



# CONNECTIONS

NEWS, INSIGHTS AND OPPORTUNITIES FOR COMMUNITY BUSINESSES & ORGANIZATIONS

## INSIDE THIS ISSUE:

Where's My NEWSIE? .....	2
I'm Good At That. ....	2
Project Connections .....	3
Resource Connection .....	4
Member Connection .....	4
The Ohio Quality Improvement Fund Reopens! .....	4
Investment Connection .....	4
Available: Linked Deposit Financing ..	5
Staff Lends A "Helping Hand" To The Good Neighbors Picnic And Homeless Community .....	6
Accepting Applications .....	7
Finance Fund Seeks Support For Federal Program .....	7
Staff Connection .....	7
Office Space .....	7



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## Community Connections: King Lincoln

It's early in the morning when Mary catches the bus in her near east side Columbus neighborhood dubbed the King Lincoln district by Mayor Michael Coleman's office. Every six weeks she makes the trek for medical checkups outside of the neighborhood, sometimes having to change buses several times before reaching the clinic. Pastor Michael R. Bean of St. Paul AME Episcopal Church at the edge of the district knows only too well the problems his neighborhood faces in accessing basic medical services. He spearheaded the effort to construct a Wellness Center on church property for neighbors like Mary. The Finance Fund has joined with the Coleman Administration and Fifth Third Bank to assist in financing the project at the gateway entrance of the district. Through its New Markets Loan Program, the Finance Fund has provided financing for construction of two district projects; St. Paul AME's Wellness Center at E. Long Street and Jefferson Avenue and the King-Lincoln Gateway building at Long Street and Hamilton Avenue.



**The Finance Fund has joined with two partners to breathe new life into this neighborhood that was at one time a hub of African-American commerce and culture.**

The Finance Fund has joined with two partners to breathe new life into this neighborhood that was at one time a hub of African-American commerce and culture. The near east side Columbus area, which has fallen into economic distress and blight, will get an investment of more than \$8 million from two projects that will begin to transform it into the King-Lincoln Arts and Entertainment District.

The Wellness Center will include hospital satellite offices and clinics, physician offices and health advocacy programs to meet the needs of the community, which lacks adequate healthcare facilities and services. The financing is being shared equally by Fifth Third and

*continued on page 2*



## Community Connections: King Lincoln *(continued)*



the Finance Fund's New Markets Loan. The project is being developed by the St. Paul AME Church and its affiliate Community Development Corporation, Community Property Development Corp.

In a second project, the King-Lincoln Gateway building will provide more than 50,000 square feet of office and retail spaces that are expected to stimulate additional development along the E. Long commercial corridor. The project is being undertaken by a partnership of Gideon Development Partners and Hidden Lake Investment Group (an affiliate of The Daimler Group, Inc.). The partnership already has 70 percent of the space committed, including offices of the Gideon Development Partners and two divisions of local government. The New Markets Loan, Fifth Third Bank and the City of Columbus are partnering to finance the project. The Wellness Center and King-Lincoln Gateway projects fit perfectly with the goal of the New Markets program, which facilitates redevelopment and investment in low-income areas.

The New Markets Loan program is available to businesses, real estate, and community organizations (early child care, education space, health facilities, etc.). For further information, contact Jon Moorehead, Chief Program Officer at 614-221-1114, ext. 16 or 1-800-959-2333. ■

## Where's My NEWSIE?

As the Finance Fund gears up for another year of "moving money," you will begin noticing a few changes around here. We are ramping up several marketing and public relations initiatives to share the Finance Fund story with everyone in Ohio. One of those changes is this, Connections, our newly designed newsletter. Keeping you informed of what we've been working on is our goal. Whether you are one of our loyal clients, a valued investor, or just a friend, Connections will be the source for information surrounding economic development and our communities.

Why Connections? Well, it's the epitome of what we do. We connect with people. We connect with communities. We put people who have a need in connection with people who can fill that need. We connect money with projects that could use it. We make connections every day that improve the quality of life of people throughout Ohio.

And now, it's how we connect to you. ■

## *I'm Good At That.* by James R. Klein

There are some things that because of skill, circumstance, or fate just seem to work for me. Standing up in front of a large audience makes cold sweat common for some but for me it's as natural as peas and carrots. Conversely, there are some things at which I am exceptionally bad. Through years of experience, tutoring, and countless hours of practice every time I eat I spill on my tie. My guess is that it works this way for most people. We're good at some things and bad at others.

Over the past century we have been particularly good at creating an economic engine that has provided an unparalleled quality of life for the vast majority of the public. We have not been as good at providing access to that quality of life. Communities that experience stress, poverty and crime cause a declining spiral where those that can leave do and those that can't leave don't. The declining value of physical assets doesn't attract investors, people lose hope, and the cycle continues.

**Communities that experience stress, poverty and crime cause a declining spiral where those that can leave do and those that can't leave don't.**

Since then a variety of federal, state, and local programs have been created to address the problems of neighborhood decline. The axiom remained true; we were good at some things and bad at others. There are three basic categories of community revitalization tools.

One set of tools deals with social service issues. Though issues of health, mental illness, disease control, basic subsistence, and human services, seem overwhelming in distressed communities, there are a variety of programs that focus on these problems.

*continued on page 3*



## Project Connections

Recent Board Approvals for Award Activity  
(July-September)

**Community Development for All People, Columbus**

Project: Community Development for All People  
Award: \$12,000 grant (PreDevelopment Program)

**Dayspring Christian Community Development Corporation, Columbus**

Project: Home First  
Award: \$12,000 grant (PreDevelopment Program)

**East Akron Neighborhood Development Corporation, Akron**

Project: Middlebury Market Place  
Award: \$100,000 grant (Economic Development Grant)

**East Alliance Neighborhood Development Corporation, Alliance**

Project: Jennings Phase III  
Award: \$12,000 grant (PreDevelopment Program)

**Lancaster-Fairfield Community Action Agency, Lancaster**

Project: Materials Recovery Facility  
Award: \$100,000 grant (Economic Development Grant)

**Noble Learning Center, Caldwell**

Project: Noble Learning Center Child Care Project  
Award: \$500,000 linked deposit (Child Care Capital Fund)

**NorthRiver Development Corporation, Toledo**

Project: NorthRiver/Chase Initiative Phase II  
Award: \$12,000 grant (PreDevelopment Program)

**Preferred Properties, Inc., Toledo**

Project: Bettye Ruth Kay Homes  
Award: \$12,000 grant (PreDevelopment Program)

**Shiloh Family Institute, Inc., Columbus**

Project: Hamilton Mt. Vernon Corridor Project  
Award: \$12,000 grant (PreDevelopment Program)

**The Neighborhood House, Inc., Columbus**

Project: The Neighborhood House Subway Restaurant  
Award: \$12,000 grant (PreDevelopment Program)

**Union Miles Development Corporation, Cleveland**

Project: Miles Shopping Plaza  
Award: \$12,000 grant (PreDevelopment Program)

## *I'm Good At That (continued)*

A second type of tool addresses issues of homelessness and housing. As populations grow and the need for housing follows suit, time is against us. In stable neighborhoods, assets are continually rehabilitated or replaced. Not so in distressed neighborhoods. Housing decline has the tendency to create more decline and the malignant creep of decay feeds on and is fed by the litany of poverty problems.

**Housing decline has the tendency to create more decline.**

The third tool set is focused on the re-constitution of economic viability in what are now called

emerging markets. The common misconception about decaying communities is that there is no money there. Rental and mortgage payments, limited commerce, subsidy payments, and underground economies continually move money out of the neighborhoods. What are missing are mechanisms to capture the revenue and keep it working in the community.

Over the years these tools have been used by a multitude of organizations, mostly nonprofits to catalyze change. Head Start, No Child Left Behind, Section 8, Ohio Housing Trust Fund, homelessness programs under the Department of Housing and Urban Development, Community Development Block Grants, Community Development Financial Institutions, and New Markets Tax Credits are just the beginning of a list of programs used by organizations to effect change in emerging markets. Ohio has been in the forefront of these efforts with groups such as the Ohio Capital Corporation for Housing, enabling development of low and moderate income housing, and the Finance Fund, specializing in leveraging private investment for housing, business, and community facilities.

The Finance Fund has used public investments from the Ohio Department of Development, the Ohio Housing Trust Fund, and the U.S. Department of Treasury to leverage private investments enabling the rebuilding of assets in emerging markets. The Finance Fund offers a mix of products, from grants to loans, to nonprofit and for profit clients in emerging markets statewide. Products assist nonprofit clients in planning for the development of projects, project development costs, and lowering the commercial mortgage rates on projects. Through its Community Loan Fund, the Finance Fund offers nonprofit and for profit clients assets at flexible, lower-interest-rate loans that present opportunity to work with commercial lenders on projects that have ranged from \$85,000 to \$12,000,000. The purpose of these loans is to entice investment into distressed areas, thereby creating a mechanism to capture fleeting revenue streams.

With the variety of programs available, each fitting a particular need and administered by an assortment of agencies and organizations, there is a definite MEGO affect ("my eyes glaze over"). We can learn to be better at the things we're bad at. When I eat I wear a bib. At the end of the day it is the people living in these distressed communities that will benefit, and that is something we all want to be good at. ■



## Resource Connection

### Ohio Housing Finance Agency Announces 2005 Ohio Housing Conference "Staying Grounded in Changing Times"

December 6-8, 2005  
www.ohiohome.org

### Ohio AEYC Announces 2006 Conference

March 30-April 1, 2006  
Contact Amy Eldridge Membership and Events Director at Phone: (866) 756-1226  
Or email: events@oaecy.org

### Reznick Group Announces 2005 Conferences & Seminars

www.reznickgroup.com

### Novogradac & Company LLP Announces 2005 Conferences

www.novoco.com

### FIRSTLINK Announces 2005 Trainings

www.firstlink.org

### Funding Opportunities

### The Governor's Office of Faith – Based and Community Initiatives

www.fbciohio.gov

## Member Connection

If you have not paid your annual dues for membership, now is the time to do so. Your dues must be paid to Access Products and Services offered by the Finance Fund. For further information on applying for membership, contact Beth Kohr, at 1-800-959-2333 Ext. 28, or by email at bkohr@financefund.org

## The Ohio Quality Improvement Fund Reopens! Applications Are Now Being Accepted . . .

The Finance Fund reopened the Ohio Quality Improvement Fund on October 3, 2005 after renewing a contract with the sponsoring agent, the Ohio Department of Job and Family Services, Bureau of Child Care and Development. This program is designed to strengthen developmental outcomes of children by improving the quality of their early care and education environment. It is targeted to eligible Type A and B home providers and licensed child care centers. Funds can be used for small equipment and furnishings and playground improvements.

### Three specific grants are offered:

GRANT	MAXIMUM AWARD	QUALIFIED APPLICANT
Family Child Care Grant	\$1,000	Type B Homes
Playground Grant	\$2,000	Type A Homes and Centers
Step Up To Quality Grant Initiative	\$3,000	*Step Up To Quality Pilot Participants

\*See your local Resource and Referral contact for information on this pilot program.

Spread the word . . . the Ohio Quality Improvement Fund program presents a unique opportunity for grant funds to help improve the environment where children play and learn.

Visit our website, [www.financefund.org](http://www.financefund.org) to apply online or print the application for faxing or mailing. Any questions can be referred to our Program Officers at 1-800-959-2333 ext. 15 - Carol Carter or ext. 14 - Michael Thomas.

Since this is the continuation of the Ohio Quality Improvement Fund program that initially opened on December 14, 2004, former award recipients are ineligible for these funds. ■

## Investment Connection

The following investment opportunities are currently available to individuals, corporations, organizations or foundations. For more information contact Valerie Heiby, Director of Development at (614) 221-1114 ext. 12.

- Direct Investment to support the Finance Fund's mission, and its operation.
- Become a Benevolent Investor; as a result child care, affordable housing, and economic development projects will receive additional assistance.
- Equity Equivalent Investment to support economically disadvantaged communities; additionally receive CRA credit annually.
- Assist the Finance Fund with a Program Related Investment to support charitable activities.
- Receive tax credits by making a Qualified Equity Investment in Finance Fund's Community Loan Fund through New Markets Tax Credit opportunities.

*continued on page 5*



## FINANCE FUND BOARD OF DIRECTORS

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## Investment Connection (continued)

- Support Finance Fund through Membership.
- As an Event Sponsor each organization receives advertising benefits and/or marketing promotions.
- Volunteer your time or services.
- Contribute a monetary donation or an in-kind donation and receive a tax deduction. ■

## Available: Linked Deposit Financing

Over the past 16 years the Linked Deposit Fund has invested approximately \$22.7 million into projects benefiting distressed communities, creating 797 full-time jobs and 4,098 units of new or rehabilitated housing.

Interest rates are beginning to rise. The cost of borrowed dollars is increasing. If you are contemplating the production of affordable housing or economic development projects, contact our office at 1-800-959-2333.

### What is the benefit of linked deposit financing?

Linked deposit financing through the Finance Fund creates a lowered interest rate on debt secured from lending institutions.

### What types of projects qualify?

Financing is available for development of affordable housing, including low income housing tax credit projects, and creation of economic catalysts in low-to-moderate income communities, e.g. commercial revitalization, job creation or revolving loan fund capitalization.

### Who can apply?

Eligible organizations must meet the following minimum requirements:

- Must be a member of the Finance Fund
- Have 501(c)(3) status
- By-laws stipulate focus on affordable housing/economic development efforts for low-to-moderate income households
- One-third of board of directors represents target community

### How does it work?

A certificate(s) of deposit is purchased from the participating lending institution under an agreement stipulating that in return for below market earnings on the CD, the lender will reduce the interest rate charged to the project.

### When are applications accepted?

**APPLICATIONS ARE BEING ACCEPTED NOW.  
FUNDS ARE CURRENTLY AVAILABLE.**

### What is the total interest rate reduction?

Our goal is to reduce the rate by at least 100 basis points (one full point). ■



## STAFF

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## PROGRAMS

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**FAATIMAH SABIR**

Office Assistant

## CONSULTANTS

**AMY SMITH PALMER**

Programs

## Staff Lends A “Helping Hand” To The Good Neighbors Picnic And Homeless Community



In observance of Make a Difference Day, the Good Neighbors of Central Ohio hosted an annual picnic exclusively for the homeless community on Saturday, October 22nd. Good Neighbors is a partnership of passionate individuals and corporations, like the Finance Fund, who come together every year to plan a picnic that provides a fun atmosphere, free food, clothing, entertainment, and outreach to those in need.

Six staff members volunteered their time and reached deep into their pockets for this very worthy cause. As Chair of the event, Finance Fund Director of Operations Tamra Hall expresses a keen interest in the cause. “The Finance Fund’s mission is to improve the quality of life for all people in Ohio. This event does just that. Our staff has shown great enthusiasm in supporting this event every year and was eager to help again.”

The picnic drew nearly 700 homeless men, women and children, despite the threat of cold and rainy weather, and was the largest crowd in the event’s history. Homeless guests were treated to live entertainment, hot food including White Castle burgers and pizza from Café Napolitana. A “Free Store” offering a one-stop shop of donated clothing, shoes, toiletries, books and toys gave guests a chance to fill bags with free items in a retail-store-like environment.

“There were so many companies and people who made important contributions to the picnic’s success. I am thankful that The Finance Fund could be part of it and make a difference in our community,” said Hall.

For more information about the Good Neighbors Picnic and how you can get involved please visit [www.goodneighbors-picnic.org](http://www.goodneighbors-picnic.org) ■



## Accepting Applications

Applications Are Being Accepted For The Following Programs:

- New Markets Loan
- Linked Deposit Fund
- Economic Development Grant
- PreDevelopment Program
- PreDevelopment Section 8 Program
- Child Care Capital Fund
- Ohio Quality Improvement Fund

Potential applicants are encouraged to contact one of our Program Officers at (614) 221-1114 or via email at [info@financefund.org](mailto:info@financefund.org). ■

### Mission Statement

"The Ohio Community Development Finance Fund fosters healthy and vital communities by offering funding support to community-based organizations that work to improve the quality of life for low- and moderate-income persons. Based upon a commitment to quality, the Finance Fund engages in creative approaches that build bridges between capital markets and distressed communities."

### Vision Statement

"The Finance Fund will be a preeminent provider of financial and related services to empower distressed communities to increase the quality of life."

## Finance Fund Seeks Support For Federal Program

The Finance Fund is rallying support for a federal program that helps it and other community groups bring development to disadvantaged and emerging markets. The New Markets Tax Credit program, a revenue source for many community investment groups, will end in 2007 unless Congress extends it. The Finance Fund has applied for a third allocation from the program for next year. In September, legislation was introduced in the House and Senate to extend the program until 2012 by making \$17.5 billion available nationwide. The biggest challenge is educating Congress on the program's effectiveness in bringing new and growing businesses to disadvantaged communities. We will continue to advocate the New Markets program and encourage supporters to join the effort. Click on the link to find out [how you can help](#). ■

## Staff Connection



We would like to welcome four new Office Assistants who join us courtesy of The Ohio State University's work-study program. Jenny Tan, Amber Seitz, Lauren Chapman, and Faatimah Sabir are working with the Operations Team and helping with daily administrative tasks. Their help is much appreciated!

With the addition of these team members, we have to announce the departure of another Finance Fund employee. Kelli (Pape) Heckman recently re-located back to her hometown and resigned her position as Program Assistant. Kelli did a great job for the Finance Fund and will be missed. ■

## Office Space

The Finance Fund has only four available offices for lease as low as \$140 a month. We are conveniently located on the corner of Broad and High Streets. If you are interested please contact Valerie Heiby, [vheiby@financefund.org](mailto:vheiby@financefund.org) 614.221.1114 ext. 12 for details. ■