



NMTC PROGRAM AWARD BOOK

CY 2019

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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 investments in manufacturing, retail and technology. Communities also benefit from greater access to housing and public facilities such as health, 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% 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 16 rounds to date, the CDFI Fund has made 1,254 allocation awards totaling \$61 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.
- \$52.5 billion in New Markets Tax Credits have been invested in low-income communities since the program's inception through FY 2019.

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 57 million square feet of manufacturing space, 94 million square feet of office space, and 67 million square feet of retail space.

The IRS's NMTC Program regulations generally require that at least 85% of QEI proceeds be invested in Qualified Low-Income Community Investments (QLICs). All 76 of the 2019 allocatees indicated that they would invest at least 95% 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

76

THE 76 ALLOCATEES ARE HEADQUARTERED IN 30 DIFFERENT STATES AND THE DISTRICT OF COLUMBIA

39 39 OF THE ALLOCATEES (OR 51.3%) WILL FOCUS INVESTMENT ACTIVITIES ON A NATIONAL SERVICE AREA;

17 17 OF THE ALLOCATEES (OR 22.4%) WILL FOCUS ON A MULTI-STATE SERVICE AREA;

12 12 OF THE ALLOCATEES (OR 15.8%) WILL FOCUS ACTIVITIES ON A STATEWIDE SERVICE AREA;

8 AND 8 OF THE ALLOCATEES (OR 10.5%) WILL FOCUS ON LOCAL MARKETS (E.G., A CITY-WIDE OR COUNTYWIDE AREA).

INVESTMENT ACTIVITIES

Approximately **\$2.6 billion** (74.6%) of NMTC investment proceeds will likely be used to finance and support loans to or investments in operating businesses in low-income communities.

Approximately **\$882.8 million** (25.4%) 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
\$1.774 BILLION
WILL BE INVESTED IN MAJOR URBAN AREAS

APPROXIMATELY
\$803.0 MILLION
WILL BE INVESTED IN MINOR URBAN AREAS

APPROXIMATELY
\$898.2 MILLION
WILL BE INVESTED IN RURAL AREAS

*Based on initial estimates of 2019 allocatees

CDFIs vs. Non-CDFIs

38.2%

of the allocatees are Certified Community Development Financial Institutions (CDFIs) or subsidiaries of Certified CDFIs. They received allocations totaling \$1.373 billion.

LIST OF ALLOCATION RECIPIENTS

Name of Allocatee	City	State	Service Area	Allocated Amount
Advantage Capital Community Development Fund, LLC	New Orleans	LA	National	\$60,000,000
AMCREF Community Capital, LLC	New Orleans	LA	National	\$60,000,000
Black Business Investment Fund, Inc.	Orlando	FL	Statewide (or territory-wide)	\$33,485,000
BMO Harris New Markets Fund, LLC	Chicago	IL	Multi-state	\$55,000,000
Border Communities Capital Company, LLC	Carlsbad	CA	Multi-state	\$30,000,000
Bremer CDE, LLC	St. Paul	MN	Multi-state	\$35,000,000
Carver Financial Corporation	Savannah	GA	National	\$50,000,000
CCG Community Partners, LLC	Princeton	NJ	National	\$30,000,000
Central States Development Partners, Inc.	Rock Island	IL	National	\$30,000,000
Central Valley NMTC Fund, LLC	Fresno	CA	Local	\$25,000,000
Chase New Markets Corporation	Chicago	IL	National	\$65,000,000
Chicago Development Fund	Chicago	IL	Local	\$55,000,000
Cincinnati Development Fund, Inc.	Cincinnati	OH	Multi-state	\$40,000,000
Civic Builders, Inc.	New York	NY	National	\$55,000,000
Civic San Diego Economic Growth and Neighborhood Investment Fund	San Diego	CA	Local	\$30,000,000
Clearinghouse Community Development Financial Institution	Lake Forest	CA	Multi-state	\$65,000,000
Colorado Enterprise Fund	Denver	CO	Statewide (or territory-wide)	\$20,000,000
Colorado Growth and Revitalization Fund, LLC	Denver	CO	Statewide (or territory-wide)	\$50,000,000
Community Health Center Capital Fund, Inc.	Boston	MA	National	\$50,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Community Hospitality Healthcare Services, LLC	Englewood	FL	National	\$65,000,000
Corporation for Supportive Housing	New York	NY	National	\$50,000,000
DV Community Investment, LLC	Phoenix	AZ	National	\$55,000,000
Empowerment Reinvestment Fund, LLC	New York	NY	National	\$35,000,000
Enhanced Community Development, LLC	New Orleans	LA	National	\$35,000,000
ESIC New Markets Partners LP	Columbia	MD	National	\$60,000,000
Finance New Mexico, LLC	Santa Fe	NM	Statewide (or territory-wide)	\$35,000,000
FirstPathway Community Development, LLC	Milwaukee	WI	Multi-state	\$55,000,000
First-Ring Industrial Redevelopment Enterprise, Inc.	West Allis	WI	Local	\$35,000,000
French Lick Redevelopment CDE, LLC	Paoli	IN	Statewide (or territory-wide)	\$30,000,000
Gulf Coast Housing Partnership, Inc.	New Orleans	LA	Multi-state	\$20,000,000
Habitat for Humanity NMTC, LLC	Atlanta	GA	National	\$30,000,000
Hampton Roads Ventures, LLC	Norfolk	VA	National	\$50,000,000
Harbor Bankshares Corporation	Baltimore	MD	Multi-state	\$50,000,000
Heartland Renaissance Fund, LLC	Little Rock	AR	Multi-state	\$35,000,000
Impact Seven, Inc.	Rice Lake	WI	Statewide (or territory-wide)	\$45,000,000
Local Initiatives Support Corporation	New York	NY	National	\$50,000,000
Mascoma Community Development, LLC	Lebanon	NH	National	\$65,000,000
MetaFund Corporation f.k.a. Oklahoma MetaFund CDC	Edmond	OK	Multi-state	\$60,000,000
Michigan Community Capital	Lansing	MI	Statewide (or territory-wide)	\$55,000,000
Mid-City Community CDE, LLC	Bethesda	MD	National	\$35,000,000
Midwest Minnesota Community Development Corporation	Detroit Lakes	MN	Multi-state	\$60,000,000
Midwest Renewable Capital, LLC	Grimes	IA	National	\$45,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Montana Community Development Corporation	Missoula	MT	Multi-state	\$65,000,000
National Community Fund I, LLC	Portland	OR	National	\$35,000,000
National Impact Fund	Wilmington	DE	National	\$30,000,000
National New Markets Fund, LLC	Los Angeles	CA	National	\$35,000,000
National New Markets Tax Credit Fund, Inc	Minneapolis	MN	National	\$50,000,000
National Trust Community Investment Corporation	Washington	DC	National	\$50,000,000
NCALL Community Investment, LLC	Dover	DE	Multi-state	\$20,000,000
New Markets Community Capital, LLC	Los Angeles	CA	Statewide (or territory-wide)	\$55,000,000
NYC Neighborhood Capital Corporation	New York	NY	Local	\$50,000,000
NYCR-CDE, LLC	New York	NY	Local	\$50,000,000
Partners for the Common Good	Washington	DC	National	\$35,000,000
PeopleFund NMTC LLC	Austin	TX	Statewide (or territory-wide)	\$50,000,000
Phoenix Community Development and Investment Corporation	Phoenix	AZ	Local	\$35,000,000
PNC Community Partners, Inc.	Pittsburgh	PA	National	\$60,000,000
Prestamos, CDFI, LLC	Phoenix	AZ	Multi-state	\$55,000,000
Primary Care Development Corporation	New York	NY	National	\$65,000,000
RBC Community Development, LLC	New Albany	OH	National	\$60,000,000
Reinvestment Fund, Inc., The	Philadelphia	PA	National	\$60,000,000
Rural Development Partners, LLC	Mason City	IA	National	\$65,000,000
SB New Markets CDE, LLC	Saint Paul	MN	Local	\$50,000,000
Small Business Finance NMTC, LLC	San Diego	CA	Statewide (or territory-wide)	\$25,000,000
South Carolina Community Loan Fund	Charleston	SC	Statewide (or territory-wide)	\$15,000,000
Southern Bancorp Bank	Arkadelphia	AR	Multi-state	\$50,000,000
Southside Community Optimal Redevelopment Enterprise, LLC	Chicago	IL	Multi-state	\$50,000,000
SunTrust Community Development Enterprises, LLC	Atlanta	GA	National	\$65,000,000

Name of Allocatee	City	State	Service Area	Allocated Amount
Texas Mezzanine Fund, Inc.	Dallas	TX	Statewide (or territory-wide)	\$45,000,000
The Community Development Venture Capital Alliance	New York	NY	National	\$50,000,000
The Housing Partnership Network, Inc.	Boston	MA	National	\$50,000,000
The Rose Urban Green Fund, LLC	Denver	CO	National	\$45,000,000
UB Community Development LLC	Atmore	AL	Multi-state	\$65,000,000
Urban Action Community Development LLC	Baltimore	MD	National	\$50,000,000
Urban Research Park CDE, LLC	Hunt Valley	MD	National	\$50,000,000
USBCDE, LLC	St. Louis	MO	National	\$65,000,000
Waveland Community Development, LLC	Milwaukee	WI	National	\$55,000,000



KEY HIGHLIGHTS:

APPLICANTS VS. ALLOCATEES

206 CDEs applied for allocations, requesting a total of approximately \$14.7 billion in allocations. The CDFI Fund made allocation awards totaling \$3.55¹ billion, or about 24.2% of the total amount requested by applicants, to 76 CDEs (or 36.9% of the total applicant pool).

MINORITY- OR NATIVE-OWNED OR CONTROLLED ENTITIES

For the 2019 round, 41% of highly qualified minority- or Native-owned/controlled entities (Minority CDEs) received allocations, compared to 47% of the general highly qualified applicant pool. In total, 12 allocatees (or 15.8%) are Minority CDEs and received allocations totaling \$543 million.

ECONOMICALLY DISTRESSED COMMUNITIES

75 of the allocatees committed to providing at least 75% 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

14 allocatees met the criteria for “Rural CDE” designation. These 14 Rural CDEs received allocations totaling \$740 million. 44 allocatees (or about 58%) will be required to deploy some or all of their investments in non-metropolitan counties; totaling approximately \$706 million, or 20% of the QLICs to be made with this allocation round. This is a baseline level of mandatory investment in rural communities. However, in their applications allocatees estimated total investment in rural areas in excess of \$898 million.

¹ The total amount of NMTCs allocated includes \$3.5 billion in allocation authority, as noted in the 2019 Notice of Allocation Availability (NOAA), plus an additional \$48,485,000 of allocation authority rescinded from prior NMTC allocation rounds.

² For further information, see the 2019 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.