



CONNECTIONS

NEWS, INSIGHTS AND OPPORTUNITIES FOR COMMUNITY BUSINESSES & ORGANIZATIONS



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In the Mirror

by James R. Klein



James R. Klein,
Chief Executive Officer

As I sat at the bar and looked at myself in the mirror the answer became clear. The irony of the situation did not escape me. A bar is usually the place where things become less clear; however at that point there was unmistakable clarity. I had been here before, maybe not in this place but at this same juncture. The beginning.

Frank Herbert in his classic science fiction trilogy, Dune, begins with an oddly poignant statement, "A beginning is the time for taking the most delicate care that the balances are correct." It is a time that only happens once no matter what the clichés say about beginning again or being reborn. The beginning is always different. America has just completed one of the most significant elections in its history. It's not that the sacrifices required or the resources available are not quality but it is, at the end of the day, simply the unveiling of another opportunity, another beginning. The accolades, analysis, and well wishing aside it is an opportunity to begin.

It is my belief that we all need to become good at beginnings because life is full of them. Deep in the human unconscious is a pervasive need for a logical universe that makes sense. But the real universe is always one step beyond logic. (Herbert) Life continually reinvents itself, and we all wander in the same wilderness. Becoming too comfortable with the place you're at, your accomplishments, or your capabilities, invites stagnation. Greatness is a transitory experience. It is never consistent. It depends in part upon the myth-making imagination of humankind (Herbert).

A beginning is the time for taking the most delicate care that the balances are correct.

The secret is to recognize that the beginning itself is what is significant. The opportunity to attack a problem from another direction, and possibly pull out a noteworthy end, is a challenge without equal. We stand poised for the first step of another beginning. Things will go wrong. Every civilization must contend with an unconscious force which can

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Project Connections

Recent Board Approvals for Award Activity

(July through November)

Shiloh Family Institute, Columbus

Project: Mt. Vernon-St. Clair Corridor Project
Award: \$20,000 (PreDevelopment Grant)

Fairfax Renaissance Development Corporation, Cleveland

Project: Central Ave. Intergenerational
Housing Initiative
Award: \$20,000 (PreDevelopment Grant)

Ironton Lawrence County Area Community Action Organization, Inc., Ironton

Project: Shelby Building – Center for
Medical Studies
Award: \$20,000 (PreDevelopment Grant)

Community Action Organization of Scioto County, Inc., Franklin Furnace

Project: French Grant Apartments
Limited Partnership
Award: \$18,800 (PreDevelopment Grant)

Over-The-Rhine Community Housing, Cincinnati

Project: Community Views
Commercial Rehabilitation
Award: \$40,000
(Economic Development Grant)

Miracit Development Corporation Inc., Columbus

Project: Mock Road Plaza
Award: \$100,000
(Economic Development Grant)

Behavioral Connections of Wood County, Inc., Bowling Green

Project: Residence Connection II
Award: \$14,000 (PreDevelopment Grant)

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In the Mirror (continued)

block, betray or countermand almost any conscious intention of the collectivity. (Herbert) However, things will also go right and the delicate undertaking of the beginning will increase the rights and decrease the wrongs.

So in the mirror, "Truth suffers from too much analysis." (Herbert) It is the challenge of beginning, the opportunity, and getting the balance right that makes life worth coming back. This is our chance. (Again.) ■

This piece was pulled from the personal blog of James R. Klein drafted on Wednesday, November 05, 2008. Finance Fund will soon be publishing a blog as well, written by the insightful Mr. Klein. Keep an eye out for posts on everything from community development, politics, current events or anything that makes Mr. Klein want to share his thoughts with the world.

New Markets Tax Credit Program and the Bailout

As many of you know the highly controversial and complicated financial rescue bill has finally passed through the House and Senate and was signed into law on October 3, 2008 by the President. What some of you may not be aware of, though, is that attached to it is an extender package, which includes **\$3.9 billion for the New Markets Tax Credit program**. Finance Fund has been unyielding in our fight for a five year extension with members of the House and Senate. We are still hopeful that this can be accomplished, and are grateful that this one year extension has been included in this emergency bailout legislation. The allocations of NMTC's have been essential to the work we do here at Finance Fund and more importantly, to the work you do in your community.

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The bill also includes many other provisions:

- Tax credits for production of **renewable energies** such as wind and solar.
- A modification from the original version so middle-class families are **spared** from paying the alternative minimum tax (AMT).
- A requirement that in five years the president must submit legislation to **recoup** the government (from the financial industry) if there has been a net loss.
- A clause prohibiting companies who are selling the Treasury more than \$300 million in assets from providing new senior executives with **golden parachutes**. The clause also implements a 20% excise tax on current golden parachutes being paid to employees.
- A requirement that the Treasury execute a plan to **mitigate foreclosures** and to encourage lenders to **modify loans or mortgages** and mortgage-backed securities acquired through the program so payments are more affordable. ■



Project Connections

(continued)

New Housing Opportunities, Inc., Lebanon

Project: Hunters Run New Construction
Award: \$14,830 (PreDevelopment Grant)

Community Development Resource Consortium, Inc., Dayton

Project: North River Development Project
Award: \$14,830 (PreDevelopment Grant)

St. Stephen's Community House, Columbus

Project: Building Brighter Futures
Award: \$14,830 (PreDevelopment Grant)

Helping Hands Community Outreach Center, Dayton

Project: Helping Hands Community Outreach Center
Award: \$14,830 (PreDevelopment Grant)

Community Revitalization Agency, Cincinnati

Project: Freeman Avenue Baymiller-Linn Home Ownership Project
Award: \$14,830 (PreDevelopment Grant)

MC Concepts, Canton

Project: MC Concepts, Canton
Award: \$350,000 (FCAP Loan)

ABC Manufacturing, Inc., Malta

Project: ABC Manufacturing, Inc., Malta
Award: \$350,000 (FCAP Loan)
Award: \$150,000 (IRP Loan)

Aunt Minnie's Foods, Inc., Perrysburg

Project: Aunt Minnie's Foods, Inc., Perrysburg
Award: \$200,000 (AR LOC)

Opportunity Housing Cleveland, LLC, Cleveland

Project: Opportunity Housing Cleveland, LLC, Cleveland
Award: \$300,000 (LandLOC)

Ohio Basic Minerals, LLC, Jackson

Ohio Basic Minerals, LLC, Jackson
Award \$1,700,000 (FCAP Loan)

Finance Fund Receives \$20 Million in New Markets Tax Credits

Finance Fund was awarded \$20 million in New Markets Tax Credits from the U.S. Department of Treasury. The funding will be used to offer low-interest financing for projects that revitalize both urban and rural low-income communities in Ohio. This is the fourth round of New Markets funding Finance Fund has received.

"This round of New Markets Tax Credit funding enables us to continue to invest in projects that support Ohio's distressed communities," said James R. Klein, chief executive officer of Finance Fund. "These projects help stimulate local economies through capital investment, job creation, and community development."

Finance Fund is now accepting proposals from developers, community lenders and businesses interested in applying for NMTC loans to redevelop or invest in disadvantaged areas statewide. Examples of eligible projects include small businesses, shopping centers, health centers, commercial buildings, condominiums, and childcare facilities.

Through its New Markets Loan Program, Finance Fund has previously received \$55 million in Tax Credits that it has then leveraged to \$212.2 million in funding to invest in 26 projects. As a result, more than 1,249 full-time jobs have been created, more than 80,000 low-income Ohioans have received housing and employment, and 536 children have received safe child care. ■

Keeping Tabs on the Neighborhood Stabilization Program

As you may know, the U.S. Department of Housing and Urban Development (HUD) recently awarded more than \$3.9 billion of Neighborhood Stabilization Program (NSP) funds to states and communities across the country to address the nation's abandoned and foreclosed homes crisis.

Ohio received an NSP allocation of \$258,089,179, with more than \$116.8 million awarded to the state and the remainder awarded directly to Ohio cities and counties. The Ohio Department of Development's (ODOD) Community Development Division and its Office of Housing and Community Partnerships (OHCP) will administer the state's allocation.

This money could be the tool you need to address your community's vacant and foreclosed home issue. Please visit <http://development.ohio.gov/cdd/ohcp/NeighborhoodStabilizationProgram.htm> to get more information about NSP, and stay tuned for more details from Finance Fund. We are keeping a close eye on the program to see how this initiative could complement our LandLOC program. ■





Accepting Applications

Applications Are Being Accepted For The Following Programs:

- New Markets Loan
- Linked Deposit Fund
- Economic Development Grant
- PreDevelopment Grant
- PreDevelopment Section 8 Program
- Child Care Capital Fund
- LandLOC - Vacant & Abandoned Properties
- Accounts Receivables LOC
- Intermediary Relending Program (USDA)
- Other Lending Instruments

Potential applicants are encouraged to contact Carol Carter or Michael Thomas to discuss any of our programs at (614) 221-1114 or via email at ccarter@financefund.org or mthomas@financefund.org. ■



Sneak Peek of the New and Improved FinanceFund.org

The next iteration of Finance Fund's web presence is just about complete! The first phase of the site will launch in the new year. The new site will be more user friendly, easier to navigate, include more interactivity and updated content. Keep an eye out for an email announcing the launch in the coming weeks! ■

Moving Forward with By Car Vehicle Savings Program



Finance Fund has been working diligently with the Ohio Department of Development to develop a program that would provide financial assistance to low-income individuals in need of a vehicle for work or school. Currently, in its final stages of planning, By Car should launch in early 2009.

The purpose of By Car is to provide qualifying low-income participants an opportunity to save for the purchase of a vehicle enabling participants to obtain or retain employment and/or education. By Car serves as a financing component of local case management programs offered by agencies designated by the Ohio Department of Development, Office of Community Services.

Stay tuned for more details on By Car. ■

Innovative Partnerships that Work

When you are a mission-driven organization, you constantly find yourself looking at innovative ways to accomplish your goals. At Finance Fund, we are fortunate to find ourselves surround by like-minded individuals and similar organizations. One such organization has given us the opportunity to support its continued development.



The Foundation for Appalachian Ohio (FAO) whose mission of "enriching the current and future quality of life in the 29 counties of Appalachian Ohio by fostering access to opportunity" should sound oddly familiar. Through the power of charitable giving, FAO seeks to achieve a thriving economy, educational excellence and cultural enrichment while recognizing the region's unique heritage and traditions.

In Ohio, the recognition of the philanthropy "gap" in the state's poorest rural communities spurred an unprecedented commitment of public and private dollars to jumpstart the Foundation in 1999. Appalachian Ohio's 29-county region is home to 12 percent of the state's population but holds less than 2 percent of the state's charitable assets. As a result, Appalachian Ohio has far fewer grant dollars invested in and leveraged for its communities compared to the state as a whole.

Finance Fund recognizes the hard work and harder to come by resources to achieve such a mission. That is why we have decided to partner with FAO and support their further development by sponsoring the activities of both a communications and fundraising consultant. It serves all of us to have FAO be successful in their goals. Find out more about FAO by visiting <http://www.appalachianohio.org/index.php>. ■



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Regional Member Meeting Update

As you know, we have begun our Regional Member Meetings around the state and they have been genuinely appreciated by all who have attended.

Our first meeting in the Southeastern part of the state brought together long time partners, new clients and even past Board members. The meeting was a success with 60% of the Southeast region members present. CEO, James Klein, shared and answered questions of those present and we were able to gain valuable feedback for new and upcoming program initiatives, as well as remind our clients of our newest programs, such as ARLoc and Land Loc. In addition, we were able to ask them to continue to spread the word about Finance Fund and all that we can do.

The second meeting was held in Ravenna, Ohio, bringing together our members and partners in the Eastern part of the state. While small in size, the attendees got to spend valuable face time with staff, Board members, our CEO and each other. Several potential projects have come out of this meeting and follow up visits in Youngstown are planned for January.

On several occasions, before and during the meetings, we were vocally thanked for "not forgetting" our members throughout Ohio that can't always make it to Columbus for events. The Regional Meeting format seems well received and attendees are thankful for the opportunity to network and have a face-to-face Q&A session with Finance Fund leaders. We will continue to schedule meetings in each region of the state in the New Year. If you are interested in hosting a meeting at your office, please contact Kathryn Clausen at 614.221.1114 x. 29 or at kclausen@financefund.org. ■



Sky Beckwith
Public Policy Assistant

Finance Fund Welcomes New Team Member

Finance Fund has created a new position to help manage our growing public policy and government relations initiatives. Sky Beckwith, who has previously been with Finance Fund as an OSU Intern, joined us in a part-time role as Public Policy Assistant. The Public Policy Assistant provides general assistance in public policy primarily through Marketing and Development. This is a multi-faceted position which covers various duties and targeted responsibilities within government relations, and is

designed to present positive exposure of specifically established goals that support the corporate mission.

Sky brings a wealth of political experience with her in this new role. She worked as a volunteer coordinator in a special election in Southwest Ohio and worked on Sherrod Brown's successful Senate campaign. Her experience in Columbus motivated her to transfer schools and is now finishing up her education at The Ohio State University. She has worked in Columbus as a page for the Ohio House of Representatives, and is now with Finance Fund. As a Dean's List student, Sky will graduate in June of 2009 with a degree in Political Science, a minor in Public Policy, and a minor in Social Stratification. We welcome Sky to the team! ■



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Kudos for OANO Standards for Excellence Awardees

Finance Fund was awarded the Ohio Association of Non-profit Organizations (OANO) Standards for Excellence certification at the OANO 2008 Annual Meeting. The certification is presented to non-profit organizations throughout the state of Ohio that model ethical practices.

"Finance Fund is pleased to have the integrity of our work recognized by the OANO Standards for Excellence certification," said James R. Klein, CEO of Finance Fund. "Throughout the application and peer review process, we were able to step back and analyze how we go about doing the work we do in low-income communities. From our Board of Directors to our processes and procedures, every aspect of the business was put under a microscope. We are proud to be recognized for the validity and integrity of our work."

In order to be recognized with the certification, organizations participate in an extensive process that involves a review of their mission, staff, board, policies, programs and financial information. Each organization's application then goes through a peer review process, in which a group of volunteer non-profit management professionals reviews each organization's credentials and presents their recommendations to the OANO advisory committee.

Accepting the certification from Finance Fund was James R. Klein, CEO. Past recipients of the certification include Children's Hunger Alliance, The Dayton Foundation and the Greater Columbus Arts Council.

Also accepting a Standards for Excellence award at the event were long time Finance Fund partners, Corporation for Ohio Appalachian Development (COAD). Our congratulations go out to them! ■



It's a Boy!

Joshua Paul Nichols, son of Julie Nichols, was born at 12:13pm on Thursday, October 16, 2008. He weighed 8 lbs 2 oz. - 20 inches long. ■

Nonprofits Wanted:

- Do you have vacant or abandoned properties in your area?
- Are you working to gain control of these properties as part of bigger community or economic development plan?
- Finance Fund now has a line-of-credit program which will give opportunity and incentive for community based clients like you to obtain site control for housing and commercial projects classified as vacant and abandoned properties.

For more information on these or other Finance Fund programs, call Carol Carter at 614-221-1114 ext. 15.