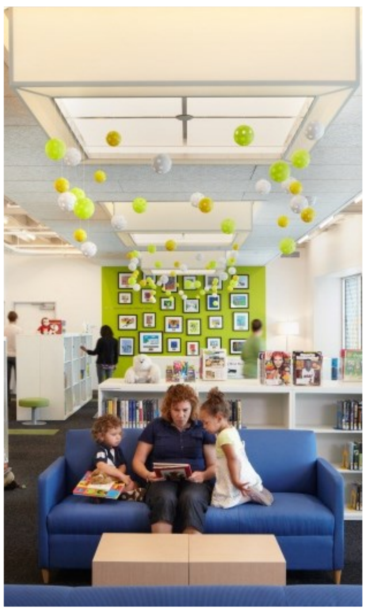
Stories of Community Impact



2013 Community Development Corporations Report

Community Development Corporations

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This report was prepared by Rapoza Associates for its Community Development Corporation (CDC) clients.

The CDCs are represented 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.

All photographs used in this report were provided courtesy of the CDCs. For more information on individuals, please contact the organization contact listed for the corresponding profile.

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"With this funding, I'm doing business in my hometown, where I was raised, and I'm employing folks that I've grown up with. I'm making a living and also I feel like I'm doing a service to the area."

—Martin Cox, Owner of Cox Food Group (p. 22)

Inside the 2013 Report

Introduction

About Community Development Corporations

The purpose of this book is to profile the work of Community Development Corporations (CDCs) in improving urban and rural communities across America. The concept of a CDC has been around for more than 40 years. Its foundation is the notion that local communities should launch their own revitalization efforts and that a modest public investment is often all that is necessary to attract private-sector capital to communities—if it is done right.

CDCs have been working their quiet magic for decades. Back in the 1960s, when the idea of public-private partnerships was new, CDCs were a novel experiment. Today, they are a proven success, widely applauded for their ability to achieve results where other economic revitalization strategies have come up short.

The CDCs profiled in this progress report are engaged in a unique business: reinventing communities. Although they employ a wide variety of strategies, they share some key characteristics:

- CDCs work in many of the nation's poorest communities, attracting private capital to underserved, investment-starved neighborhoods and creating jobs in areas with stubbornly high unemployment rates;

- CDCs are community-controlled, so they are accountable, not just to their funding sources, but to the people they serve;

- As public-private partnerships, CDCs are dedicated to using public funds to leverage private investment, building broad-based alliances, nurturing long-term relationships among stakeholders, and bringing the best thinking from both the public and private sectors to bear on community revitalization;

- CDCs are professionally managed, applying rigorous standards to the community investments they make. Although they take risks that more conventional funders might avoid, they look for projects with a high potential for long-term self-sustainability—and then supply the guidance and technical assistance that can markedly improve the prospects for success; and

- CDCs make modest infusions of public support—from federal, state, and local government agencies—go a long way, thanks to their ability to leverage private capital. Taxpayers get a very high rate of return on their investment in CDCs.

Without question, the 19 CDCs profiled in this book are doing it right. Working in communities that have been left behind economically, these CDCs have assembled a record of achievement. Through their efforts, CDCs have improved housing, developed community facilities, financed businesses, and created jobs. In fact, the projects profiled in this report resulted in over 1,800 units affordable housing, several community facilities, healthcare facilities, and weatherization projects, and critical business lending and investments, totaling more than $2 billion, entirely in communities with poverty rates in double digits. As this report goes to press, unemployment in America remains high and there are too few job opportunities in many communities. So, it is worth noting that these projects are responsible for some 6,000 jobs in communities with high unemployment rates.

These 19 organizations are members of an informal coalition that have worked with Rapoza Associates since 1987 to shape federal community development policy to better address the needs of low-income and minority communities. Working together and building a track record of success in communities, this effort has resulted in the sustaining of long-standing resources for community development, including the Community Economic Development Grants (CED) at the U.S. Department of Health and Human Services (HHS), and the creation of new programs and improved policies, including a CDC Tax Credit at the U.S. Department of Housing and Urban Development (HUD), the New Markets Tax Credit (NMTC) at the U.S. Department of Treasury (TREAS), microloans and grants at the Small Business Administration (SBA), and the Intermediary Relending Program (IRP) and Rural Business Enterprise Grants (RBEG) at the U.S. Department of Agriculture (USDA).

The profiles in the following pages describe how CDCs have used these programs and others to provide and assemble financing for affordable housing, provide credit to businesses in hard-to-serve communities, create job and business opportunities in communities hard hit by the Great Recession, and provide essential services to those in need.

Project Profiles

Over thirty stories documenting the impact of Community Development Corporations' investments on rural communities and urban neighborhoods nationwide.

CAP Services, Inc.

Stevens Point, Wisconsin

About CAP Services, Inc.

CAP Services, a private, nonprofit corporation, has been on the frontline of the War on Poverty since 1966. The mission of CAP Services is to bring about a permanent increase in the ability of low-income individuals to become economically and emotionally self-sufficient.

In addition to offering start-up and expanding businesses a range of services designed to make them successful, CAP Services operates early education programs and affordable housing programs, including homebuyers assistance, weatherization, and rental housing development. CAP Services also provides several human development programs, including a family resource center, adult education and workforce programs, and mental health services and support.

CAP Services is headquartered in Stevens Point, Wisconsin and has local offices in each of the five counties it serves, including Marquette, Outagamie, Portage, Waupaca, and Waushara counties.

Affordable Rental Housing Development

In 2001, CAP Services prepared its very first Low-Income Housing Tax Credit (LIHTC) application for a senior housing project in Montello, Wisconsin. To date, CAP Services has developed 19 LIHTC projects. These developments are typically smaller projects—with no more than 24 units each—which are not often pursued by most for-profit developers. Despite this, CAP Services' housing developments frequently are among the highest quality rental units in the communities and make a strong contribution to the area's economic viability.

River Wood Apartments

Wisconsin Rapids, Wisconsin

The River Wood Apartments, which is now under construction, is located on a wooded site near downtown Wisconsin Rapids, Wisconsin. The site is about one mile from a grocery store, a bank, the Centralia Senior Center, a medical center, and several restaurants. The development will include 38 units in six, single-story buildings. There will be 28 two-bedroom residences, and 10 three-bedroom units. Each unit will have an attached garage with a driveway, parking space, small covered porch, private outside entryway, appliances (range, refrigerator, and dishwasher), washer/dryer hook-up, a sleeve air conditioner, and window blinds. Domestic hot water, heat, and sewer services will be provided. Completion is projected for April 1, 2014.

CAP Services is the project developer of the River Wood Apartments and Great Lakes Capital Fund (GLCF) purchased the LIHTCs. CAP Services will also provide

Continued on next page

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Community Profile

Poverty Rate	15.6 %
Median Income Compared to AMI	77 %
Unemployment Rate	7.0 %

Project Highlights

Total Project Cost	$5.2M
Federal Sources of Financing	LIHTC ($4.1M), HOME ($487K)
Other Impacts	Non-Metro, $3.7M in Local Revenue, $482K in Local Incomes
Jobs	56 Full-Time
Investor	Great Lakes Capital Fund

CAP Services, Inc.

River Wood Apartments

Continued from previous page

full property management services.

Through construction and recurring costs of operation, this investment is projected to add 56 jobs to the Wisconsin Rapids region. Additionally, the $4 million investment of LIHTC equity will add $3.7 million in local revenue and $482,440 in local incomes, according to statistics from the National Home Builders Association and the Historic Tax Credit Coalition.

Community Profile

Poverty Rate	20.5 %
Median Income Compared to AMI	74 %
Unemployment Rate	7.6 %

Project Highlights

Total Project Cost	$3.5M
Federal Sources of Financing	LIHTC ($2.2M), HOME ($618K), CDBG ($200K), AHP ($108K)
Other Impacts	Non-Metro
Jobs	29 Full-Time
Investor	Boston Capital

Waupaca Townhomes

Waupaca, Wisconsin

In 2012, CAP Services completed another affordable rental housing development in Waupaca, Wisconsin. Like many other rural, sparsely populated counties, Waupaca has a weaker economic base and a growing elderly population. In Waupaca County, less than 12 percent of individuals over 25 years old have a Bachelor's Degree, which is nearly 6 percent below the state and national average; poverty rates have grown from 6.8 percent in 2000 to 10.8 percent in 2012.

Housing in Waupaca is older, of poor quality, and unaffordable for many its low-income residents. According to the U.S. Census, around 40 percent of homes in Waupaca are more than 50 years old and median home values ($110,000) are about $78,000 less than the national average ($188,400). Despite these circumstances, Waupaca residents pay a higher portion of their income for housing. Nearly 45 percent of homeowners and 51 percent of renters in Waupaca pay over 30 percent of their income on housing.

CAP Services partnered with the City of Waupaca and Boston Capital to help meet the need for decent and affordable housing. CAP Services served as the project developer, leveraging a LIHTC investment from Boston Capital.

As a result of this partnership, CAP Services built the 24-unit Waupaca Townhomes on an open site about one mile from the downtown district and local public schools. Each unit has an attached garage with a driveway, parking space, a covered porch, a private outside entryway, appliances (range, refrigerator, and dishwasher), washer/dryer, central air conditioning, and window blinds. Domestic water and sewer services are provided by the development for all units. Construction was completed early in 2012 and full occupancy was reached in October 2012. CAP Services now provides full property management services for the development.

CAP Services, Inc.

Community Profile

Poverty Rate	10.8 %
Median Income Compared to AMI	83.3 %
Unemployment Rate	8.3 %

Project Highlights

Total Project Cost	$28.6M
Federal Sources of Financing	NMTC ($1.4M), ARRA 1603 ($6.2M)
Other Sources of Financing	Wisconsin Clean Energy Manufacturing Loan Fund ($3.4M)
Other Impacts	Non-Metro
Jobs	8 Full-Time, 2 Part-Time
Investors	Owners

GreenWhey Energy

Turtle Lake, Wisconsin

The concept behind GreenWhey Energy began with the mission to help make Wisconsin's dairy industry stronger, smarter, and ready to face the challenges of the 21st century. In 2008, two dairy waste haulers—Mr. Larry Peaster and his son, Tim—faced an urgent problem: how could their company, Northern Liquid Waste Management, dispose of the increasing amount of dairy waste, while protecting the environment.

At the time, Northern Liquid Waste Management disposed of dairy waste water by spreading it on farmland as a low-grade fertilizer. However, new state regulations prohibited spreading dairy waste water in rain, increased the required distance from streams and water ways, and all but banned spreading during the winter season. The Peasters felt their hands were tied. The Peasters met with a longtime, local cheese maker, Mr. Tom Ludy, to discuss their dilemma and, together, they created GreenWhey Energy to convert dairy wastewater into a valuable asset.

GreenWhey Energy is a first-of-its-kind anaerobic digester facility in Turtle Lake, Wisconsin. The company converts byproducts from the cheese production process into biogas, clean water, heat, and a nutrient-rich bio solid that may be used as a fertilizer. The biogas created from the digestion of the wastewater produces enough energy to power more than 3,000 homes with renewable electricity. The heat that is produced helps operate two industrial-sized dairy product producers.

The facility is the first in the nation to treat food processing wastewater from multiple sources, providing food manufacturers throughout Wisconsin and the Midwest with a low-cost, year-round solution to waste management problems.

GreenWhey Energy was aided with short- and long-term financing by CAP Services and its Community Development Financial Institution (CDFI), Community Assets for People, along with GeoInvestors, the Wisconsin Department of Commerce, the Wisconsin State Energy Office, Dairy State Bank, and Community Bank of Northern Wisconsin.

As a Wisconsin company that cares deeply about the state's dairy industry and environment, CAP Services saw this as a unique opportunity to reinvest repaid New Markets Tax Credit (NMTC) loan funds in a high-impact, innovative project. To date, this investment has resulted in 8 full-time and 2 part-time jobs.

CEI

Wiscasset, Maine

About CEI

CEI is an expert in rural business funding, development, and financing. A private, nonprofit Community Development Corporation (CDC) and Community Development Financial Institution (CDFI) based in Wiscasset, Maine, CEI was founded in 1977 to develop job-creating natural resources and small business ventures in rural regions of Maine. CEI has grown and now provides business funding in all of Maine, its primary market, and areas of northern New England and upstate New York. With its New Markets Tax Credit (NMTC) program, CEI is able to invest in projects throughout rural America.

CEI embraces a comprehensive approach to building assets, linking business financing to job creation, entrepreneurship, sustainable development, policy advocacy, and research. The organization operates in primarily rural markets, where financial returns are not always sufficient to attract traditional investment, but where CEI's goal of achieving economic, social, and environmental benefits can be satisfied.

Maine Textiles International

Biddeford, Maine

In fall 2012, CEI provided critical financing to Maine Textiles International, LLC through the Small Business Administration Lending Fund (SBLF) and U.S. Department of Health and Human Services (HHS) Office of Community Services (OCS) Community Economic Development (CED) funding. With this assistance, Maine Textiles purchased the existing assets and formulas of a Massachusetts dye house that had been in operation for more than 30 years. The company acquired space in a historic textile mill in Biddeford, Maine and expects to create 15 new jobs in its first two years.

With the closing of the dye house in Massachusetts, which had a well-established and loyal customer base, the new company had a readymade market and was responding to a clear and immediate industry need. The company is focused on establishing manufacturing and support services associated with the development and growth of a Maine-based textile company involving the use of raw fiber and its end products, such as natural fiber yarns. The targeted size for the business model is a program with the capacity to handle 250,000 pounds to 500,000 pounds of fiber annually. It is a mission-driven company that has articulated four central principles that will guide its business model:

- Emphasize workforce development, relying on resources and expertise available within the State of Maine;
- Establish operations in a socially responsible manner as new and expanded services are developed;
- Develop and expand new market channels for the

Continued on next page

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Community Profile

Poverty Rate	14.2 %
Median Income Compared to AMI	67 %
Unemployment Rate	7.7 %

Project Highlights

Total Project Cost	$273K
Federal Sources of Financing	CED ($125K), SBLF ($50K)
Other Sources of Financing	Owner Equity ($98K)
Jobs	12 Positions

CEI

Maine Textiles International

Continued from previous page

distribution and sale of both the Company's and its owners' services and products; and

- Develop collaborative partnerships offering the potential for a positive community impact.

The natural fiber industry is a promising textile cluster, with links to agriculture, processing, and home, retail, and industrial markets. A 2010 study of fiber as an agricultural crop reported a 33 percent increase in production five years. This statistic was derived from the U.S. Department of Agriculture (USDA) 2007 Census of Agriculture, which indicated that of the approximately 8,136 farms in Maine, 20 percent are raising fiber-bearing animals. This growth is combined with an expanding interest worldwide in natural fibers, ranging from use in the composite industry to fashion. Maine is poised to leverage these resources to expand on this growth and its share of the market, and Maine Textiles will be at the hub of this expansion. The company now employs 12 people and has hired 7 low-income individuals, including a TANF recipient, a number of refugees and immigrants, and two women from The Southern Maine Re-Entry Center, a Minimum/Community pre-release unit providing housing, programs, and services for women.

Community Profile

Poverty Rate	17.1 %
Median Income Compared to AMI	87 %
Unemployment Rate	9.3 %

Project Highlights

Federal Sources of Financing	CED ($800K)
Other Impacts	Non-Metro
Jobs	100 positions

Downeast Seafood Heritage Preservation Fund

Hancock and Washington Counties, Maine

The Downeast region of Maine, including Hancock and Washington Counties, is a rural area rich with natural resources. The forestry, fishing, and tourism industries represent the economic engines in this region of the state and have supported local communities for generations.

While manufacturing was important in the past, especially in Washington County, manufacturing employment has declined in Downeast Maine, as it has elsewhere in the nation. A downward trend in natural resource-based industries, particularly in forest products, has aggravated the impact of this job loss.

The Downeast Seafood Heritage Preservation Fund project has the potential to help reverse this trend and grow the Downeast economy by supporting Maine's seafood industry, particularly the value-added segment where significant opportunities exist.

For example, the Preservation Fund recently financed a lobster processing company using U.S. Department of Health and Human Services (HHS) Community Economic Development (CED) funds. CEI's $500,000 loan leveraged a $2.4 million investment from a local bank.

This loan will enable a Maine company to process more lobster in Maine, rather than losing value-added opportunities to Canadian competitors. The company has hired over 100 employees who are paid above-average wages for the area and other benefits.

Covenant

Houston, Texas

About Covenant Community Capital Corporation

Covenant was created in 1998 to foster long-term solutions to Houston's high poverty rate. Covenant equips families to escape the cycle of poverty by building personal finance skills and acquiring productive assets, such as a home, small business, or college education. By creating tools to help families save money and build wealth, Covenant rewards the initiative of its hard-working clients, building their self-sufficiency and fostering inter-generational economic stability.

Since 1998, Covenant has worked with low-income families—with an average income of $21,000—to help them acquire more than 450 homes, small businesses, or college degrees by helping to match their savings. To date, there has been only one foreclosure. In addition, Covenant has equipped over 2,000 families with credit and savings skills, provided financing and technical assistance to develop 1,828 affordable new homes, and formed an advocacy nonprofit, Raise Texas, to foster economic independence through asset-based remedies to poverty. More than 500 additional families are currently on the path toward a home, small business, or college education.

Beyond asset-building programs, Covenant and its affiliates foster demonstration projects to address other urgent local needs, including disaster recovery and senior housing. Covenant also created a call center—which currently employs over 500 individuals—featuring on-site training and adjacent childcare, which is accessible by public transportation.

Orchard at Westchase

Houston, Texas

In the past five years, Covenant has developed four independent senior living communities, including 659 residences for senior households living on limited incomes. The most recent development, the Orchard at Westchase, features 153 homes available on a sliding scale, starting at $316 a month. The $20.9 million development includes $16 million in Low-Income Housing Tax Credits (LIHTCs) from the National Equity Fund, bridged by a $16 million interim loan from Chase Bank, $750,000 in Federal Home Loan Bank of Chicago funds through Chase Bank, a $100,000 energy grant from CenterPoint, and a $4 million permanent loan from Impact Capital through Chase Bank.

The community includes a fitness center, library, community kitchen, raised-bed gardens, dog park, walking path, and a family picnic area with an accessible playground.

Ochard at Westchase provides free resident services, including health and wellness programs, computer training, a social events calendar, and scheduled transportation on a lift-equipped bus. Each individual unit features a full kitchen, private patio, plank and tile flooring, walk-in master closet, built-in desk, bookshelves, Energy Star washer/dryer, pantry, medicine cabinet, coat and linen closets, ceiling fans, and individual A/C controls.

The result of this is not only better housing for seniors, but over 180 full-time jobs in a community with a high poverty rate.

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Community Profile

Poverty Rate	13 %
Median Income Compared to AMI	85 %
Unemployment Rate	7.2 %

Project Highlights

Total Project Cost	$20.9M
Federal Sources of Financing	LIHTC ($16M), FHLB Chicago ($750K)
Other Sources of Financing	Centerpoint ($100K), Impact Capital ($4M)
Other Impacts	Federally Declared Disaster Zone
Jobs	186 Full-Time
Investor	National Equity Fund, Chase Bank

CPLC

Phoenix, Arizona

About Chicanos Por La Causa (CPLC)

As Arizona's largest Community Development Corporation (CDC), CPLC is committed to building stronger, healthier communities as a lead advocate, coalition builder, and direct service provider. CPLC promotes positive change and self-sufficiency by providing the community with a distinct, yet integrated, group of services in education, housing, economic development and social services. Focused on individuals and families with low- or moderate-income levels, CPLC compliments its service offerings with cultural and linguistic competencies. In 2013, CPLC was ranked the third largest Hispanic nonprofit in the country by Hispanic Business Magazine.

CPLC maintains offices and/or program sites in all of Arizona's 15 counties and annually serves over 125,000 individuals. The organization recently expanded its services to Clark County, Nevada in 2011 and New Mexico in 2013.

Community Profile

Poverty Rate	22.9 %
Median Income Compared to AMI	63 %
Unemployment Rate	8.4 %

Project Highlights

Total Project Cost	$13.2M
Federal Sources of Financing	NSP2 ($9M)
Other Sources of Refinancing	Raza Development Fund ($6M)
Jobs	27.5 Full-Time

Neighborhood Stabilization

In 2010, CPLC, as part of a consortium with the National Association of Latino Community Asset Builders (NALCAB), received $32.9 million from the U.S. Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP) to strengthen communities in the Phoenix metropolitan area and in Santa Cruz County that were impacted by foreclosures and abandonment in the wake of the 2008 recession.

By leveraging an additional $17.6 million, CPLC has acquired 231 single-family homes and 586 multi-family units, sold 163 single-family properties, and leased 38 single-family properties. In addition, CPLC acquired six infill lots and three large parcels for redevelopment. More than 50 single-family housing units are slated to be constructed in 2014.

These efforts have led to the creation of 48 full-time jobs and 777 indirect jobs, generating $66.3 million in gross state product, $39.4 million in real disposable personal income, and $5.2 million in adjusted state tax revenue between 2010 and 2013.

San Marina Apartments

Phoenix, Arizona

In 2010, CPLC leveraged $9 million in Neighborhood Stabilization Program (NSP) funds to purchase the San Marina Affordable Apartments development and used $4.2 million for its rehabilitation. In doing so, CPLC helped

Continued on next page

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CPLC

San Marina Apartments

Continued from previous page

transform 400 units of conventional rental housing into affordable housing opportunities for low-income families. Under the development's land use restriction agreement, 70 percent of the units must be set aside for very low-income families, earning less than 50 percent of the Area Median Income (AMI). The remaining 30 percent of the units must be targeted to low-income families, earning less than 80 percent of AMI.

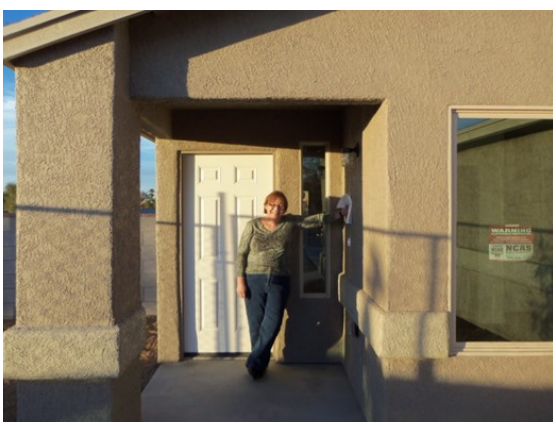
Through this purchase, CPLC has helped revitalize the community and create a safe and healthy environment. Before its purchase by CPLC, the apartment community had been vandalized, drug activity was evident, and the crime rate was high. Three years later, the community has been revitalized and a strong partnership with City of Phoenix Police Department has helped turn the community around. Occupancy has increased from 22 percent to 96 percent and calls for service to law enforcement fell by 85 percent. Residents of west Phoenix are now proud to call San Marina their home.

In addition, CLPC and its subsidiary, Tiempo, provide critical resident services, including the San Marina Learning Center, to help keep children off the streets and to encourage them to keep up with their school work. Children ages four to 18 receive year-round homework assistance, including individualized, subject-specific tutoring at no cost.

Liberty Corners

Tucson, Arizona

CPLC's newest single-family housing project is the Liberty Corners subdivision near South Tucson. Home to more than 5,600 residents, the Liberty Corners neighborhood is adjacent to CPLC's other high-impact developments, including its charter high school (Toltecalli), affordable multi-family senior housing community (Casa Del Pueblo), and retail center (Liberty Plaza).



In 2013, CPLC built six single-family, energy-efficient homes in the Liberty Corners neighborhood. These homes are Energy Star rated, EPA Indoor Air Plus Certified, have a HERS rating of 74, and meet the Southern Arizona Green Building standard. Silver certification from the Southern Arizona regional residential green building standard is a measure of resource, energy, and water efficiency, indoor environmental quality and operation, and maintenance and building owner education.

To qualify, homebuyers must earn 80 percent or less of the Area Median Income (AMI) and must be a first-time homebuyer in the Pima County service delivery area.

To help ensure sustainable homeownership, potential homebuyers must successfully complete CPLC's eight-hour financial education/first-time homebuyer class prior to purchasing a home in the Liberty Corners subdivision.

Community Profile

Poverty Rate	26.6 %
Median Income Compared to AMI	63.4 %
Unemployment Rate	8.4 %

Project Highlights

Total Project Cost	$900K
Federal Sources of Financing	NSP2 ($100K), HOME ($219K)
Other Sources of Financing	Pima County Government Bonds ($166K)
Jobs	12 Full-Time
Investors	CPLC, City of Tucson, Pima County

CPLC

Community Profile

Poverty Rate	41.2 %
Median Income Compared to AMI	41.6 %
Unemployment Rate	1.4 times National Average

Project Highlights

Total Project Cost	$31.6M
Federal Sources of Financing	NMTC ($13M)
Other Sources of Financing	Private Capital
Other Impacts	Medically Underserved Area
Jobs	300+ Construction, 150 Full-Time
Investor	DV-SOSH QEI, LLC

OASIS Orthopedic Hospital

Phoenix, Arizona

Located in East Phoenix, the OASIS Orthopedic Hospital is a state-of-the-art medical facility focused 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. Dr. David Ott, M.D., Medical Director and Board Chairman of OASIS Hospital, worked for more than six years to develop the specialized orthopedic hospital, which focuses on delivering high-quality care through an integrated medical environment.

To help OASIS Hospital meet a financing gap between construction costs and financing already raised, CPLC provided $13 million in capital through its New Markets Tax Credit (NMTC) financing program to bring the project to fruition.

The new, three-story, 94,000 square-foot, 64-bed OASIS Orthopedic Hospital was opened in 2011. It contains eight operating rooms, a radiology department, pre- and post-operation areas, a public waiting room, a business office, a kitchen and dining room, and additional areas required to support the hospital.

The project created over 300 construction jobs and approximately 150 full-time jobs at the hospital. The hospital provides a much-needed source of employment for low-income residents in this highly distressed neighborhood. Additionally, educational assistance benefits allow career ladder opportunities for employees.

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

Impact Services

Philadelphia, Pennsylvania

About Impact Services Corporation

Jobs has been the linchpin of Impact's poverty fighting efforts since 1974. This Community Development Corporation (CDC) operates out of the three former industrial sites that have been revitalized in Philadelphia's tough Kensington area. Its staff of 147 annually serve over 18,000 TANF recipients, homeless veterans, ex-offenders, and low-income residents. Impact's job training programs have placed almost 26,000 people in work, built over 120 units of housing, and engaged thousands of residents in community building. It has started numerous enterprises including a records management company, copy center, a four-star childcare center, a community loan fund, and a thriving charter school. Acknowledging the important role that private investment must play in area revitalization, Impact has been a national leader in developing area business associations that have successfully worked to improving the environment for business and attract jobs and capital to its target area.

Aramingo Commercial Corridor

Philadelphia, Pennsylvania

"Building on strength" is a touchstone strategy for Impact. Its multi-faceted development effort on the Aramingo Commercial Corridor in Philadelphia's Port Richmond area illustrates this. Building on the success of organizing two other business associations, Impact extended organizing to a contiguous commercial corridor on the eastern border of its service area; the Aramingo Business Association (ABA) launched in 2005. With an great location one mile from the Aramingo exit of Interstate 95, the area was well-positioned to attract investment.

Reaching out to area retailers, it began organizing collaborative marketing events, information sharing, and cleaning programs. Bus routes and schedules were changed to help both workers and shoppers access several new box stores. Merchants' concerns about safety and cleanliness led Impact to develop a Business Improvement District (BID) which was authorized by Philadelphia's City Council in 2008. As manager of the BID, Impact received authority to assess area businesses for cleaning and security services. A manager, three-person bike patrol, and four-person cleaning crew were hired, enhancing the safety and quality of the area's business environment. To date, the BID has mobilized over $848,300 of private-sector funding.

In 2010, Impact invested $600,000 of debt capital into the Aramingo Crossing project. This $45 million development, organized by the Wolfson Group, rehabilitated an industrial brownfield and built 11 stores between 2008 and 2013. Impact led community recruitment and provided job training, resulting in over 230 low-income residents landing some of the 700 new jobs.

In 2013, a $78,000 Stormwater Management study outlined infrastructure improvements that will reduce merchants' water bills and improve Philadelphia's water quality. Grants to support implementation are being sought, Impact Loan Fund is evaluating smaller investment opportunities, and new training programs are being crafted. Building on strength continues.

Contact

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Community Profile

Poverty Rate	60 %
Unemployment Rate	11.6 %

Project Highlights

Total Project Cost	$45M
Federal Sources of Financing	CED ($600k)
Jobs	700 Positions

Impact Seven, Inc.

Almena, Wisconsin

About Impact Seven, Inc.

Impact Seven is a private, nonprofit corporation specializing in economic development, housing development, property management, and other independent and socioeconomic development activities. Organized in 1970 by local citizens, Impact Seven's mission is to have a comprehensive impact upon the population of Wisconsin, with special emphasis on rural communities and the less fortunate.

Headquartered in Almena, Wisconsin, with a branch office in Milwaukee, Impact Seven is a certified Community Development Financial Institution (CDFI), manages several Small Business Administration (SBA) and U.S. Department of Agriculture (USDA) loan programs, provides venture capital, and is a part-owner of a community development bank started in conjunction with Midwest Minnesota Community Development Corporation (MMCDC). Impact Seven is one of the largest nonprofit developers of affordable housing in Wisconsin and manages 1,300 units for families, the elderly, and other residents. As a consultant and developer, Impact Seven has helped numerous communities make significant strides towards revitalizing distressed housing, sagging economies, and dwindling populations.

Community Profile

Poverty Rate	26 %
Median Income Compared to AMI	76.7 %
Unemployment Rate	6.3 %

Project Highlights

Total Project Cost	$6.6M
Federal Sources of Financing	CED ($800K)
Jobs	206 Full-Time
Investors	Impact Seven, City of Superior, Douglas County, Wisconsin Economic Development Corporation, Wisconsin Housing and Economic Development Authority

Exodus Machines

Superior, Wisconsin

Exodus Machines, a major Superior-area employer, produces wheeled material handlers for the scrap and recycling industry. After introducing its first machine to the market in late 2009, Exodus formed an alliance in 2012 with Caterpillar. Under their agreement, Exodus products are branded as Caterpillar products and are marked and distributed through Caterpillar's vast distribution network.

However, the agreement required Exodus to undergo a major expansion. Exodus needed to increase its production from six machines per month to 32, acquire an additional 2.88-acre lot, and complete a 60,000 square-foot building addition.

Because Exodus was unable to obtain financing for such a large expansion, its ability to continue its successful relationship with Caterpillar was at risk. Thanks to a nearly $1 million investment from Impact Seven—which also provided the technical assistance needed to access public funding sources and nontraditional financing opportunities—Exodus was able to expand its operations.

As a result of this investment, Exodus is projected to create 206 new positions over the next five years and as many as 350 jobs over the next six to eight years, including well-paying jobs in welding, machining, assembly, engineering, purchasing, manufacturing, and management.

Contact

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KHIC

London, Kentucky

About Kentucky Highlands Investments Corporation (KHIC)

KHIC was founded in 1968 to create jobs and build wealth throughout southeastern Kentucky. The organization pursues this mission by financing and supporting the development of local businesses and community facilities in its 22 rural-county target market. KHIC designs its financing products and services to meet the specific debt, equity, and technical assistance needs of businesses and entrepreneurs from a $500 microloan to a self-employed entrepreneur launching a business to the established manufacturer lacking venture capital access, but in need of a $4 million capital infusion and management assistance to retool and expand.

Over the last 45 years, KHIC helped create more than 18,000 jobs and provided 625 businesses with over $275 million in financing, with those investments generating an estimated $400 million in tax revenue.

Stardust Ventures

Monticello, Kentucky

Stardust Cruisers is a houseboat manufacturer, founded in 1965 in Monticello, Kentucky, a farming community of 6,000 adjacent to two large, scenic lakes. The town's welcome sign is telling: Houseboat Manufacturing Capital of the World. Once boasting 11 manufacturers and over 1,000 direct employees, Monticello produced more than 175 luxury yachts annually. However, the Great Recession decimated the manufacturing cluster. In 2009, two years after new owners renamed the company Stardust Ventures, the company's payroll had plummeted from 250 to 18 full-time employees, producing fewer than ten boats annually.

Because successful community economic development is increasingly possible through partnerships, KHIC approached the College of Design at the University of Kentucky to partner with Stardust. Students at the College had just won an international award for their Solar Decathlon home, and KHIC wanted to help combine the university's architectural design expertise and students' creativity with Stardust's expert craftsmanship building floating, space-efficient, luxury homes to produce a supplemental line of energy-efficient, modular homes, accessible to a broad market.

The College and Stardust accepted the challenge to design and build a $100,000 all-electric, modular home using 70 percent Kentucky-made components. Because homes are only affordable when the occupants can pay both the mortgage and utility bills for the long term, it was required that heating and cooling cost just $1 per day.

KHIC secured grants to engage the University and

Continued on next page

Contact

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Community Profile

Poverty Rate	31.7 %
Median Income Compared to AMI	62 %
Unemployment Rate	12.4 %

Project Highlights

Total Project Cost	$1.7M
Federal Sources of Financing	RBEG ($499K), CED ($700K), SBA MICRO ($1K), DOE ($237K)
Jobs	41 Full-Time created and 21 retained

KHIC

Stardust Ventures

Continued from previous page

provided Stardust working capital loans during this extended research and development process. Meanwhile, Stardust integrated energy-efficient building techniques and materials into their houseboats. These changes allowed the company to open new markets and accelerate sales to extreme climates in Europe, the Middle East, and Australia. Still in research mode, Stardust has built and sold two modular home prototypes. Design and engineering research work continues to decrease modular structure costs.

In the past six months, Stardust's 65 employees have started or are completing seven new boats and refurbishing four others, and by the end of the year, the company will construct another modular home. This project has increased employment, improved an existing product line by opening export markets, introduced a new product, and brought young creative minds together to solve real-world challenges facing rural areas.

MACED

Berea, Kentucky

About Mountain Association for Community Economic Development (MACED)

MACED partners with local people in order to build upon the strengths of Kentucky and Central Appalachia. It creates economic alternatives and strives to make Appalachian communities better places to live.

Since 1976, MACED's commitment to the communities of Central Appalachia has shown that high expectations, vision, and hard work are essential to accomplish results. Three core strategies help MACED work toward its goal of transforming the lives of people and places in need in Central Appalachia through sustainable development: Community Investment—Investing capital and capacity-building technical assistance in people and enterprises to create economic opportunities, protect natural and cultural assets, and provide critical services; Demonstration Initiatives—Developing new approaches to old problems and testing them out on the ground; and Research and Communications for Policy Change—Conducting research around policy opportunities and barriers that results in better development practices and opportunities for people who need them.

Cox Food Group

Jackson, Kentucky

Cox Food Group has been managing groceries stores in eastern Kentucky since 1959. When Mr. Martin Cox took over ownership of the family business from his father, he wanted to make the company's 12 IGA grocery stores energy efficient. Not only would this save him money on utility bills, which would allow him to keep prices low, but it would also improve the lighting, refrigeration, and temperature control in his stores.

Mr. Cox heard about MACED's energy loans from another area grocer and he wanted to get involved. Mr. Cox has since received three loans from MACED to make energy-efficient improvements in three of his stores. These updates include modernizing old, less efficient lighting units and installing racking systems. This recycles waste heat created by refrigeration units and uses it to heat the store during the winter months.

When Mr. Cox bought the IGA located in Jackson, Kentucky, he used a MACED loan to install new lighting and a racking system, both of which have already helped the Cox Food Group save money. These additional funds also helped Mr. Cox retain the 28.5 jobs that were created when he bought the store. Keeping these jobs has been vital to the community, which has a median household income of $22,304 and an unemployment rate of almost 13 percent. In fact, the Appalachian Regional Commission has designated the area as distressed.

"MACED will step in where a conventional bank loan will stop and help bridge the funding piece," Mr. Cox said. "We've been able to make some improvements that we

Continued on next page

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Community Profile

Poverty Rate	30 %
Median Income Compared to AMI	53 %
Unemployment Rate	12.8 %

Project Highlights

Total Project Cost	$238K
Federal Sources of Financing	CED ($196K)
Other Impacts	ARC Economically Distressed County
Jobs	28.5 Positions
Investor	MACED, Natural Capital Investment Fund, Ford PRI

MACED

Cox Food Group

Continued from previous page

would've had a more difficult time with under a traditional bank loan." Mr. Cox said his 12 stores are important aspects of their communities because of the jobs they create—about 500 in all–and the services they provide. ""With this funding, I'm doing business in my hometown, where I was raised, and I'm employing folks that I've grown up with," Mr. Cox said. "I'm making a living and also I feel like I'm doing a service to the area."

Community Profile

Poverty Rate	27.2 %
Median Income Compared to AMI	67 %
Unemployment Rate	11.8 %

Project Highlights

Total Project Cost	$350K
Other Impacts	ARC Economically Distressed County
Jobs	7 Full-Time
Investor	MACED, Southeast Kentucky Economic Development, Kentucky Economic Development Finance Authority

Beaver Creek Veterinary Hospital

Langley, Kentucky

The Beaver Creek Veterinary Hospital in rural Floyd County is a state-of-the-art practice, primarily due to the efforts of Dr. Shawn Tussey. The University of Kentucky Food Science graduate and Floyd County native moved to Knott County in 2005 to practice veterinary medicine after earning his Doctorate from Auburn University.

In March 2012, Dr. Tussey took over ownership and operation of Beaver Creek Veterinary Hospital, which was previously owned by another local veterinarian. By taking ownership of the Hospital, which may have been forced to close its doors otherwise, Dr. Tussey retained seven full-time jobs in this distressed county, as labeled by the Appalachian Regional Commission. Floyd County has a poverty rate of 27 percent, an unemployment rate of 11.8 percent, and a median household income of $28,221.

Under Dr. Tussey's leadership, Beaver Creek Veterinary Hospital was one of the first businesses to participate in the Kentucky Economic Development Finance Authority's Small Business Credit Initiative. He also oversaw growth that soon required a larger facility and turned to MACED and supporting partner, Southeast Kentucky Economic Development Corporation (SKED), for help.

MACED and SKED were able to provide Dr. Tussey with financing to acquire and renovate a 5,600 square-foot building.

Beaver Creek Veterinary Hospital is now fully equipped to provide a wide range of services for small animals, including routine vaccinations, check-ups, x-rays, emergency medicine, and surgeries. For the people in the area, it is providing much-needed jobs in one of the poorest and most underemployed areas in the country.

MMCDC

Detroit Lakes, Minnesota

About Midwest Minnesota Community Development Corporation (MMCDC)

MMCDC is a leading provider of community economic development services to underserved communities in Minnesota, with a particular focus on rural areas. MMCDC is approximately the 25th largest Community Development Corporation (CDC) in the nation, and it is one of the very few with a bank subsidiary.

Products and services include home mortgage loans, commercial loans and equity investments, commercial real estate and community development, single-family housing and subdivision production, and multi-family development and property management. MMCDC is majority shareholder in a community bank and is the parent company of a Native American-focused nonprofit community development company, both of which are headquartered on the White Earth Indian Reservation.

Armory Square

Park Rapids, Minnesota

Although the former National Guard Armory is one of the most prominent buildings in downtown Park Rapids, Minnesota, it was abandoned for almost 20 years. In fact, many considered the Armory incurably obsolete before it was purchased for redevelopment.

To support this project, MMCDC used a grant from the U.S. Department of Health and Human Services (HHS) Office of Community Services (OCS) Community Economic Development (CED) program and provided a low-cost loan with funds obtained through the U.S. Department of Agriculture (USDA) Intermediary Relending Program (IRP). MMCDC also used a Minnesota Historical Society grant to study the possibility of placing the Armory on the National Historic Register.

In 2010, MMCDC provided $475,000 in financing to support the first phase of redevelopment. This 6,000 square-foot space is home to a new restaurant and one retail tenant, which resulted in 12 permanent, full-time jobs in a high-poverty community.

The rest of this historic landmark is scheduled for redevelopment and will serve as an anchor for the city's comprehensive downtown redevelopment plan. This phase is expected to cost more than $4 million. Once complete, the integrated, mixed-use facility will feature a 200- to 300-seat performing arts venue, conference space, events center, and an art gallery under the Upper Mississippi Center for the Arts. The State is also considering investing $2 million to help create a prominent, cultural and civic facility that is projected to generate $3 million annually in economic activity through direct spending and spill-over effects.

In 2012, Armory Square received the Minnesota ReScape Community Impact Award as an exemplary model for redevelopment of a distressed brownfield site.

Contact

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Community Profile

Poverty Rate	19.4 %
Median Income Compared to AMI	83 %
Unemployment Rate	8.3 %

Project Highlights

Total Project Cost	$2.4M
Federal Sources of Financing	CED ($300K), USDA IRP ($175K)
Other Impacts	Non-Metro
Jobs	12 Full-Time
Investors	Echopoint Design & Dev., Armory Sq. Mgmt. Corp., MMCDC, MN Dept. of Employment & Econ. Dev., City of Park Rapids Econ. Dev. Auth., Clean Energy Resource Teams, MN Historical Society - State Historical Preservation Off., Headwaters Reg. Finance Corp., NW MN Foundation., MN Dept. of Commerce Off. of Energy Security

MEDA

San Francisco, California

About Mission Economic Development Agency (MEDA)

Since 1973, MEDA's mission has been to achieve economic justice for San Francisco's low- to moderate-income Latino families through asset development.

In 2012 alone, MEDA served approximately 5,000 individuals from the Bay Area's five counties through the following programs and services: business technical assistance to low- to moderate-income Latino entrepreneurs; homeownership counseling and foreclosure prevention services for new homebuyers and current homeowners; free tax return preparation and benefits screening for low-income, working families; financial coaching and education specifically tailored toward improving credit, increasing savings, and lowering debt; and organizing and advocacy efforts around issues that affect economic prosperity for San Francisco's Latino population.

Community Profile

Poverty Rate	13.3 %
Median Income Compared to AMI	80 %
Unemployment Rate	5.6 %

Project Highlights

Total Project Cost	$9.6M
Federal Sources of Financing	NMTC ($2.1M), PRIME ($518K), HC ($239K), PN ($30.5M), CDFI FEC ($400K), CED ($1.6M), JOLI ($475K), ARRA ($3.7M)
Jobs	1,968 Full-time
Investor	U.S. Bank, Northern California Community Loan Fund

Plaza Adelante

San Francisco, California

Since opening in March 2010, Plaza Adelante has become a vibrant community space, heavily used by families accessing critical services. Through the 21,000 square-foot building, MEDA expanded services to include digital literacy, technology training, and job development services for low-income and Spanish-speaking adults. Plaza Adelante is also home to the SparkPoint Initiative, which integrates the programs of multiple nonprofit and government partners to provide bundled financial and other services.

Through various federal grant programs, Plaza Adelante has leveraged $9.6 million in private-sector capital, including $2.8 million in additional loans and investments, to help local families open small businesses, purchase homes, avoid foreclosure, receive free tax refunds and technology training, and improve their credit, savings, debt, and overall financial situation. To date, Plaza Adelante has helped low-income individuals secure 134 loans and financing opportunities, open 134 small businesses, purchase 117 homes, save 174 homes from foreclosure, and secure nearly $16 million in tax refunds and credits. In all, this has led the creation or retention of nearly 2,000 jobs.

Plaza Adelante's integrated service model is now being scaled through the Mission Promise Neighborhood (MPN) initiative. Led by MEDA, the MPN initiative is a groundbreaking collaboration with the City of San Francisco Mayor's Office, the San Francisco Unified School District, and 26 nonprofit organizations to provide a continuum of services, from cradle-to-college-to-career, to improve academic and economic success. The MPN initiative is funded by the U.S. Department of Education, representing a 5-year, $30 million investment in San Francisco's Mission District.

Contact

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Montana CDC

Missoula, Montana

About Montana Community Development Corporation (Montana CDC)

Montana CDC is a nonprofit organization that provides business financing and consulting with the mission of transforming the lives of individuals and strengthening community prosperity. Since 1986, Montana CDC has provided nearly $300 million in financing through its business loan program, including loans enhanced by the New Markets Tax Credit (NMTC) program. Additionally, Montana CDC's business consulting and training programs have helped educate thousands of people.

With its financing and consulting tools, Montana CDC helps entrepreneurs start and expand their businesses in order to create vibrant economic communities that offer better employment opportunities and long-term growth potential.

Kootenai Medical Center

Coeur d'Alene, Idaho

The Kootenai Medical Center (KMC) is a state-of-the-art medical facility, serving North Idaho. In order to alleviate the ongoing physician shortage in the region, KMC sought to expand its facility and establish a new Medical Residency Program. The entire Idaho panhandle is a federally designated Medically Underserved Area (MUA), and Idaho currently ranks 49th in the nation for the number of physicians per 1,000 persons.

With the help of Montana CDC and the developer, Parkwood Business Properties, KMC was able to expand the healthcare facility to include diabetes, endocrinology, and neurology centers, other specialty and primary care offices, and additional support services. In all, 75 to 100 people will be employed in the new building.

To support this expansion, Montana CDC raised $11.3 million, including more than $3.4 million in NMTCs from U.S. Bancorp Community Development Corporation (USBCDC), the investment subsidiary of U.S. Bank, a $7.5 million loan from U.S. Bank, a junior leveraged loan of $400,000, and capital from the project sponsor.

Once the facility was expanded, KMC collaborated with the University of Washington Family Medicine Residency Network to establish its Medical Residency Program. In 2014, the inaugural class of six primary care physician residents will begin under the program. More than 50 percent of the residency graduates are expected to remain in the community to start new practices, bringing even more primary care physicians to Idaho and ensuring that citizens have access to basic healthcare. In fact, each time a physician establishes a practice in the area, an average $1.3 million of economic impact and six to seven new jobs will be created.

Contact

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Community Profile

Poverty Rate	35.8 %
Median Income Compared to AMI	48.8 %
Unemployment Rate	10.6 %

Project Highlights

Total Project Cost	$11.3M
Federal Sources of Financing	NMTC ($3.4M)
Other Sources of Financing	U.S. Bank ($7.5M), Junior Leveraged Loan ($400K)
Other Impacts	Non-Metro, Medically Underserved Area
Jobs	75-100 Full-Time, 98 Construction
Investor	U.S. Bank CDC

Montana CDC

Community Profile

Poverty Rate	23 %
Median Income Compared to AMI	75.6 %
Unemployment Rate	4.8 %

Project Highlights

Total Project Cost	$254K
Federal Sources of Financing	SBA 7(a) CA
Other Sources of Financing	Goldman Sachs
Other Impacts	Non-Metro
Jobs	15 Full-Time
Investor	Goldman Sachs

Nova Café

Bozeman, Montana

In 2005, Ms. Serena Rundberg purchased an existing restaurant on Main Street in Bozeman, Montana and turned it into the Nova Café. It quickly became a popular breakfast and lunch destination, operating at full capacity. In 2012, the Nova Café required major facility renovations and equipment upgrades in order to meet new health code regulations and keep up with demand.

Ms. Rundberg could not obtain a standard commercial bank loan because the café's leased space did not qualify as collateral. However, Montana CDC used the Small Business Administration's (SBA) 7(a) Community Advantage Guarantee (CA) to shore up collateral, along with capital from the Goldman Sachs 10,000 Small Business Initiative to provide Ms. Rundberg with the loan she needed for upgrades. The loan allowed her to complete the necessary improvements, keep her 14 employees, add a full-time barista position, and add additional prep shifts.

The $230,000 loan to Nova Café has had a high impact on the business and the greater community: the business is entirely owned by a female entrepreneur and it is located in a rural community. The renovations were necessary to keep the restaurant open and retain all 14 full-time employees.

In addition, Ms. Rundberg supports local farmers, producers, artists, and other businesses in the community. She purchases food and supplies from local sources and features a local artist each month.

By maintaining her business in Bozeman, Ms. Rundberg is making a positive impact in this small town of 38,000 residents, which has a number of severely distressed census tracts with poverty rates ranging from 23 percent to 34 percent.

Shortly after renovations were completed, the café reopened. Ms. Rundberg not only increased her restaurant size, but she also grew her productivity because operations were running smoothly. When offered the space next door to her existing location, Ms. Rundberg jumped at the opportunity to add more seating and a full coffee bar. As a result, her business is now able to serve those patrons she formerly had to turn away due to lack of space, and she has been able to realize a greater profit.

NDC

St. Paul, Minnesota

Neighborhood Development Center (NDC)

Established in 1993, NDC is a community-based, nonprofit organization that believes that residents, small businesses, and neighborhood groups in all communities have the talent, energy, and ideas to develop and revitalize their own communities. Thus, NDC has worked in eight ethnic communities and 25 low-income neighborhoods in St. Paul, Minneapolis, and the Greater Twin Cities Area to empower aspiring entrepreneurs through its model and programs to develop successful businesses that allow them to move out of poverty, become self-sufficient, and transform their own neighborhoods.

NDC accomplishes this through four ongoing integrated programs: Entrepreneur Training, Business and Technical Assistance, Small Business Lending and Financing, and Business Incubators. As of June 30, 2013, NDC, working closely with Neighborhood Partners, had trained over 4,360 entrepreneurs in mostly low-income, inner-city neighborhoods. Over 450 of these alumni are currently in business. Since 1993, NDC has also provided over $10.5 million in small business loans and financing, provided more than 45,000 hours of business and technical assistance, and helped create over 3,500 jobs. Additional impact—especially considering NDC's business incubators, such as Midtown Global Market—includes the establishment of community gathering places and the creation of leaders and role models within formerly disengaged and historically marginalized communities.

The U7 Project

St. Paul, Minnesota

NDC's U7 project is a good example of a model and path for economically vulnerable corridors to survive a major infrastructure project.

In 2006, the Twin Cities' Metropolitan Council voted to proceed with an 11-mile Light Rail Train (LRT) project starting in downtown St. Paul, moving west along one of the state's busiest avenues and connecting with an existing system in downtown Minneapolis. University Avenue, once the only major east-west artery, is now home to many businesses owned by Minnesota's newest residents: immigrants from Africa and Southeast Asia, as well as longstanding "mom and pop" businesses. Most, if not all, of these businesses struggled in the Great Recession and then faced the prospect of severe business disruption from a four-year LRT construction project.

Aware of the chaos and history of such demolition and construction projects killing businesses, St. Paul Mayor Chris Coleman asked NDC to lead an effort to make sure these existing businesses not only survived—both the reality and the perception that the corridor was impassible—but thrived.

NDC invited a group of six community development organizations to join them to form the University Avenue Business Preparation Collaborative (U7) to prepare and

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Community Profile

Poverty Rate	23.9 %
Unemployment Rate	7.1 %

Project Highlights

Total Project Cost	$1.6M
Federal Sources of Financing	($200K)
Jobs	1,200 Full-Time
Investor	Central Corridor Funders Collaborative, F.R. Bigelow Foundation, The Saint Paul Foundation, Living Cities, City of Saint Paul

NDC

The U7 Project

Continued from previous page

discuss options and move ahead with assistance two years before the bulldozers arrived. The focus would be on individual businesses, not the corridor as a whole.

Through community meetings and pounding the pavement, U7 Small Business Consultants visited a targeted group of small retail and service establishments along the corridor. Yet, because of the circumstances, the U7 team was cognizant that corridor business owners may be apprehensive about the impact of construction. "We knew," said NDC President Mihailo Temali, "that to be trusted, any assistance would need to be business-relevant, have a fast turnaround, be culturally relevant, and free." Eventually, 500 business owners signed on to work with the coalition.

The initial offer was branding and graphic design. U7 promised each business a new professional-grade logo and web-based marketing package to be delivered within 10 days. This created a level of trust that allowed U7 to introduce other creative strategies, like:

- **Loans**, some forgivable, that covered some or all of the losses suffered during construction, façade improvement grants, and parking lot grants;
- **Branding** that included new logos, marketing, "tutoring" in the use of social media, printed and web-based material, and way finding signs; and
- **Financial Consultation** provided by U7 Small Business Consultants to help business owners develop new accounting systems, business management tools, and financial record keeping systems.

Overall, the U7 project assisted 400 businesses with deep, one-on-one services. Of those 400 businesses, 220 were assisted with forgivable loans. Those businesses also employ an average of three people—not including the owner—resulting in 1,200 jobs being retained as a result of the U7 project and the support the businesses received.

With equal parts perseverance, patience, and sweat equity, 99 percent of the small businesses supported by U7 through construction were successful. Moreover, with U7's assistance, all came out of the construction project with a stronger infrastructure than what they went in with.

New Community

Newark, New Jersey

About New Community Corporation

New Community was founded in 1968 by Monsignor William J. Linder and a small group of residents with a mission to help residents of inner cities improve the quality of their lives to reflect individual God-given dignity and personal achievement. Now in its 45th year of service, New Community has become one of the largest and most comprehensive community development organizations in the nation.

Through its programs and facilities, New Community touches the lives of some 50,000 individuals a year who depend on the organization for safe and affordable housing, job training, adult and childhood education, childcare, senior healthcare, and banking services. New Community started by rebuilding housing ravaged by the civil unrest that took place in Newark during the summer of 1967. Today, New Community owns and continues to manage more than 2,000 units of housing for seniors and families in Newark, Orange, and Jersey City.

Weatherization and Energy Upgrades

Newark, New Jersey

New Community recently completed a $3.1 million system-wide weatherization of its residential and office properties in Newark, New Jersey. This is projected to save more than $300,000 annually through energy upgrades, including the installation of new boilers, lighting, and thermostats.

In total, the wide-sweeping energy upgrades at New Community impacted about 1,400 of its senior and family apartment units. Upgrades were carried out with the support of New Jersey's largest utility, Public Service Electric & Gas (PSE&G), through its Residential Multifamily Housing Program. An estimated $500,000 was also provided by the New Jersey Housing and Mortgage Finance Agency (NJHMFA) in the form of federal stimulus dollars.

First, PSE&G conducted an on-site, investment-grade energy audit of each participating building. All energy efficiency measures identified by the audit as having a simple payback of 15 years or less were eligible for installation under the project.

In addition, PSE&G provided about $2.5 million in grant money and upfront, interest-free financing towards the weatherization upgrades. The project also included the installation of new, low-flow, high-efficiency shower heads in bathrooms and lighting in apartments and common areas of buildings.

As a result, these energy upgrades not only have helped New Community residents—who are low- and very low-income individuals—reduce their utility bills, but they led to the creation of 15 jobs in this community, making this investment a definite win-win!

Contact

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Community Profile

Poverty Rate	30 %
Median Income Compared to AMI	36 %
Unemployment Rate	15.3 %

Project Highlights

Total Project Cost	$3.1M
Sources of Financing	New Jersey Housing and Mortgage Finance Agency, Public Service Electric & Gas
Jobs	15 Full-Time

Northern Initiatives

Marquette, Michigan

About Northern Economic Initiatives Corporation (Northern Initiatives)

Founded in 1991, Northern Initiatives' mission is to deliver loans and business services to small business owners and entrepreneurs who create jobs and enable the people and communities of Northern Michigan to thrive. Today, Northern Initiatives serves 51 rural counties, primarily in Northern Michigan (46 of the total counties) and five border counties of Wisconsin.

Northern Initiatives accomplishes its mission by offering flexible, small commercial loans to small business owners and growing and emerging entrepreneurs throughout its investment area. Its customer base faces obstacles to accessing capital, even in the best of times, but in today's challenging environment, Northern Initiatives' lending activities are even more deeply valued. Northern Initiatives has made over 700 loans and financed over $40 million in business start-ups and expansions.

Community Profile

Poverty Rate	14.8 %
Median Income Compared to AMI	93 %
Unemployment Rate	9.1 %

Project Highlights

Total Project Cost	$1.1M
Federal Sources of Financing	CED ($60K) USDA IRP ($50K)
Other Sources of Financing	Bank Financing ($684K), Owners and Investors ($311K)
Jobs	14 Construction, 3 Full-Time, 8 Part-Time
Investor	Owners

Blackrocks Brewery

Marquette, Michigan

The Great Recession began earlier and lasted longer in Michigan than the rest of the nation. Over the last decade, Michigan had the highest rate of unemployment in the country. For the population overall, Michigan fell from 18th in the nation for per capita income to 36th. Many small businesses experienced losses and an erosion of collateral values. This created capital challenges for businesses and entrepreneurs as the recovery began, since many banks were unable to expand lines of credit or make new investments.

In 2010, Northern Initiatives was awarded a Community Economic Development (CED) grant from the U.S. Department of Health and Human Services (HHS) Office of Community Services (OCS) for a Small Business Expansion and Recovery Fund.

The first loan Northern Initiatives made from the fund was to Mr. Andy Langlois and Mr. David Manson. Both had a passion for home-brewed beer and used the loan to establish Blackrocks Brewery. The financing allowed them to turn that passion into a viable business through the purchase of equipment necessary to increase production capacity, operating days, and, ultimately, profitability.

As the business grew, Northern Initiatives provided a loan to help them expand into bottling and wholesale distribution. Spreading their good fortune, they partnered with local artisans for everything from décor to hand-crafted mugs, which can be purchased onsite. Since 2010, the artist has supplied over 1,000 hand-crafted mugs. In all, this expansion led to the creation of 14 construction jobs, eight part-time positions, and three full-time positions. Now that's prosperity for all!

Contact

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Northern Initiatives

Idea Mia

Roscommon, Michigan

Ms. Angela Cucco, a marketing strategist for Google, traveled extensively overseas and wanted an effective way to transport wine and other specialty liquids in her luggage. She sought protection against breakage, and in the event of a mishap, she wanted the liquid to be absorbed so other items in her suitcase were not damaged. She tried baby diapers, which gave some padding and solved the absorption problem, but they were not reusable. Then, when TSA regulations prohibited liquids from carry-on, Ms. Cucco and her husband, Marco, realized they had an idea worth their time. Even more liquids would be transported in luggage—destined to be dropped, squashed, and tossed into the hold of an airplane. A large opening in the burgeoning travel accessories market had been created.

In 2008, the Cuccos—with solid backgrounds in marketing, sales, and finance—formed Idea Mia, LLC to produce and sell their first product, the JetBag. This product would be a re-closable, durable, yet light-weight, absorbing vessel used to transport liquids. Today, JetBags are assembled in Roscommon, Michigan at R.O.O.C. Inc.—a nonprofit organization within the Intermediate School District for Roscommon Ogemaw Oscoda Crawford County—which "supports people with disabilities to lead integrated and independent lives in their communities." The organization is the primary consumer of Idea Mia as well, so quality control exceeds typical industry standards.

Idea Mia has since expanded and now produces the JetBag Cigar, a portable humidor, and JetBag Tech, which is an effective, portable drying system for cell phones and other electronic devices that have inadvertently gotten wet. In October 2011, with demand increasing and production ramping up, the Cuccos reached out to Northern Initiatives for help with expansion financing. A $50,000 Small Business Administration (SBA) loan was approved for inventory and working capital needs.

As a result of the SBA financing, Idea Mia has been able to continue expanding domestic and international distribution through several large and well-recognized retailers, including Amazon, The Container Store, Staples, Urban Outfitters, Groupon, and others. Direct online sales through corporate websites are growing. Furthermore, the company anticipates adding a full-time sales and marketing employee in 2014.

Community Profile

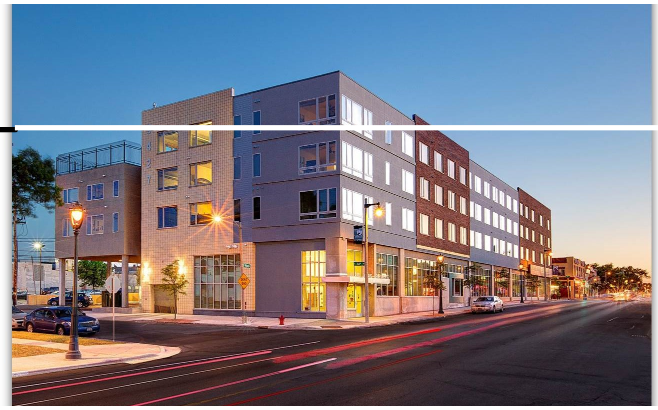
Poverty Rate	23.1 %
Median Income Compared to AMI	65 %
Unemployment Rate	10.9 %

Project Highlights

Total Project Cost	$150K
Federal Sources of Financing	SBA ($50K)
Other Sources of Financing	Owners ($100K)

NWSCDC

Milwaukee, Wisconsin



About Northwest Side Community Development Corporation (NWSCDC)

NWSCDC has served the economic development needs of Milwaukee's low-income communities since 1983. The organization has assisted with neighborhood strategic planning to improve safety, land use planning, and development on the Northwest Side to spur retail growth and numerous business and workforce development programs.

Throughout its 30-year history, the NWSCDC has innovated and adapted to changes in the community and economic development landscape. The innovation, along with the continuity of management and a strong Board of Directors, has allowed the NWSCDC to thrive in the face of adversity. In the late 1990s, the NWSCDC Board and management developed and implemented a new business model for community economic development. This model emphasizes leveraging partnerships and collaborating in business creation and real estate transactions, rather than owning and managing property. With this new model, the NWSCDC has pioneered efforts to find new partners, such as DRS Power and Controls Technologies. Since 2000, NWSCDC has provided over $7.5 million in financing to businesses that have created over 500 jobs.

Community Profile

Poverty Rate	33.1 %
Median Income Compared to AMI	55.2 %
Unemployment Rate	13.4 %

Project Highlights

Total Project Cost	$11 M
Federal Sources of Financing	ARRA ($771K), CDBG ($905K), LIHTC ($5M)
Other Sources of Financing	Local Tax Credit Assistance Program
Jobs	150 Construction, 3 Full-Time
Investor	Boston Capital, Harris Bank, IFF, WHEDA

Villard Square GrandFamily

Milwaukee, Wisconsin

When the original Villard Avenue Library—an aging building in disrepair—was slated to close in 2003, neighborhood residents and the NWSCDC protested loudly. The library was an important anchor for the neighborhood and was a high-traffic institution, visited by 90,000 people annually. The NWSCDC gained control of land near the library building, with the goal to house the library within a new, mixed-use development. This structure would include a smaller, more efficient, and user-friendly public library, and would provide affordable housing for grandparents raising their school-age grandchildren.

The NWSCDC lobbied the city for the project and secured Gorman & Company as a development and construction partner. With Gorman, city officials, the Milwaukee Department of City Development, the Milwaukee Public Library, and the Wisconsin Housing and Economic Development Authority (WHEDA), the NWSCDC put together an $11 million investment, including a $1.2 million loan from NWSCDC to cover construction costs. Financing was also provided by Boston Capital, Harris Bank, IFF, the Tax Credit Assistance Program, and ARRA Section 1602 funds from WHEDA.

The result—the Villard Square Grandfamily & Milwaukee Public Library Villard Branch—created over 150 construction jobs and at least three permanent jobs. In addition to improving quality of life for thousands of families every year, the library has improved the business climate for retailers in the area due to an increased customer base.

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NWSCDC

Jonco Industries

Milwaukee, Wisconsin

The NWSCDC used $628,750 in financing from the U.S. Department of Health and Human Services (HHS) Office of Community Services (OCS) Community Economic Development (CED) program to assist Jonco Industries in expanding their manufacturing research and development tower in the heart of Milwaukee's 30th Street Industrial Corridor. The seven-story, 184,000 square-foot tower had previously served as the Milwaukee headquarters of the Eaton Corporation, a power and control manufacturer.

When Eaton left, the NWSCDC was determined to replace the skilled positions that were lost and to meet the needs of the surrounding low-income community. The building was transitioned from a single-use facility into the Century City Tower, a multi-disciplinary, multi-tenant development. Century City Tower will be the northern anchor of an advanced manufacturing district, emerging from the ruins of the auto manufacturing industry.

The NWSCDC, with multiple loans backed by OCS awards, has played a critical role in a collective effort to remake this Corridor and participate in the overall Century City redevelopment effort. The organization has financed catalytic commercial real estate developments and high-tech manufacturers in this Corridor and the surrounding area. These developments and businesses not only create jobs and provide services; they also promote revitalization in a very economically distressed community.

The NWSCDC recruited the anchor tenant, the Midwest Energy Research Consortium (M-WERC), a regional industry consortium representing a world-class industry cluster in power, energy, and control manufacturing and research with over 90 member companies. Other tenants include a premier welfare-to-work provider, MAXIMUS, and the new offices of the NWSCDC. Century City Tower will house new jobs, provide vital services, and provide space for power, control, and energy research and development in M-WERC's Accelerator. The Accelerator will provide shared space for high-tech research and development, accommodating a key industrial cluster and workforce training.

The NWSCDC's financing will be used to purchase new equipment and expand a manufacturing line. As a result, over three years, Jonco will create at least 47 jobs, including at least 36 for low-income people.

Attracting more tenants to the building continues to be NWSCDC's strategic economic development strategy. Support from OCS was critical in the repurposing of the former Eaton building and in the overall Corridor and has helped leverage the project as the center piece of a $9.8 million New Markets Tax Credit (NMTC) transaction. The transaction closed in September 2013, allowing Jonco to bring additional investment into the building for improvement of tenant spaces.

Community Profile

Poverty Rate	33.1 %
Median Income Compared to AMI	55.2 %
Unemployment Rate	13.4 %

Project Highlights

Total Project Cost	$3.3M
Federal Sources of Financing	CED ($629K), NMTC ($9.8 M)
Jobs	47 Positions
Investor	Jonco, Associated Bank NA, FIRE (CDE)

PACE

Los Angeles, California

About Pacific Asian Consortium in Employment (PACE)

Founded in 1976, PACE's mission is to create economic solutions to meet the challenges of employment, education, housing, business development, and the environment in the Pacific Asian and other diverse communities. Through its six primary programs, PACE annually serves more than 60,000 low-income families, including many ethnic minorities, immigrants, refugees, and asylees living in Los Angeles.

In the aftermath of the destructive 1992 Civil Unrest, thousands of small business owners in Central Los Angeles found themselves out of business—and out of a job. The majority of these business owners were minorities, many of whom were immigrants, refugees, or asylees who had no other source of income and limited ability to find another job or recapitalize their business. PACE immediately responded to the needs of these entrepreneurs by offering comprehensive business assistance.

Community Profile

Poverty Rate	20.2 %
Median Income Compared to AMI	64 %
Unemployment Rate	11.9 %

Project Highlights

Initial Project Cost	$835K
Federal Sources of Financing	JOLI ($491K), SBA, CDFI Fund, ORR, CED
Leveraged Funding/ Financing	Funding ($25M), Financing ($500M)
Other Impacts	10,837 Businesses Assisted, 27,205 Entrepreneurs Trained
Jobs	15,372 Full-Time

Project highlights continued on next page

Business Development Center

Los Angeles, California

PACE Business Development Center (BDC) opened its doors in 1993 with less than $500,000 in funding from the U.S. Department of Health and Human Services (HHS) Office of Community Service's (OCS) Job Opportunities for Low-Income Individuals (JOLI) program. Over 20 years, this initial investment has enabled PACE to directly leverage an additional $25 million for the program—increasing the initial federal investment by more than 50 times. In addition, PACE has leveraged almost $500 million in loans for small businesses, bringing needed capital into some of the most distressed neighborhoods in Los Angeles. As a result, PACE has helped start or expand more than 10,800 minority-owned businesses, which has led to the creation of more than 15,000 jobs and $323 million in local tax revenue.

PACE works closely with banks and other financial institutions to help its clients obtain the capital they need to start or expand their businesses. PACE clients, however, often have unique needs that preclude them from accessing traditional financing. To better serve the capital needs of these clients, PACE offers two types of financial assistance: equity and loans.

Equity is provided through two programs: (1) PACE BDC is the largest provider of Individual Development Accounts in Los Angeles County, enabling 926 low-income residents to access more than $1.5 million to date; and (2) PACE BDC, in conjunction with the Internal Revenue Service, operates Volunteer Income Tax Assistance (VITA) sites that have resulted in almost 4,000 low-income clients receiving more than $10 million in tax refunds, savings, and credits since 2006.

Continued on next page

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PACE

Business Development Center

Continued from previous page

Loan capital for small businesses is provided through five sources: (1) PACE operates a Small Business Administration (SBA) Intermediary Microloan Fund; (2) PACE's subsidiary, PACE Finance Corporation (PFC), has been designated as a Community Development Financial Institution (CDFI) by the U.S. Department of Treasury; (3) PACE BDC was one of six original organizations in the nation certified by KIVA to offer microloans up to $10,000 through worldwide crowd-funding; (4) PACE BDC offers mini microloans ($1,000 or less) for start-ups, primarily through programs with the Office of Refugee Resettlement, and (5) PACE packages loans to submit to other loan funds and bank partners for financing.

PACE BDC is also instrumental in providing the knowledge and experience needed for low-income people to use the banking system to learn how to budget, create a financial plan, establish a banking relationship, improve their credit scores, and take advantage of existing tax credit programs for which they may be eligible. Since PACE's Financial Education and Credit Counseling began officially in 2006, almost 10,000 low-income clients have benefited from training.

Although PACE was founded to serve Asian Pacific Islander populations—Los Angeles County has the largest population of Asians and Pacific Islanders of any county in the nation—PACE now serves low-income people of all nationalities and ethnicities.

Contrary to the "model minority" myth, the majority of the Asian Pacific Islanders in Los Angeles continue to struggle with economic, educational, and other challenges to a degree seldom understood by policymakers and government institutions. This population includes neighborhoods that are linguistically isolated and suffer from higher rates of poverty, higher use of public assistance, lower educational attainment, and lower rates of homeownership. PACE is uniquely qualified to serve ethnic minority, immigrant, refugee, and asylee populations because its staff is culturally and linguistically fluent in more than 40 languages and dialects. For many clients, PACE BDC offers the only avenue for financial self-sufficiency.

Project Highlights

Investors City of Los Angeles, Bank of America, Citibank, Comerica Bank, HSBC, Union Bank, JP MorganChase, Wells Fargo Bank, Northern Trust Bank, US Bank, FreshWorks Fund, Weingart Foundation, Annie E. Casey Foundation

PEC

Rochester, New York

About PathStone Enterprise Center (PEC)

PEC is an affiliate corporation of PathStone, a multi-state Community Development Corporation (CDC). PathStone has been providing human, social, and development services to low-income individuals and communities since 1969. PathStone established the Enterprise Center in 1997, and it became designated as a Community Development Financial Institution (CDFI) in 1998. The Enterprise Center is also designated as a Community Development Entity (CDE) under the New Markets Tax Credit (NMTC) program.

PEC's mission is to enhance the economic self-sufficiency and quality of life of individuals and communities through entrepreneurial training, technical assistance, and access to financing for new and expanding businesses throughout upstate New York and Puerto Rico. PEC carries out its mission by making loans to small and micro businesses, and by accompanying those loans with a strong program of pre- and post-loan technical assistance and training programs designed to support its clients growth. PEC's loans range in size from $1,000 to $500,000, although most loans are in the $20,000 to $50,000 range.

Community Profile

Poverty Rate	37.3 %
Median Income Compared to AMI	58 %
Unemployment Rate	12.5 %

Project Highlights

Total Project Cost	$10K
Federal Sources of Financing	SBA MICRO ($10K)
Jobs	1 Full-Time
Investor	Empire State Development

Doswell Enterprises

Rochester, New York

Since its inception, PEC has been a lender to small and micro businesses, and it has also made affordable housing-related loans, making an aggregate 816 loans, totaling $17.4 million, while leveraging an additional $18.1 million in private funding. This led to the creation and retention of an estimated 2,289 jobs. PEC has provided technical assistance, training, or credit counseling to some 17,000 individuals and businesses since inception.

In early 2013, PathStone was approached by Mr. Doswell Jackson, an African-American entrepreneur who had developed his own sauces and was marketing them in the community. The City of Rochester had recently opened up the permitting process for additional food truck vendors, and Mr. Jackson was interested in expanding his business, Doswell Enterprises.

With a microloan of $10,000 from PEC, funded through the Small Business Administration (SBA) microloan program and the New York Empire State Development Corporation, PEC was able to provide him with the financing necessary to purchase a food truck, giving him another outlet to not only sell his sauces, but also provide fresh lunches in the City of Rochester.

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Gym Equipment & Specialties of NY

Rochester, New York

Gym Equipment & Specialties of NY, Inc. (Gym Equipment) is a distributor of a wide variety of gymnasium equipment, such as lockers, wall pads, backboards, bleachers, divider curtains, and any required permanent fixtures. The company also offers several exclusive lines of office, library, and laboratory furnishings.

The owners, Mr. Anthony MaKasziw and Mr. Michael and Ms. Denise O'Toole note that PEC has been instrumental in the growth of their company. With more than 30 years of accumulated experience, they were hard hit when New York passed a law, which limited tax increases by local school districts. Many of their customers had to put on hold their planned projects to replace school bleachers, lockers, and other sports-related equipment. After a couple of lean years, which crimped their cash flow, school districts again gained the resources to continue those improvement projects. Soon, they were able to begin filling orders that had been postponed.

PEC provided Gym Equipment with a $150,000 loan from the U.S. Department of Agriculture (USDA) Rural Microentrepreneur Assistance Program (RMAP) to help the company weather its cash flow squeeze.

This support from PEC helped finance local school projects and has allowed Gym Equipment to contribute not only to the educational environment and healthy lifestyles of the youth in the community, but has allowed them to impact the local workforce.

When the owners came to PEC, they were facing the prospect of having to temporarily lay off four employees with the prospect of not being able to hire them back once they needed them again. The PEC loan gave them the working capital they needed to make it to the next school year funding cycle, when new contracts would be waiting for them.

Community Profile

Poverty Rate	14.4 %
Unemployment Rate	7 %

Project Highlights

Total Project Cost	$150K
Federal Sources of Financing	RMAP ($150K)
Jobs	4 Positions

TELACU

Los Angeles, California

About TELACU

Established in 1968, TELACU is the largest Community Development Corporation (CDC) and one of the largest Hispanic businesses in the United States. Utilizing one of the most successful approaches to community and economic development, TELACU focuses its more than $550 million in assets on empowering the lives of individuals and families within the communities it serves. The organization also operates New Markets Community Capital, LLC (NMCC), which is a Community Development Entity (CDE), receiving $170 million New Market Tax Credit (NMTC) allocations from the U.S. Department of the Treasury.

The TELACU Model is based upon the belief that there is no more viable business venture than one that is economically sound, enhances the community, and positively impacts people's lives. Quality, affordable homes are developed for first-time homeowners and beautiful residential complexes are constructed and operated for families and senior citizens. New community assets, such as schools, infrastructure, shopping centers, and municipal facilities are built, creating well-paying jobs and revitalizing communities for local residents. Responsive financial institutions provide access to capital for small business owners and hardworking families. And, educational opportunities are expanded to create a greater future for young people and veterans.

Community Profile

Poverty Rate	38.2%
Median Income Compared to AMI	46.7 %
Unemployment Rate	3 times National Average

Project Highlights

Total Project Cost	$28.6M
Federal Sources of Financing	NMTC ($28.3M)
Jobs	285 Construction & Permanent
Investor	Chase Bank

Children's Institute

Los Angeles, California

Children's Institute (CII) is a highly regarded nonprofit that provides services to children and families who have been affected by family and community violence, abuse, neglect, and other trauma in Los Angeles. While tremendous need exists for these services—with more than 150,000 child abuse cases and over 40,000 calls to police for domestic violence annually in Los Angeles County—nonprofits are typically not allowed to use program funds for facility acquisition, limiting expansion opportunities and, as a result, CII's ability to grow and serve more people in need.

Traditional funding is also limited for organizations such as CII as nonprofits generally have limited cash flow to service debt. 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, despite those financial barriers. In order to meet their goal, CII launched a capital campaign to construct a 48,000 square-foot facility—The Otis Booth Campus. The organization raised $20 million against a need of $28.6 million.

NMCC, the CDE operated by TELACU, helped bridge a gap in funding for the project through a Qualified Low-Income Community Investment (QLICI) loan, with an interest rate just under one percent. Overall, NMCC contributed $28.3 million in NMTCs to fund two QLICIs.

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Continued on next page

TELACU

Children's Institute

Continued from previous page

The Otis Booth Campus serves as a safe haven for thousands of children affected by violence. Through expanded services, program development, research, and training activities, CII will have a lasting impact not only on the immediate neighborhood, but throughout the entire Los Angeles community. Additionally, the project preserved and created employment opportunities—including 285 temporary and full-time jobs—in a community struggling with an unemployment rate three times the national average.

TELACU Weatherization

Los Angeles, California

Weatherization jobs increasingly require more technical skills, such as heating and air conditioning knowledge and the ability to install green systems, including solar. TELACU was awarded a Community Economic Development (CED) grant from the Office of Community Services (OCS) to expand its weatherization division, which provides energy efficiency services to low-income households in the greater Los Angeles and Riverside areas. In partnership with local utility companies, TELACU works to minimize these adverse impacts while reducing the consumption of and reliance on fossil fuels.

At the beginning of the grant period, TELACU Weatherization provided weatherization services to 10,000 low-income households per year. As a result of the grant, TELACU serviced 16,000 households in 2010, 22,000 homes in 2011, and over 23,000 in 2012.

Working in conjunction with some of its partners, including the East Los Angeles Skill Center and Los Angeles Trade Tech, TELACU has been able to provide its employees with the training needed to acquire the necessary skill sets. Outside training is supplemented with additional in-house training by experienced staff. TELACU also partners with agencies that work with low-income individuals, including the Mexican-American Opportunity Foundation, the Los Angeles County Department of Public Social Services/GAIN, WorkForce Development Center, WorkSource, Chicana Service Action Center/Worksource, HUB Cities, One Stop, and CalJobs/Employment Development Department to recruit and identify individuals to fill its open positions.

TELACU created 40 jobs, including 27 for low-income individuals, with wage rates ranging from $13 to $17 per hour with full benefits. Furthermore, when TELACU Weatherization applied for the grant, it was contracting with around 20 outreach workers. As a result of the expansion, TELACU now contracts with close to 100 outreach workers. Moreover, TELACU has successfully leveraged these grant funds 5.2 to 1.

Community Profile

Poverty Rate	22.6 %
Unemployment Rate	17.5 %

Project Highlights

Total Project Cost	$4.3 M
Federal Sources of Financing	CED ($686K)
Jobs	40 Full-Time

TELACU

Community Profile

Poverty Rate	33.8 %
Median Income Compared to AMI	45.5%
Unemployment Rate	13.2%

Project Highlights

Total Project Cost	$21.3 M
Federal Sources of Financing	NMTC ($8.3M)
Jobs	124 Construction & Permanent
Other	Medically Underserved Area
Investor	U.S. Bank

Desert Hot Springs Community Health and Wellness Center

Desert Hot Springs, California

The City of Desert Hot Springs Community Health and Wellness Center was conceived in 2003 to provide facilities for a medically underserved community to improve the health and welfare of the community. With a poverty rate of 33.8 percent, an unemployment rate of 13.2 percent, and median family income at 45.5 percent, the need for this project was acute.

TELACU partnered with the Opportunity Fund, another New Markets Tax Credit (NMTC) allocatee, to provide over $20 million in financing necessary to construct the facility and create more than 120 construction and permanent jobs.

Approximately 33 percent of the city's population is under 18 years of age and the project targets this important segment of the population. The 6.63-acre, 36,000 square-foot project provides upstream preventive and primary healthcare opportunities through a newly constructed facility designed to activate the community in physical activity, as well as health and nutritional education. The project has four principal tenants/uses:

- The Boys & Girls Club, offering mental health education, self-esteem promotion, gang intervention, anti-tattoo counseling, wellness lifestyle classes, homework assistance, computer labs, and community services;

- The Community Health and Wellness Center, which includes a Cardio Gym, Dental Exam Stations (4), Medical Exam Rooms (2), Outdoor Patio Community Room;
- The Teen Center, providing young DHS residents with teen pregnancy prevention education, sex education, and HIV/AIDS prevention education; and
- The Gymnasium & Aquatics Center, which has shower and locker rooms (men/women), sundeck, competition pool, splash pad, shade areas, and team rooms (2) shared by all tenants, the adjacent high school, and the school district.

The DHS Community Health and Wellness Center has had a profoundly positive impact on the city's youth, as well as others in the community.

VEDC

Van Nuys, California

About Valley Economic Development Center (VEDC)

VEDC is the largest nonprofit, small business lender and Community Development Financial Institution (CDFI) in the Los Angeles metro area and the state of California. With eight offices nationwide, VEDC has supported small business owners for 37 years with the goal of creating and sustaining jobs and businesses in underserved communities by providing high-quality business development services.

Each year, VEDC serves more than 7,000 small businesses with financing, training, and direct business assistance. As a result, VEDC has been instrumental in creating economic opportunities in low-income, underserved areas for those who want to improve their financial standards and build stronger communities. In fact, VEDC has helped create and retain over 25,000 jobs and open more than 1,700 new businesses. Historically, 75 percent of VEDC clients are located in low- to moderate-income areas and 65 percent have been minority and women entrepreneurs.

Cole's

Los Angeles, California

Founded in 1908, Cole's was the oldest, continuously operating restaurant and bar in downtown Los Angeles until its doors closed in 2007. At that time, local restaurant and bar entrepreneur, Mr. Cedd Moses, set his sights on restoring the historic landmark and reviving the good will the Cole's name had in the community. Cole's is located in an area that the City had identified as the focus of a large revitalization effort.

Despite his extensive industry experience, Mr. Moses was unable to obtain financing from traditional financial institutions because of the nature of his business and the downtown location.

Because this project would substantially contribute to the revitalization efforts of the historic downtown Los Angeles, in 2007, VEDC provided Mr. Moses with a $400,000 loan from their Economic Development Administration (EDA) Revolving Loan Fund (RLF) to complete the tenant improvements and purchase the equipment needed to restore this long-established community gathering place.

As a result, VEDC's loan helped Mr. Moses transform a formerly blighted building into a trendsetting bar and restaurant, which is now integral to Los Angeles' New Downtown. With this assistance, the local historic landmark was restored to its original condition, with authentic glass lighting, tile floors, historic photos, and a 40-foot mahogany bar.

With the re-opening of Cole's, 50 new jobs have been created in this community with a poverty rate of 20.2 percent and an 11.1 percent unemployment rate.

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Community Profile

Poverty Rate	20.2 %
Median Income Compared to AMI	64 %
Unemployment Rate	11.1 %

Project Highlights

Total Project Cost	$1.2M
Federal Sources of Financing	EDA RLF ($400K)
Jobs	50 Full-Time
Investors	Owners

Program Glossary

Terms	Programs	Administering Agency
7(a)	Section 7(a) Loan Guarantee Program	SBA
1603	Energy Property In Lieu of Tax Credits	TREAS
AHP	Affordable Housing Program	FHLB
ARRA	American Recovery and Reinvestment Act	TREAS
CA	Community Advantage Loan	SBA
CDBG	Community Development Block Grant	HUD
TA	Technical Assistance	CDFI Fund
CED	Community Economic Development	HHS
FA	Financial Assistance	CDFI Fund
FEC	Financial Education & Counseling Pilot Program	TREAS
GPD	Grant and Per Diem Program	VA
HC	Housing Counseling	HUD
HOME	HOME Investment Partnerships Program	HUD
IRP	Intermediary Relending Program	USDA
JOLI	Job Opportunities for Low-Income Individuals	HHS
LIHTC	Low-Income Housing Tax Credit	TREAS
MICRO	Microloan Fund	SBA
NMTC	New Markets Tax Credit	TREAS
NSP2	Neighborhood Stabilization Program - Round 2	HUD
PN	Promise Neighborhoods	ED
PRIME	Program for Investment in Mirco-Enterpreneurs	SBA
RBEG	Rural Business Enterprise Grants	USDA
RLF	Revolving Loan Fund	COMM
RMAP	Rural Microentrepreneur Assistance Program	USDA
SBLF	Small Business Lending Fund	SBA

Agency Glossary

Terms	Federal Agencies
CDFI Fund	Community Development Financial Institution Fund, U.S. Department of Treasury
COMM	U.S. Department of Commerce
DOE	U.S. Department of Energy
ED	U.S. Department of Education
EDA	Economic Development Administration, U.S. Department of Commerce
FHLB	Federal Home Loan Bank
HHS	U.S. Department of Health and Human Services
HUD	U.S. Department of Housing and Urban Development
OCS	Office of Community Services, U.S. Department of Health and Human Services
ORR	Office of Refugee Resettlement, U.S. Department of Health and Human Services
SBA	Small Business Administration, U.S. Department of Commerce
TREAS	U.S. Department of the Treasury
USDA	U.S. Department of Agriculture
VA	U.S. Department of Veterans Affairs

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