



NEW MARKETS
TAX CREDIT COALITION



NEW **MARKETS** TAX CREDIT **New Member Briefing Report** Congresswoman Val Demings

FL10

nmtcoalition.org

A report on the loans and investments in Florida's 10th CD and beyond

NMTC IMPACT IN FLORIDA

JOBS AND INVESTMENT



28K

The NMTC created 28K Florida jobs.

JOBS STATEWIDE



154

The NMTC made 154 Florida projects possible, including manufacturing expansions, business incubators, hospitals, vocational training centers, and daycare centers.

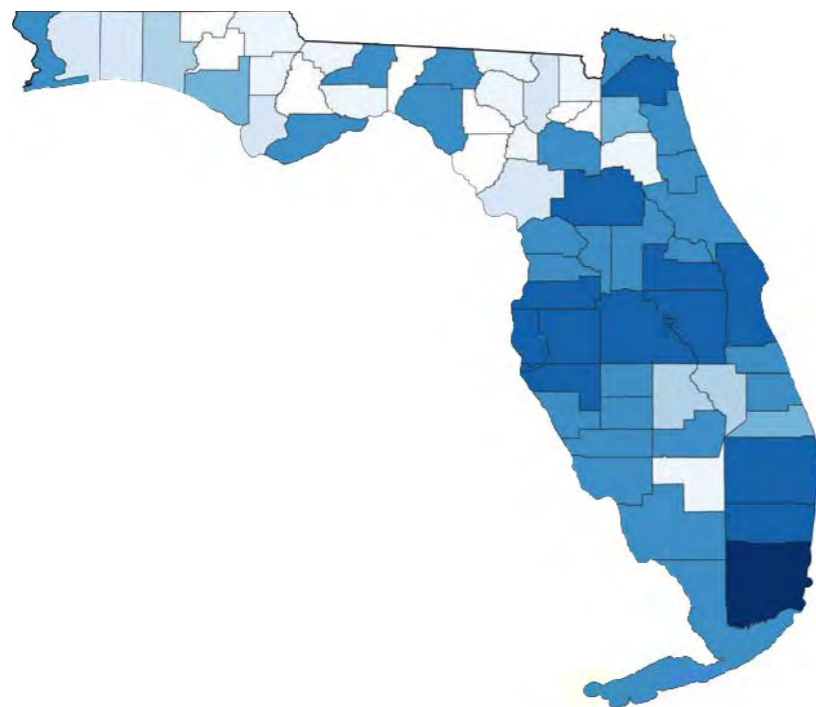
PROJECTS FINANCED IN FLORIDA



\$2.2B

The NMTC delivered \$2.2B to Florida businesses and revitalization projects that would not have been possible but-for the NMTC.

IN TOTAL CAPITAL TO FLORIDA



NMTC Investment by County 2003-2018

- \$0 - \$100,000
- \$100,000 - \$250,000
- \$250,000 - \$500,000
- \$500,000 - \$1,000,000
- \$1,000,000 - \$10,000,000
- \$10,000,000 - \$50,000,000
- \$50,000,000+

Through September 30, 2018

NMTC IMPACT IN FL10

INVESTMENT AND PROJECT EXAMPLES



12

Three NMTC projects have been financed in the 10th Congressional District.

PROJECTS FINANCED IN FL10



\$170.5M

The NMTC delivered \$170.5M in total capital to businesses and revitalization projects in the 10th Congressional District.

IN TOTAL CAPITAL IN FL10



VESTAGEN
Orlando, FL

Medical technology company whose antimicrobial textiles help prevent the spread of infectious diseases amongst healthcare workers.



ORANGE BLOSSOM FAMILY HEALTH
Orlando, FL

The new 12,000 sq. ft. facility will serve an estimated 6,000 homeless and low-income persons with medical, dental, urgent care and behavioral health services, including 15 medical exam rooms and 8 dental chairs with on-site x-ray capacity.



ROE FRESH FRUIT
Winter Haven, FL

NMTC financing provided the capital the fresh fruit wholesaler needed to purchase additional equipment, as well as working capital to hire new employees to support expanded operations.



SECOND HARVEST FOOD BANK OF CENTRAL FLORIDA
Orlando, FL

Construction of a new 100,000 sq. ft. Food Bank Distribution Center, replacing existing antiquated facilities and increasing cooler space by 400%, freezer space by 330%, and overall operating space by 150%. The new facility allows Second Harvest to store and distribute millions of additional pounds of food per year to residents of Central Florida, and in addition, store and distribute a greater percentage of perishable items with higher nutritional content. Put into different terms, the expansion will allow more than 1,000,000 additional meals to be served to children annually.

ABOUT THE NMTC

AFTER DECADES OF CUTS TO COMMUNITY DEVELOPMENT GRANT PROGRAMS, COMMUNITIES INCREASINGLY COUNT ON THE NEW MARKETS TAX CREDIT TO MAKE IMPORTANT INVESTMENTS POSSIBLE

The New Markets Tax Credit (NMTC) is an important source of financing for businesses and community facilities in America's most distressed rural and urban communities. Congress authorized the NMTC in 2000 to bring down the cost of capital in communities outside of the economic mainstream. Taxpayers receive a 39 percent tax credit (taken over seven years) for qualified investments into Community Development Entities (CDEs), organizations with a track record of loans and investments in underserved areas. CDEs use the proceeds of those investments to finance business expansions, community facilities, and other projects prioritized by communities.

ECONOMIC IMPACT

CREATING JOBS

The NMTC has delivered \$95 billion in total project financing to nearly 6,000 projects creating 1,000,000 jobs at a cost to the federal government of less than \$20,000 per job.

JUMP-STARTING MANUFACTURING

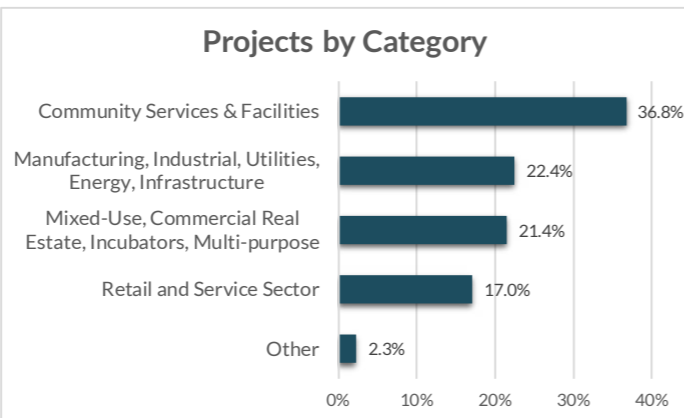
From the outfitting of maker-spaces to the construction of large plants, the NMTC provides nearly \$1 billion annually to manufacturing & industrial facilities.

ENHANCING SERVICES

Over one-third of NMTC financing goes to YMCAs, hospitals, childcare centers, nonprofits, arts & cultural amenities, & other facilities vital to healthy communities.

INDEPENDENT EVALUATION

An independent compliance review by Summit Consulting found that program participants are significantly lowering the cost of capital for borrowers in low-income communities and exceeding statutory and regulatory requirements for the targeting of economic distress.



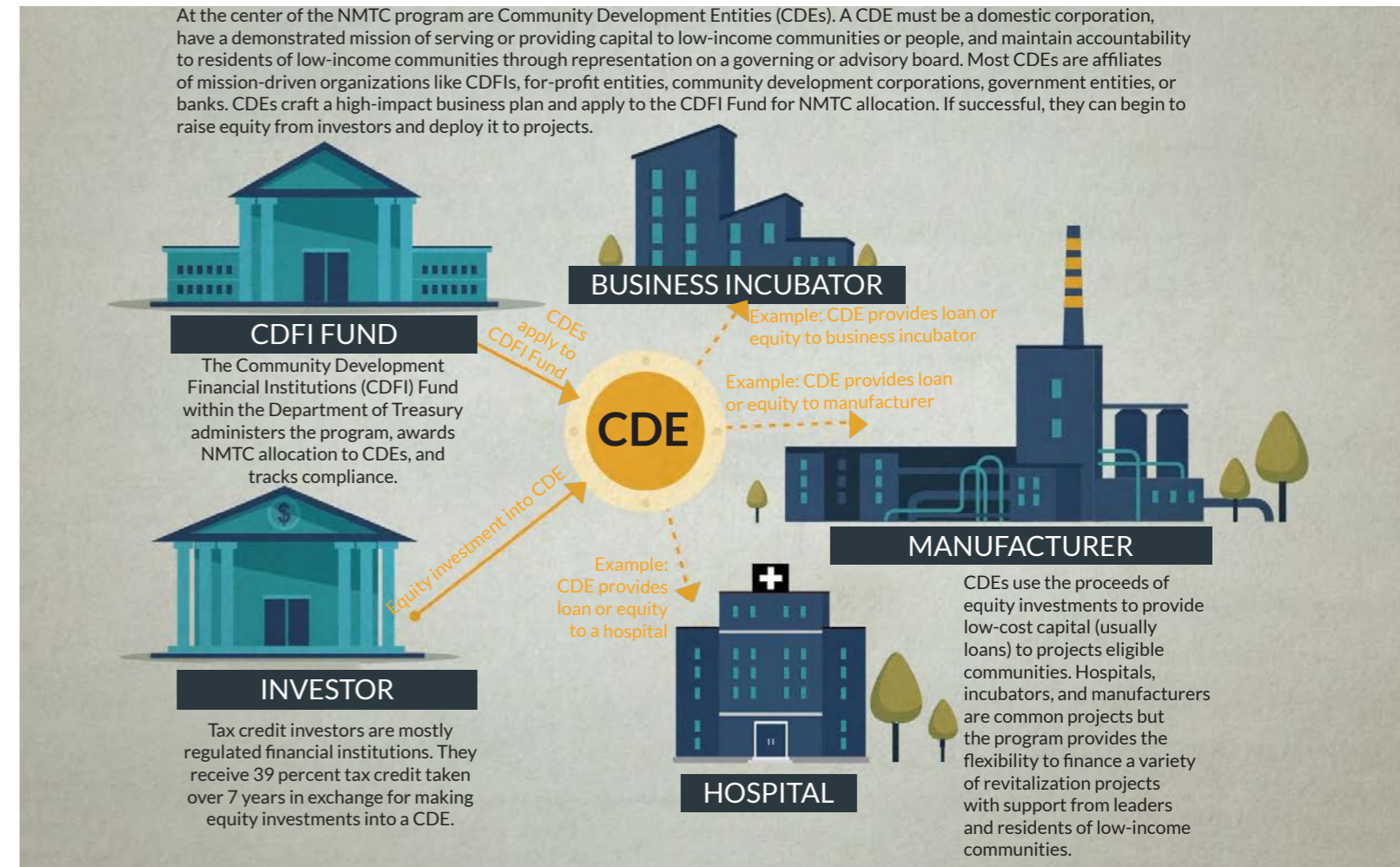
EXTENSION LEGISLATION

The New Markets Tax Credit, one of our most effective tools for community revitalization, expires at the end of 2019. Join the effort to extend the NMTC, preserving billions for manufacturing expansions, community health centers, and other important projects in America's hardest hit communities by building support for the New Markets Tax Credit Extension Act of 2019 (H.R. 1680/S. 750), which would make the NMTC permanent and increase the allocation amount.

The legislation would: provide an indefinite extension to the NMTC; increase allocation authority, adjusted for inflation; improve tax credit pricing and expand the investor-base by providing AMT relief to NMTC investors.

HOW IT WORKS

MOBILIZING CAPITAL FOR HIGH-IMPACT PROJECTS



ELIGIBLE COMMUNITIES

NMTC projects must be located in census tracts with poverty rates of at least 20 percent or median incomes at or below 20 percent of the area median. However...

75% of NMTC projects are located in **severely distressed communities** that far exceed the statutory requirements for distress.

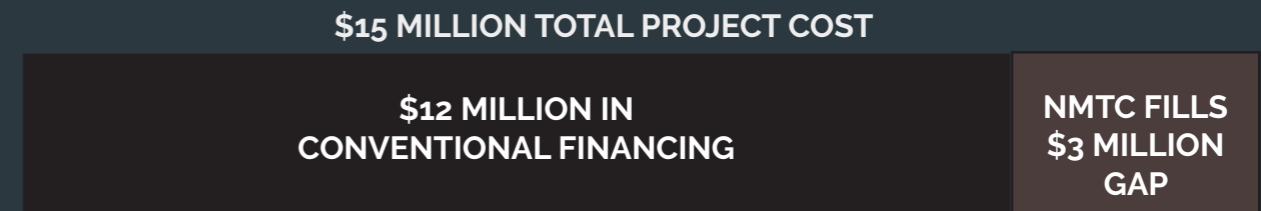
WHAT ABOUT RURAL?

The NMTC statute directs the CDFI Fund to ensure NMTC allocation reaches a proportional share of non-metropolitan counties.

23% of NMTC projects were located in non-metropolitan counties in 2017.

GAP FINANCING

Example: Imagine a business needs \$15 million to expand a production facility and purchase new equipment to meet growing demand. The business can only come up with \$12 million from a conventional lender. The NMTC fills the gap and makes the expansion possible.



ONLINE RESOURCES

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| NMTC Coalition: | nmtccoalition.org |
| State Fact Sheets: | nmtccoalition.org/state-fact-sheets |
| Project Maps | nmtccoalition.org/map |
| Project Profiles: | nmtccoalition.org/stories |
| How It Works Video: | nmtccoalition.org/how-it-works |
| Research: | nmtccoalition.org/research |
| Statute: | nmtccoalition.org/statute |
| | |
| CDFI Fund: | cdfifund.gov |



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