

Enterprise, U.S. Bank and McCormack Baron Salazar Invest \$17.5 Million in the Redevelopment of the Former 14th Street Pedestrian Mall

New Commercial Space and Homes Created in Old North St. Louis Community

St. Louis – (March 13, 2008) – Enterprise Community Investment, Inc. (Enterprise), U.S. Bank, McCormack Baron Salazar and St. Louis, Mo.-based Regional Housing and Community Development Alliance (RHCD) today announced a \$17.5 million federal [New Markets Tax Credit \(NMTC\)](#) investment in [Crown Square](#), the redevelopment of the former 14th Street pedestrian mall and surrounding blocks. This critical financing will help to create 33,500 square feet of mixed-use commercial office, retail and restaurant space and 38 market-rate residential apartments in the Old North St. Louis neighborhood. The \$20.1 million project involves the historic rehabilitation of 11 buildings of the former 14th Street pedestrian mall, which has already begun construction, with completion anticipated in April 2009.

“This is a great example of how New Markets Tax Credits can be used to rehabilitate and bring abandoned buildings back to life to create vibrant commercial and residential centers, helping spur additional development and stimulating the local economy,” said [Charles R. Werhane](#), vice chairman and chief operating officer, Enterprise Community Investment, Inc. “The commercial component of this project will create 80 to 110 new permanent jobs and 125 to 150 construction jobs, the first significant new employment opportunities in Old North St. Louis in many years.”

Crown Square is located in a high priority area designated for preservation by the city of St. Louis’ Strategic Land Use Plan. Additionally, it complements St. Louis’ Comprehensive Plan as well as the objectives of the “Plan for the Neighborhoods of the Fifth Ward” adopted by the City Planning Commission.

The financing for Crown Square includes federal, state and local subsidies, including a \$730,000 Community Development Block Grant from the city of St. Louis, and will leverage \$17.5 million in total NMTC allocation provided by Enterprise (\$12.5 million) and McCormack Baron Salazar (\$5.0 million). More than \$11.4 million in financing comes from a combination of federal historic tax credit equity, state historic tax credit equity and NMTC equity from U.S. Bank. In addition, [Enterprise’s Community Loan Fund](#) made a \$1 million loan to an RHCD affiliate for the Crown Square development.

“Crown Square represents the high point in our ongoing collaboration with the neighborhood CDC, Old North St. Louis Restoration Group,” said Stephen Acree, president and executive director of RHCD. “It re-creates the ‘town center’ of the Old North St. Louis community, re-opening 14th Street and reconnecting the local commercial district with the surrounding neighborhood. This comprehensive revitalization also includes the installation of new street and pedestrian lighting, public green spaces and landscaping, and a transit plaza that will facilitate ease of use and transfer of vehicular, pedestrian, bicycle and public bus transportation, enhancing the ‘walkability’ of the neighborhood. It also solidifies an important goal of neighborhood residents to maintain the economic diversity of the community in a sustainable way.”

The Crown Square development features another component being developed by RHCD, which includes 42 affordable apartments in 16 buildings financed through tax-exempt bonds, historic tax credits and other subsidies. RHCD is also developing North Market Place, a neighboring mixed-income, for-sale housing community of 41 single-family homes south of Crown Square. Crown Candy Kitchen, a popular St. Louis confectionary landmark restaurant, has anchored the neighborhood for generations and is located north of Crown Square.

Crown Square is slated to include a visual and performing arts center, which would be the first facility of its kind in the community. The center is expected to house a variety of arts and educational programs for local residents and will be run by a collaboration of arts and education groups in St. Louis.

“The strategic use of New Markets Tax Credits helps to provide much needed services, housing and jobs in America’s most blighted communities,” said [Joe Wesolowski](#), senior vice president of Structured Finance at Enterprise Community Investment, Inc. “This project is a prime example of how public-private partnerships can help communities build their dreams.”

For over 25 years, Enterprise has been a national leader in affordable housing and community development, investing its \$515 million in NMTC allocations from the U.S. Treasury Department’s Community Development Financial Institutions Fund (CDFI) in projects nationwide. The NMTC program was created to attract private capital investment into the nation’s low-income communities to help finance development projects, stimulate economic growth and create jobs.

[Enterprise’s St. Louis office](#) is located at 611 Olive Street and is staffed to provide financial and technical resources for affordable housing and community development. Enterprise made NMTC investments in [The Old Post Office](#) and [Fashion Square](#) developments in St. Louis, which have helped to create mixed-use properties that bring commercial, retail and market-rate housing to the city. Enterprise has also provided critical operating support to many St. Louis non-profit housing and community development organizations. In Missouri, Enterprise has financed more than \$117 million in equity, loans and grants to rehabilitate or develop 1,800 units of affordable and market-rate housing and 360,000 square feet of commercial and retail space.

Enterprise Community Investment, Inc. is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. Enterprise leverages low-income housing, new markets and historic rehabilitation tax credits, short and long-term debt, and development services to capitalize projects that make a catalytic difference in communities. Enterprise has privately raised nearly \$9 billion to finance more than 240,000 affordable rental and for-sale homes, create vital communities and help transform the lives of low-income Americans, particularly those at the lowest end of the economic scale. Currently, Enterprise is investing in communities at a rate of nearly \$1 billion a year. Visit www.enterprisecommunity.com to learn more about Enterprise’s efforts to build communities and opportunity.

About U.S. Bancorp’s Community Development Corporation (USBCDC)

USBCDC is one of the largest new market tax credit investors in the country with assets of nearly \$4.2 billion. It also finances affordable housing and community development projects through the use of low-income housing and historic tax credits. USBCDC is a subsidiary of U.S. Bancorp (NYSE:USB). With \$238 billion in assets, U.S. Bancorp is the parent company of U.S. Bank, the 6th largest commercial bank in the United States. The company operates 2,518 banking offices and 4,867 ATMs, and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at www.usbank.com.

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