

# THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

United States Department of the Treasury



For Immediate Release  
April 5, 2007

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## **NEW MARKETS TAX CREDIT PROGRAM INVESTMENT LEADS TO OPENING OF NORTHWEST AIRLINES CALL CENTER IN IOWA CREATING 330 JOBS**

Washington, D.C. – The U.S. Treasury Department's Community Development Financial Institutions (CDFI) Fund Director Kimberly Reed attended the opening announcement of a new Northwest Airlines reservation call center in Sioux City, Iowa on Tuesday, April 3, 2007.

"I was delighted to be in Sioux City, Iowa, to see first hand how the New Markets Tax Credit Program is providing key economic incentives for companies such as Northwest Airlines to locate operations in low-income communities and create good paying jobs," said CDFI Fund Director Kimberly Reed. "We appreciate Senator Grassley's support of the CDFI Fund's New Markets Tax Credit Program and efforts by Community Development Entities (CDEs) such as the Iowa Business Growth Company to invest in rural America."

The opening of the call center was made possible because of a \$10 million investment into the Iowa Business Growth Company under the New Markets Tax Credit Program, which in turn used the proceeds to finance the development of the reservation center. The Iowa Business Growth Company received a \$45 million allocation under the New Markets Tax Credit Program and has committed to using its full allocation in the state of Iowa.

The opening of the reservation center is projected to create 330 new jobs with competitive wages and excellent benefits. The center will be located in an old J.C. Penny's department store building in downtown Sioux City and is hoped to be a catalyst for renewed interest and development in the downtown area.

The New Markets Tax Credit Program spurs the investment of private equity capital into rural and low-income communities and allows taxpayers to receive a credit against Federal income taxes for making equity investments in designated Community Development Entities (CDEs), such as the Iowa Business Growth Company.