

Outstanding Community Development Efforts Honored

By Alex Ruiz, Managing Editor, Novogradac & Company LLP

The Novogradac Community Development Foundation (NCDF) honored special achievement in the field of community development in October. Winners of the Community Development Awards were recognized at an awards luncheon in on October 2 during Novogradac & Company LLP's Multi-Credit Conference in St. Louis, Mo., and again on October 23 at the New Markets Tax Credit Investors Conference in Boston, Mass.

QLICI Awards

CDEs were honored on October 23 for qualified low-income community investments (QLICIs) in a number of categories: small business, operating business, real estate, metro, and non-metro QLICI of the year. The awards were designed to illuminate and recognize individuals' excellence as well as community development entities (CDEs) that have made exceptional QLICIs.

Small Business QLICI

Winner: American Community Renewable Energy Fund won for its investment in Enta Campus LLC and Enta USA LLC, two related startups in Baton Rouge, La. that will provide event ticketing services and associated IT procurement solutions to colleges, universities, and performing art and theatrical venues. The Enta companies were the first major startup technology companies to be located in the Gulf Opportunity (GO) Zone following Hurricane Katrina. The new markets tax credit (NMTC) investments provided Enta USA with \$6.7 million and Enta Campus with \$5.3 million, both in the form of convertible debt and equity-equivalent subordinated debt with flexible and non-conventional features.

Honorable mention: Portland New Markets Fund One LLC and the U.S. Bancorp CDE were recognized for their investment in the Community Transitional School in Portland, Oregon. Located in northeast Portland, Ore., the Community Transitional School focuses on instilling per-

manence in the uncertain lives of the students they serve.

Operating Business QLICI

Winner: HEDC New Markets Inc. was honored for its investment in Omaha Standard, one of the nation's premier manufacturers of truck bodies and other accessories for commercial trucks. The company has been operating in Council Bluffs, Iowa, for 80 years and as it grew over time, sites for expansion became difficult to find. Omaha Standard and the Pottawattamie County Community Development Corporation worked with the National Development Council to obtain capital investment for the plant and equipment. The NMTCs provided the largest piece of a \$20 million package that enabled Omaha Standard to remain in Council Bluffs, to move into a new 205,000-square-foot facility and to purchase new equipment. First National Bank of Omaha invested in the project in return for credits.

Honorable mention: Habitat for Humanity International Inc. HFHI SA – NMTC I LLC and Smith & Associates were recognized in this category for their investment in Habitat for Humanity. Using \$25 million of an NMTC allocation, Habitat for Humanity provided QLICI loans to five local affiliates to build nearly 300 new homes in partnership with families living in the GO Zone region affected by Hurricane Katrina.

Non-Metro QLICI

Winner: Dakotas America LLC won this award for its investment in Standing Rock Telecommunications Inc. (SRT) In the heart of 2.3 million acres of Native American reservation land spanning two counties in North and South Dakota, SRT, a 100 percent tribally owned telecommunications company, will use \$10 million in loans to build 13 wireless towers to provide phone and internet access to customers on the reservation and in its outlying areas. Eleven new full-time positions will be created and the

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cellular services themselves will provide for better communications, health-care, safety measures and economic well-being for the Standing Rock residents.

Honorable mention: HEDC New Markets Inc. was recognized for its investment in The Commons, a rural project in Durango, Colo. The Commons is a community facility that provides below market rents to 12 area not-for-profit businesses and has created a place for a continuum of learning in an isolated community.

Metro Business QLICI

Winner: National Community Development Fund I LLC was awarded this honor for its investment in Mercy Corps World Headquarters. Mercy Corps, an international aid and relief organization with more than 300 employees in its headquarters in Portland, Ore., has more than 3,400 employees worldwide. The NMTCs will be used to consolidate Mercy Corps' operations, currently spread through six separate sites, to a single headquarters building in the heart of Portland's Old Town/Chinatown neighborhood, which is at the center of Portland's most distressed community. The total allocation of \$24.5 mil-

lion in NMTCs leverages a total project cost of \$39.1 million. Direct and indirect induced economic impact is predicted to be \$305.5 million and to create 480 construction jobs and 320 permanent jobs.

Honorable mention: American Community Renewable Energy Fund won an honorable mention in this category for its investment in the Louisiana Gasification Facility in New Orleans, Louisiana. The facility will gasify municipal solid waste from the city using NASA-derived technology. This procedure will help solve a critical problem of siting additional landfills needed by New Orleans.

Real Estate QLICI

Winner: Community Development Funding LLC won this award for its investment in Fare Start Adult Culinary Academy. Fare Start is a social enterprise dedicated to transforming the lives of homeless men and women through job training and placement in the food service industry. Fare Start, which has outgrown its current facility in Seattle's Belltown District, will relocate to a severely distressed NMTC-qualified community census tract that has a poverty rate of 40.3 percent. Fare Start has pur-

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chased a 33,000-square-foot building to expand its training, social service and business capacity and an NMTC investment made it possible to renovate and upgrade the facility to make it fully operational.

Honorable mention: There was a tie in this category between National Trust Community Investment Corporation (NTCIC) and U.S. Bancorp (USB) CDE for their investment in Grand & Olive LLC and LA Charter School New Markets for its investment in the Watts Learning Center. Grand & Olive is the redevelopment of a historic Woolworth building in St. Louis. The Watts Learning Center is a high academically-achieving elementary school in South Central Los Angeles.

Individual Awards

Individual awards were given on October 2 to recognize those who have substantially assisted in the advancement of community development, policy agenda and legislative priorities, as well as those who have had a particularly strong impact on the field of community development.

The 2008 Public Executive of the Year award was given to Virginia DuPuy, the mayor of Waco, Texas. Mayor DuPuy led the charge for supporting and encouraging the surge of current downtown development projects starting in 2007, with construction scheduled to continue through 2009.

Total redevelopment figures total more than \$75 million.

The NCDF 2008 State Legislator of the Year award had two outstanding recipients: Cedric Richmond of Louisiana and Scott Rupp of Missouri. Richmond, who represents District 101 in Louisiana, was the chief advocate and sponsor of the nation's first state level NMTC bill in 2002. Most recently he spearheaded improvements to the NMTC bill, attracting more than \$300 million in low-income community investments to Louisiana. Rupp, who represents Missouri's District 2, sponsored the state's NMTC development program. To date, Missouri's new markets program has provided more than \$44 million in private-sector investment in economically distressed communities.

And finally, NCDF recognized Sen. Olympia Snowe of Maine as 2008's Federal Legislator of the Year. Snowe has introduced several pieces of legislation that are important to the NMTC program, including the NMTC Reauthorization Act of 2005 and the New Markets Tax Credit Extension Act of 2007.

Detailed descriptions of the winners and honorable mentions for each award, as well as photographs from the award ceremony, have been posted online at www.newmarketscredits.com. ♦

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