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Mayor Emanuel, U.S. Senator Durbin, and U.S Representatives Rush, Davis and Quigley Announce Chicago Development Fund Awarded \$75 Million in New Markets Tax Credits

Latest Round of Federal Tax Credits Will Drive New Investment and Create Economic Opportunities in Chicago's Neighborhoods

Mayor Rahm Emanuel, U.S. Senator Dick Durbin, and U.S. Representatives Bobby Rush, Danny Davis, Robin Kelly and Mike Quigley today announced that the Chicago Development Fund will receive a \$75 million in New Market Tax Credits (NMTC) allocation from the U.S. Treasury Department's Community Development Financial Institutions Fund. The award is one of the largest allocations received by an entity focused on serving a single city from a \$7 billion round of NMTC allocations.

"New Markets Tax Credits are an effective tool to drive investment and create economic opportunities in neighborhoods that need them most," Mayor Emanuel said. "By using these credits and every other tool in our economic toolkit, we are creating growth that is reaching every part of the city of Chicago."

Chicago Development Fund (CDF) is one of 120 community development entities to receive an allocation from a pool of 238 applicants that requested more than \$17.6 billion in allocation authority. CDF was selected through a competitive application and rigorous review process and is one of the most successful municipal-affiliate community development entities in the history of the program.

CDF will use the tax credits to fund high-impact community and economic development projects in low-income communities. The credits announced today will help to spur private investment in manufacturing, mixed-use developments, and community facilities, resulting in job creation, and enhanced community services.

"This investment in some of Chicago's hardest hit communities will boost small businesses, diversify and expand the city's workforce, and help grow our economy, especially in underserved communities," Senator Durbin said. "Chicago Development Fund is doing amazing work to assist businesses in Chicago, in turn creating jobs, building healthy neighborhoods, and helping provide economic stability for families across this great city."

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CDF has received five prior allocations of credits totaling \$281 million that helped raise \$85 million in equity to support 27 developments with an overall investment of \$589 million. The projects, which include a range of retail centers and health and educational facilities, will help to create and retain 3,600 permanent full-time equivalent jobs and serve approximately 135,000 clients with vital community services when fully completed.

Examples of recent projects completed or under development include Englewood Square, a 5.5-acre retail project anchored by a Whole Foods Market that brings access to healthy food and economic opportunities to the South Side; a new administrative headquarters in North Lawndale for UCAN, a non-profit serving at risk-youths with clinical and counseling services, case management, and a variety of development programs. The credit has also been used for the rehabilitation of a 25,000-square-foot building in the Illinois Medical District by the Chicago Center for Arts and Technology (ChiCAT) to provide job training for adults and high school-aged youth based on a nationally renowned arts education model. The NMTC helped Great Central Brewing Co. become Chicago's first contract brewing business on an underutilized brownfield site in the Kinzie Industrial Corridor.

"I want to congratulate the City of Chicago on being awarded \$75 million in federal New Markets Tax Credit (NMTC) funding as a part of \$7 billion in NMTC awards released today by the U.S. Department of Treasury," Congressman Rush said. "I have been a consistent supporter of the NMTC program since it was established by Congress in 2000 as a vehicle to spur new and increased economic development investments in blighted communities across this nation. I look forward to working with the City of Chicago to utilize this grant to assist business and job growth across the city."

"Thanks to President Barack Obama and the U.S. Treasury Department Chicago stands to benefit greatly from the \$7 Billion in New Markets Tax Credit Awards to revitalize low-income and distressed communities," Congressman Davis said. "Chicago Development Fund has financed transformative projects throughout the city, including the Near North Health Services Corp. primary care facility in West Humboldt Park and Breakthrough Urban Ministries' FamilyPlex in East Garfield Park."

"Investing in our community and creating opportunity must be our top priorities. I'm so proud to have supported this \$75 million tax credit authority for the Chicago Development Fund," Congresswoman Kelly said. "This vital resource will help our communities attract private investments that will grow the economy, create jobs and empower hardworking families. I could not be prouder to have played a key role in securing these federal resources for Chicago."

"New Markets Tax Credits are critical in our efforts to revitalize low-income neighborhoods faced with high rates of poverty and unemployment," Congressman Quigley said. "The \$75 million awarded today will spur continued economic development in Chicago, where NMTCs have already helped create thousands of jobs, sustain growing businesses and improve local schools and hospitals."

The Chicago City Council established CDF in July 2005 as an Illinois non-profit corporation that allocates NMTCs to eligible projects across the City. The tax credits are converted into investment capital for development projects in qualified low-income areas.

"The application process is extremely competitive and we're delighted to be selected as part of another funding round," David L. Reifman, chair of the Chicago Development Fund and commissioner of the

Department of Planning and Development said. "The credits will be used to leverage private sector capital for new industrial, commercial and community- oriented projects that advance our neighborhood improvement goals."

The NMTC program, established by Congress in December 2000, allows for individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in community development entities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year period.

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