



NMTC PROGRAM AWARD BOOK

CY 2018

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The CDFI Fund is an equal opportunity provider.

THE NEW MARKETS TAX CREDIT PROGRAM

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

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

NMTC PROGRAM HISTORY:

- In the 15 rounds to date, the CDFI Fund has made 1,178 allocation awards totaling \$57.5 billion in tax credit authority, including \$3 billion in Recovery Act awards and \$1 billion that was specifically set aside for recovery and redevelopment in the wake of Hurricane Katrina.
- \$49 billion in New Markets Tax Credits have been invested in low-income communities since the program's inception through FY 2018.

IMPACT OF NMTC PROGRAM:

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

Since its inception, **the NMTC Program has** supported the construction of 51 million square feet of manufacturing space, 89 million square feet of office space, and 65 million square feet of retail space.

The IRS's NMTC Program regulations generally require that at least 85 percent of QEI proceeds be invested in Qualified Low-Income Community Investments (QLICs). All 73 of the 2018 allocatees indicated that they would invest at least 95 percent of QEI dollars into QLICs. In real dollars, this means **at least \$450 million** above and beyond what is minimally required by the NMTC Program will be **invested in low-income communities**.

GEOGRAPHIC LOCATION
OF ALLOCATEES

73

THE 73 ALLOCATEES ARE
HEADQUARTERED IN 35 DIFFERENT
STATES, THE DISTRICT OF COLUMBIA,
AND PUERTO RICO

24 24 OF THE ALLOCATEES
(OR 32.9 PERCENT) WILL FOCUS
INVESTMENT ACTIVITIES ON
A NATIONAL SERVICE AREA;

21 21 OF THE ALLOCATEES
(OR 28.8 PERCENT) WILL
FOCUS ON A MULTI-STATE
SERVICE AREA;

16 16 OF THE ALLOCATEES
(OR 21.9 PERCENT) WILL FOCUS
ACTIVITIES ON A STATEWIDE
SERVICE AREA;

12 AND 12 OF THE ALLOCATEES
(OR 16.4 PERCENT) WILL FOCUS
ON LOCAL MARKETS
(E.G., A CITYWIDE OR
COUNTYWIDE AREA).

INVESTMENT ACTIVITIES

*Approximately \$2.6 billion
(76 percent) of NMTC
investment proceeds will
likely be used to finance
and support loans to or
investments in operating
businesses in low-income
communities.*

*Approximately \$809.1 million
(24 percent) of NMTC
investment proceeds will likely
be used to finance and support
real estate projects in
low-income communities.*

URBAN VS. RURAL INVESTMENT AREA*

APPROXIMATELY
**\$1.649
BILLION**
WILL BE INVESTED
IN MAJOR URBAN
AREAS

APPROXIMATELY
**\$937.9
MILLION**
WILL BE INVESTED
IN MINOR URBAN
AREAS

APPROXIMATELY
**\$682.0
MILLION**
WILL BE INVESTED
IN RURAL AREAS

*Based on initial estimates of 2018 allocatees

CDFIs vs. Non-CDFIs

42.5%

of the allocatees are certified Community
Development Financial Institutions (CDFIs)
or subsidiaries of certified CDFIs. They received
allocations totaling \$1.415 billion.

LIST OF ALLOCATION RECIPIENTS

Name of Allocatee	City	State	Service Area	Allocated Amount
AMCREF Community Capital, LLC	New Orleans	LA	National	\$70,000,000
Black Business Investment Fund, Inc.	Orlando	FL	Statewide (or territory-wide)	\$20,000,000
Brownfield Revitalization, LLC	Raleigh	NC	National	\$60,000,000
CAHEC New Markets, LLC	Raleigh	NC	Multi-state	\$50,000,000
Capital One Community Renewal Fund, LLC	New Orleans	LA	National	\$60,000,000
CBKC CDC, LLC	Kansas City	MO	Multi-state	\$50,000,000
Central States Development Partners, Inc.	Rock Island	IL	National	\$35,000,000
Cincinnati Development Fund, Inc.	Cincinnati	OH	Multi-state	\$40,000,000
Cinnaire New Markets LLC	Lansing	MI	Multi-state	\$55,000,000
Colorado Growth and Revitalization Fund, LLC	Denver	CO	Statewide (or territory-wide)	\$55,000,000
Commonwealth Cornerstone Group	Harrisburg	PA	Statewide (or territory-wide)	\$55,000,000
Community Loan Fund of New Jersey, Inc.	New Brunswick	NJ	Statewide (or territory-wide)	\$35,000,000
Consortium America, LLC	Washington	DC	National	\$40,000,000
Corporation for Supportive Housing	New York	NY	National	\$55,000,000
Craft3	Astoria	OR	Multi-state	\$50,000,000
CV Appalachian CDE, Inc.	Lexington	KY	Multi-state	\$55,000,000
Dakotas America, LLC	Renner	SD	National	\$70,000,000
Dayton Region New Market Fund, LLC	Dayton	OH	Local	\$35,000,000
Development Fund of the Western Reserve, Inc.	Akron	OH	Local	\$30,000,000
DV Community Investment, LLC	Phoenix	AZ	National	\$55,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Enhanced Community Development, LLC	New Orleans	LA	National	\$50,000,000
Finance New Mexico, LLC	Santa Fe	NM	Statewide (or territory-wide)	\$40,000,000
FirstPathway Community Development, LLC	Milwaukee	WI	Multi-state	\$45,000,000
First-Ring Industrial Redevelopment Enterprise, Inc.	West Allis	WI	Local	\$15,000,000
Forward Community Investments, Inc.	Madison	WI	Statewide (or territory-wide)	\$45,000,000
Genesis LA CDE LLC	Los Angeles	CA	Local	\$55,000,000
Harbor Bankshares Corporation	Baltimore	MD	Multi-state	\$35,000,000
Heartland Renaissance Fund, LLC	Little Rock	AR	Multi-state	\$35,000,000
Hope Enterprise Corporation	Jackson	MS	Multi-state	\$35,000,000
Indianapolis Redevelopment CDE, LLC	Indianapolis	IN	Local	\$55,000,000
Invest Detroit CDE	Detroit	MI	Local	\$15,000,000
L.A. Charter School New Markets CDE, LLC	Los Angeles	CA	Statewide (or territory-wide)	\$50,000,000
Las Vegas Community Investment Corporation	Las Vegas	NV	Multi-state	\$45,000,000
Local Initiatives Support Corporation	New York	NY	National	\$60,000,000
Los Angeles Development Fund	Los Angeles	CA	Local	\$35,000,000
MBS Urban Initiatives CDE, LLC	St. Louis	MO	National	\$60,000,000
MHIC NE New Markets CDE II, LLC	Boston	MA	Multi-state	\$35,000,000
Michigan Community Capital	Lansing	MI	Statewide (or territory-wide)	\$55,000,000
Midwest Industrial Redevelopment Fund, LLC	St. Louis	MO	National	\$60,000,000
Midwest Minnesota Community Development Corporation	Detroit Lakes	MN	Multi-state	\$70,000,000
Midwest Renewable Capital, LLC	Grimes	IA	National	\$60,000,000
Montana Community Development Corporation	Missoula	MT	Multi-state	\$70,000,000
MuniStrategies, LLC	Jackson	MS	Multi-state	\$55,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
National Community Fund I, LLC	Portland	OR	National	\$70,000,000
National New Markets Fund, LLC	Los Angeles	CA	National	\$65,000,000
Nonprofit Finance Fund	New York	NY	National	\$55,000,000
NYC Neighborhood Capital Corporation	New York	NY	Local	\$55,000,000
Ohio Community Development Finance Fund	Columbus	OH	Statewide (or territory-wide)	\$70,000,000
Opportunity Fund Community Development	San Jose	CA	Multi-state	\$40,000,000
People Incorporated Financial Services	Abingdon	VA	Multi-state	\$60,000,000
PeopleFund NMTC, LLC	Austin	TX	Statewide (or territory-wide)	\$25,000,000
PIDC Community Capital	Philadelphia	PA	Local	\$45,000,000
PNC Community Partners, Inc.	Pittsburgh	PA	National	\$70,000,000
Popular Community Capital, LLC	San Juan	PR	Multi-state	\$50,000,000
Punawai 'O Pu'uhonua, LLC	Honolulu	HI	Statewide (or territory-wide)	\$40,000,000
Raza Development Fund, Inc.	Phoenix	AZ	National	\$65,000,000
REI Development Corp.	Durant	OK	Statewide (or territory-wide)	\$55,000,000
River Gorge Capital, LLC	Chattanooga	TN	National	\$55,000,000
San Francisco Community Investment Fund	San Francisco	CA	Local	\$35,000,000
SB New Markets CDE, LLC	Saint Paul	MN	Local	\$60,000,000
South Carolina Community Loan Fund	Charleston	SC	Statewide (or territory-wide)	\$20,000,000
Southside Community Optimal Redevelopment Enterprise, LLC	Chicago	IL	Multi-state	\$35,000,000
St. Louis Development Corporation	St. Louis	MO	Local	\$35,000,000
Texas Mezzanine Fund, Inc.	Dallas	TX	Statewide (or territory-wide)	\$35,000,000
The Innovate Fund, LLC	Greenville	SC	Statewide (or territory-wide)	\$60,000,000
The Valued Advisor Fund, LLC	Austin	TX	National	\$70,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Three Rivers CDE, Inc.	Pontotoc	MS	Statewide (or territory-wide)	\$25,000,000
Urban Action Community Development LLC	Baltimore	MD	National	\$15,000,000
Urban Development Fund, LLC	Chicago	IL	National	\$50,000,000
Urban Research Park CDE, LLC	Hunt Valley	MD	National	\$55,000,000
USBCDE, LLC	St. Louis	MO	National	\$70,000,000
Virginia Community Development Fund	Richmond	VA	Multi-state	\$35,000,000
WesBanco Bank Community Development Corp.	Wheeling	WV	Multi-state	\$25,000,000



KEY HIGHLIGHTS:

APPLICANTS VS. ALLOCATEES

214 CDEs applied for allocations, requesting a total of approximately \$14.8 billion in allocations. The CDFI Fund made allocation awards totaling \$3.5 billion, or about 23.6 percent of the total amount requested by applicants, to 73 CDEs (or 34 percent of the total applicant pool).

MINORITY- OR NATIVE-OWNED OR CONTROLLED ENTITIES

For the 2018 round, 50 percent of highly qualified minority- or Native-owned/controlled entities (Minority CDEs) received allocations, compared to 45 percent of the general applicant pool. In total, 10 allocatees (or 13.7 percent) are Minority CDEs and received allocations totaling \$365 million. In each of the last three rounds, the percentage of Minority CDEs receiving allocations, compared to the number deemed highly qualified¹, has been higher than the general pool of applicants.

ECONOMICALLY DISTRESSED COMMUNITIES

All 73 of the allocatees committed to providing at least 75 percent of their investments in areas characterized by: 1) multiple indicia of distress; 2) significantly greater indicia of distress than required by NMTC Program rules; or 3) high unemployment rates.

RURAL COMMUNITIES²

11 allocatees met the criteria for "Rural CDE" designation. These 11 Rural CDEs received allocations totaling \$630 million. 36 allocatees (or about 49 percent) will be required to deploy some or all of their investments in non-metropolitan counties; totaling approximately \$682 million, or 20 percent of the QLICs to be made with this allocation round.

¹ Highly qualified applicants met minimum scoring thresholds and were eligible for allocation award consideration.

² For further information, see the 2018 Notice of Allocation Availability.



ADDITIONAL RESOURCES

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

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

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

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