historic fire station sat vacant for nearly thirty years.

The historic station is located in Casper's downtown urban renewal district, and in early 2004, the City of Casper developed a plan to renovate the building for use as commercial office space. HEDC New Markets, a Community Development Entity and affiliate of the National Development Council, worked with the City to plan and develop the project and provided the NMTC financing to get construction underway. HEDC New Markets and its NMTC investment partner, First Interstate Bank, provided \$1.5 million in NMTC financing for the \$1.8 million rehabilitation, which was used to leverage an additional \$300,000 in conventional financing needed to complete the project.

This was the first NMTC investment in the State of Wyoming. It was also an important first step in the revitalization of Casper's downtown, spurring development in an area that had not seen significant investment since the oil industry decline in the 1980s. The project renewed local pride in the city's center, created 19 new jobs, restored a landmark, and is expected to be a platform for continuing historic and commercial revitalization.



Top: Renovated Casper Fire Station in Casper, WY

Bottom: Newly rehabbed lobby with original fire pole



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