

THE DAILY REPORTER

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Columbus-based entity receives \$25 million In funding through New Market Tax Credits

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Two Ohio organization will receive \$150 million in funding through New market Tax Credits. Republican Congresswoman Deborah Pryce of Upper Arlington and U.S. Treasury Under Secretary for Domestic Finance Randal K. Quarles announced Thursday.

The funding is part of \$4.1 billion in tax credits unveiled yesterday by U.S. Treasury Secretary John W. Snow. Sixty-three organizations nationwide will benefit from the credits; 13 of the tax credits are providing \$600 million for the Hurricane Katrina Gulf Opportunity Zone.

The NMTC program attracts private-sector capital investment into the nation's urban and rural low-income areas to help finance community development projects, stimulate economic growth and create jobs.

In four rounds since it began in 2000, the NMTC program has made 233 awards totaling \$12.1 billion.

"It's been a very important project, and we think a very successful project," Quarles said.

In Ohio, the Ohio • Community Development Finance Fund, located in Columbus, received \$25 million, and Cleveland-based National City New Market Fund Inc. received \$125 million.

The announcement by Pryce and Quarles was made at the St. Paul AME Wellness Center on Columbus' Near East side.

"This is a great day," Pryce said. "This is a lot of money coming into our sate. I'm pleased the Treasury feels confident to invest in Ohio to kick-off our programs."

The Finance Fund is a nearly 20-year old no-profit financial intermediary serving clients that work to improve the quality of life for low- and moderate-income people in Ohio. The Finance Fund has received two previous NMTC awards totaling \$30 million.

The Finance Fund provides financial support to programs and projects that create opportunities for decent jobs, affordable housing, flexible child care, improved health care and access to shopping and other services that lead to a better way of life.

"We're happy to receive this award, and we're encouraged that the Treasury has faith in our ability to move this money," said Finance Fund chief executive officer James Klein. "We're excited about what his money will do to distressed areas of Ohio."

One way the Finance Fund will move the money is by providing its New Markets Loan to help fund the Gateway Health and Wellness Center part of the St. Paul AME Wellness Center, a unique community project undertaken by the non-profit Community Property Development Corp.

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“It’s really a milestone here in Columbus and Central Ohio. It means a lot to the community,” said Wellness Center director Hymen Albritton.

The center, he said, would connect residents with affordable health care and educate them about healthy living through fitness programs and preventive care and screenings, as well as provide counseling and support services, and promote self-sufficiency and self empowerment.

The Wellness Center is expected to help fill the void left by the departure of the community hospital 10 years ago.

Albritton cited a recent report by the Columbus Health Department that found many residents of Columbus’ Near East Side are underinsured and have limited resources to find adequate health care. It also found there are too few health-care providers in the neighborhood, and those who exist are not easily accessible.

“We realized we need to build a structure that would have a long-lasting impact on peoples’ lives,” Albritton said, adding that while the Wellness Center will not solve all the area’s health-care problems, “it’s a first step.”

Albritton said the Wellness Center already has partnered with Grant Hospitals, Maryhaven and the American Cancer Society to fill some of the facility, but it still is looking for more tenants, including dentists, medical lab facilities and other health professionals.

“It’s not about filling the building,” Albritton said. “It’s about filling the building with tenants that will make a difference in the community.

Finance Fund committed \$1.4 million to the center, allowing it to secure additional funding in a 50/50 partnership with Fifth-Third Bank.

Albritton said the Wellness Center is expected to be operational by the end of August.

The Finance Fund is also contributing \$600,000 to the Noble Learning Center, the sole child-care facility in rural Noble County.

LaShona DeVolid, a representative from the center said the center has moved four times in its 24-year existence and it has had difficulty obtaining loans.

“We were really at the end of the road,” she said.

The Finance Fund guided her through the loan process, DeVolid said, and with its help she was able to secure a loan from a bank so she could acquire and renovate an abandoned National Guard Armory.

The acquisition allows the Learning Center to retain and expand its staff, as well as care for more children. DeVolid said.

“Finally, we won’t have to fit in someone else’s space,” she said.

National City Community Development Corp., which received \$125 million, provides financing through equity, loans, venture capital and other financial services under its National City New Markets Fund Inc.

It focuses its services on qualified businesses, non-profits and real estate development projects located in low-income communities throughout the United States.

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NCNMF will utilize the award to enhance the products and services offered by its controlling entity. With the NMTC program, Quarries said the U.S. Treasury usually wants to get the “most bang for the buck.”

The tax credits are very competitive, he added, as an average of only one in five applicants is awarded funding following a rigorous review process.

“And these are important examples of what this money can do in Ohio,” he said.

“If you look out the door, you can see what a difference some of these dollars have made,” Pryce said, referring to the Wellness Center. “They made a difference on not just the landscape, but on the lives of Ohioans.”

Pryce reaffirmed Quarries’ statement that the tax credits are very competitive and added a lot of hard work is required in securing them.

“These awards are not handed out casually,” she said. “So to today’s recipients, congratulations.”

Klein said by the Finance Fund’s estimations, between 250 to 275 hours went into developing its proposal.

“It takes a lot of hard work, but we had a lot of great people working on it,” he said.