



## Finance Fund's Use of the New Markets Tax Credit Program

Founded in 1987, Finance Fund is a statewide nonprofit financial intermediary working to enable progress and inspire change within Ohio's low-income communities. Our clients include community-based nonprofit organizations and for-profit businesses serving the low-income community throughout Ohio. The New Markets Tax Credit program is on target with Finance Fund's mission to "...build bridges between resources and the low-income community to improve the quality of life for people."

Finance Fund has received five NMTC awards totaling \$125 million. The financing structure models use are designed to move the complexity of NMTC to the CDE level and make the transaction level as familiar looking as possible. The New Markets Loan is a 7 year term, 30 year amortized loan made with a partner commercial lender.

This strategy is proving to be extremely successful for Finance Fund with low-income people gaining access to jobs and economic opportunities in the most highly distressed Ohio communities.

■ ■ **King Lincoln Gateway**, located in the City's designated "King Lincoln Development District" and part of an Empowerment Zone, is part of the city's initiative to revitalize this distressed neighborhood and catalyze economic growth. Finance Fund has provided a \$2.5 million loan through our NMTC program, to begin development of the project. The project will create numerous jobs and has already acted as a catalyst for the spin-off of two new planned housing projects in the King Lincoln District.



### NMTC Round I

**NML Investment:** \$2,500,000

**Total Project Cost:** \$6,513,610

**Projected Impact:** 100 FTE jobs, 132 construction jobs, 54,000 commercial sq. ft.

■ ■ The **Morse Heaton Complex** is a project designed to further stabilize the area around Columbus' demolished Northland Mall. The complex, located across Morse Road from the Northland site consists of six buildings housing eleven commercial tenants. The \$923,900 NMTC investment will enable the revitalization of the buildings resulting in the leasing of space of 32,000 square feet by a charter school and 4,000 square feet by an adult daycare. Combined with the current tenant mix the complex provides stabilization in a commercial area threatened by the closure of a major shopping center.

### NMTC Round II

**NML Investment:** \$923,900

**Total Project Cost:** \$1,923,900

**Projected Impact:** 40 FTE jobs, 53 construction jobs, 36,000 commercial sq. ft.



■ ■ **Point of Pride** completes the Four Corners Project bringing retail, office space and services to this highly distressed area currently being revitalized. This multi-tenant community building brings needed office and retail space to the Linden Community, including a Subway Restaurant. Finance Fund's \$1.9 million investment leveraged the \$3.7 million project which provided more than 90 jobs (full-time & construction).

#### **NMTC Round I**

**NML Investment:** \$1,985,028

**Total Project Cost:** \$3,736,075

**Projected Impact:** 40 FTE jobs, 53 construction jobs, 21,014 commercial sq. ft.

■ ■ **St. Paul AME Wellness Center** brings needed health care services back to a blighted urban community to fill a void left by the departure of a community hospital a decade ago. The Finance Fund provided an investment in the amount of \$2.27 million. The investment allowed the borrower to ascertain additional grant funds from the City of Columbus and was also able to raise funds through congregational pledges. This project is a clear example of marrying the NMTC with funds raised through community resident initiatives and a public/private partnership.



#### **NMTC Round I**

**NML Investment:** \$2,272,070

**Total Project Cost:** \$3,277,000

**Projected Impact:** 25 FTE jobs, 33 construction jobs, 16,075 commercial sq. ft.

■ ■ The **Middlebury Centre, LLC**, is a neighborhood shopping center located in a low income area cut off by public infrastructure. The construction of a 67,000 square foot building located on the east side of Akron and sponsored by East Akron Neighborhood Development Corporation, provides access to essential services in the neighborhood and is anchored by Dave's Supermarket, a regional grocery chain.

#### **NMTC Round I**

**NML Investment:** \$4,338,700

**Total Project Cost:** \$12,309,543

**Projected Impact:** 200 FTE jobs, 264 construction jobs, 67,000 commercial sq. ft.



■ ■ **Noble Learning Center** entailed the acquisition and renovation of an abandoned National Guard Armory for use as a developmentally appropriate child care center. Previously, the center had operated in rented apartments on the second floor of a senior center in Caldwell. Finance Fund's investment enabled the center to stabilize and expand its operation. Noble Learning Center is the only licensed child care center in a four county region and draws children from the surrounding area. The investment will allow the center to serve 135 children.



**NMTC Round I**

**NML Investment:** \$600,000

**Total Project Cost:** \$842,500

**Projected Impact:** 15 FTE jobs, 20 construction jobs, 14,880 commercial sq. ft., 135 child care slots

■ ■ The **NAPA Plaza** project, developed by Mt. Pleasant NOW Development Corporation, includes the renovation of a 5,429 sq. ft. building in the Kinsman Road Revitalization District. This area has been designated a revitalization district by the City of Cleveland and has become a focus of the neighborhood development of Mt. Pleasant.

**NMTC Round II**

**NML Investment:** \$500,000

**Total Project Cost:** \$800,200

**Projected Impact:** 5 FTE jobs, 7 construction jobs, 5,429 commercial sq. ft.

■ ■ **The Shawnee - New Straitsville Downtown Revitalization** project developed by the nonprofit community development corporation, Sunday Creek Associates, involves the refinance and rehabilitation of five properties in rural Ohio. This project focuses on promoting the historic Main Street district in two of the "Little Cities of Black Diamonds" in the Hocking Valley Coal Region of Perry, Athens, and Hocking counties.

**NMTC Round II**

**NML Investment:** \$160,000

**Total Project Cost:** \$306,450

**Projected Impact:** 10 FTE jobs, 13 construction jobs, 10,000 commercial sq. ft.



■ ■ **Faith Ministries** was a loan made directly to this minority faith-based congregation to assist with a needed expansion of their facility for recreation space and a community center.

The community impact related to this investment include the expansion of child care services, availability of recreational facilities for local community youth, as well as, an array of after school programs to keep children off the street.

**NMTC Round I**

**NML Investment:** \$1,725,000

**Total Project Cost:** \$3,455,000

**Projected Impact:** 10 FTE jobs, 13 construction jobs, 6,911 commercial sq. ft., 50 child care slots

■ ■ **Zen Cha Tea Salon**, located in a Federal Designated Empowerment Zone, was a "small loan," (\$86,265) which couldn't be ascertained in the conventional marketplace due to size, risk and nature of the loan (the business is in an area that is undergoing major revitalization).

**NMTC Round I**

**ML Investment:** \$86,265

**Total Project Cost:** \$214,065

**Projected Impact:** 10 FTE jobs, 13 construction jobs, 1,615 commercial sq. ft.



■ ■ **Pomegranate Health Systems** is a 70-bed psychiatric care facility for 8- to 17- year olds at the West Edge Business Center in Columbus. It will also operate an outpatient center that can care for up to 40 children at one time. The site, adjacent to Franklin County Children's Services (FCCS) headquarters, is located in the predominantly lower-income Franklinton neighborhood.

**NMTC Round II**

**NML Investment:** \$1,625,000

**Total Project Cost:** \$6,732,000

**Projected Impact:** 150 FTE jobs, 198 construction jobs, 45,000 commercial sq. ft.





■ ■ **Bridgeport Place** is a retail center comprised of offices, a library, child care center and a discount store situated in the Garden Valley Neighborhood of Cleveland. The area is a mixture of public housing and older residential units, with a sprinkling of smaller commercial and retail establishments. The area contains the highest concentration of public housing residents in the City of Cleveland and Cuyahoga County. The unemployment rate is 26.2%, which is well above the national and state averages. The sponsor organization Burten, Bell, Carr Community Development Corporation has initiated an area-wide development plan for the neighborhood.

**NMTC Round II**

**NML Investment:** \$463,500

**Total Project Cost:** \$1,904,800

**Projected Impact:** 25 FTE jobs, 33 construction jobs, 13,200 commercial sq. ft.

■ ■ **IBIZA** is located in the Short North neighborhood in Columbus. This area has had much revitalization over the past few years and is known for trendy restaurants, renovated housing, galleries and boutiques. The Short North is situated between downtown Columbus and the University District.

This project included the demolition of existing blighted structures and the construction of a mixed use apartment/retail center with attached parking. The project will provide an expected 179 units, 20,000 sq. ft. of commercial space, with parking for 590 cars. The project is at the edge of the Empowerment Zone and is expected to generate over 125 jobs with a variety of wages from \$9.00/hour.



**NMTC Round II**

**NML Investment:** \$4,800,000

**Total Project Cost:** \$45,150,000

**Projected Impact:** 125 FTE jobs, 165 construction jobs, 20,000 commercial sq. ft.

■ ■ **DMS** is an existing tenant who wanted to purchase a warehouse/office complex and 35 acres of land in Mount Vernon. The project will enable the business to expand its plastics recycling business by increasing their ability to process materials, specifically post-industrial plastics. Thirty eight (38) FTE jobs will be created.

**NMTC Round II**

**NML Investment:** \$1,333,850

**Total Project Cost:** \$1,988,850

**Projected Impact:** 38 FTE jobs, 50 construction jobs, 294,950 commercial sq. ft.



■ ■ **St. Joseph's Montessori School** – The physical improvements and expansion of a Montessori school in the Italian Village of Columbus, Ohio will expand their capacity from 300 to 318 and allow them to add classrooms and refurbish the library.

**NMTC Round III**

**NML Investment:** \$2,000,000

**Total Project Cost:** \$2,075,450

**Projected Impact:** 32 FTE jobs, 18 construction jobs, 9,500 sq. ft.

■ ■ **Gay Street Condominiums** – This \$90 million downtown Columbus project will encompass 4 full blocks of what were previously unsightly surface parking lots. Finance Fund is investing \$5 million in the first phase, and leaving the money in the project. Fifty percent (50%) of the condos will be affordable to individuals below 65% median income level.



**NMTC Round III**

**NML Investment:** \$5,000,000

**Total Project Cost:** \$89,536,107

**Projected Impact:** 12 FTE jobs, 80 construction jobs, 192,000 sq. ft.

■ ■ **Christ Cathedral** – This project will include the rehabilitation of a one-story medical office building and a two-story church facility, which are both contiguous sites in Columbus, Ohio. Additionally, the funds will help with the acquisition of the property.

**NMTC Round III**

**NML Investment:** \$438,780

**Total Project Cost:** \$718,520

**Projected Impact:** 7 FTE jobs, 9 construction jobs, 23,474 commercial sq. ft.

■ ■ **COIP, Inc.** – Located in rural Mt. Vernon, Ohio, the loan for the Central Ohio Industrial Park (COIP) facility is for improvements to enhance: the visual appearance, the adequacy of vacant spaces for leasing to new tenants and security of the grounds and physical facilities. This 500,000 sq ft warehouse that used to house Pittsburgh Plate Glass has 75% of the building leased. Finance Fund is putting in \$2 million to help renovate the unleased portion of the building in hopes of attracting more tenants.

**NMTC Round III**

**NML Investment:** \$2,045,000

**Total Project Cost:** \$3,000,000

**Projected Impact:** 150 FTE jobs, 40 construction jobs, 500,000 commercial sq. ft.



■ ■ **Miami Valley Child Development Center** – This child care facility in Dayton is looking to purchase and rehab their facility. The funds will be used for new boiler, renovations of the restroom facilities as well as the actual purchase of the building.

**NMTC Round III**

**NML Investment:** \$1,104,660

**Total Project Cost:** \$1,173,560

**Projected Impact:** 11 FTE jobs, 20 construction jobs, 25,000 commercial sq. ft.



■ ■ **Smith & High** - This rehabilitation and construction project will create almost 30,000 square feet of mixed-use space in a blighted area of North High Street. The two buildings will accommodate 2 and 3 bedroom apartments on the 2<sup>nd</sup> and 3<sup>rd</sup> floors. The first floor retail has already filled 2 out of the 3 available spaces.

**NMTC Round II**

**NML Investment:** \$1,678,950

**Total Project Cost:** \$3,675,049

**Projected Impact:** 25 FTE jobs, 33 construction jobs, 29,894 sq. ft.

■ ■ **Whitney Young** - This 28-unit condominium project is located on a former public housing site in the near east side of Columbus, Ohio. The mixed-income development has units affordable for households under 80% or area median income levels.

**NMTC Round III**

**NML Investment:** \$3,000,000

**Total Project Cost:** \$6,724,000

**Projected Impact:** 45 FTE jobs, 60 construction jobs, 42,053 sq. ft.

■ ■ **Carborundum Grinding Wheel Company** - Located in rural Logan, Ohio, the Carborundum Company manufactures engineered abrasives and markets those performance products to the railway industry and other industrial interests around the world. Financing was provided to restructure debt and hire additional personnel.

**NMTC Round III**

**NML Investment:** \$1,133,000

**Total Project Cost:** \$2,233,000

**Projected Impact:** 53 FTE jobs, 668,646 sq. ft.



■ ■ **Spotlight Properties, Ltd.** - This Columbus L-shaped commercial building had served as the location of several small businesses and a charter school. Financing was provided for the build-out of vacant spaces to house a second charter school and for exterior cosmetic improvements.

**NMTC Round III**

**NML Investment:** \$1,004,250

**Total Project Cost:** \$1,004,250

**Projected Impact:** 15 FTE jobs, 20 construction jobs, 39,096 sq. ft.

■ ■ **St. Lawrence O'Toole Gardens, LLC** - This Ironton, Ohio project entailed the financing of the purchase/renovation of an abandoned school building and construction of an additional wing. The building will be used as an assisted living facility for 35 senior citizens of Lawrence County.

**NMTC Round III**

**NML Investment:** \$2,566,000

**Total Project Cost:** \$3,219,936

**Projected Impact:** 57 FTE jobs, 21,700 sq. ft.

■ ■ **Ohio Basic Minerals, LLC** - This Appalachian-based company produces sand and gravel products serving the building, highway, water filtration and concrete markets throughout the United States. Financing was provided for the purchase of a former family-held business and the expansion of production facilities via purchase of state of the art equipment.

**NMTC Round III**

**NML Investment:** \$2,450,000

**Total Project Cost:** \$8,950,000

**Projected Impact:** 7 FTE jobs

