



Novogradac

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## Leaders in Community Development Awarded in New Orleans

**W**inners of the Novogradac Journal of Tax Credits Community Development QLICIs of the Year Awards were honored Oct. 20 in a ceremony for attendees of the Novogradac New Markets Tax Credit Conference in New Orleans.

A panel of industry experts judged the various nominations from successful community development entities (CDEs) with qualified low-income community investments (QLICIs). This

year's judges were John Adamucci with Community Funding Group; Eric Rosen with SunTrust Community Capital; Doug Fields with Capital One; Dale Royal with Invest Atlanta; Amanda Frazier Wong with Self-Help; and Janice Hetland with Lathrop & Gage.

From a diverse pool of nominees, the judges chose four winners—all exceptional CDEs that exhibited a well-executed vision, measurable community impact

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*Image: Courtesy of Sunrise Banks NA*

**In Metro QLICIs category Sunrise Banks NA invested in 800 West Broadway in Minneapolis, a formerly vacant, tax-forfeited site that will create jobs and services for low-income residents.**





Image: Courtesy of AMCREF Community Capital

**In Non-Metro QLICIs category Express Grain Terminal in Mississippi expanded its existing grain facility to process soybeans with the purchase and conversion of a cottonseed oil plant, thanks to an investment by AMCREF Community Capital LLC.**

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and a commitment to positive change by bringing more people and places into the economic mainstream.

“Winners of the 2016 Community Development QLICIs of the Year Awards have helped transform severely underserved areas by using one of the most proven economic development tools available: the new markets tax credit,” said Brad Elphick, conference chairman and partner at Novogradac & Company’s metro Atlanta office. “Each of these investments represents new jobs, new services and new opportunities in some of the communities that need them the most.”

Profiles of the Novogradac Journal of Tax Credits Community Development QLICIs of the Year Award winners and honorable mention honorees are in the following pages. Additional details about the winners and information about how to nominate tax credit-financed developments for the next round of Novogradac awards can be found online at [www.novoco.com/awards](http://www.novoco.com/awards).

### Metro QLICIs Winner

Sunrise Banks NA received the 2016 Metro QLICI of the Year Award for its investment in 800 West Broadway in Minneapolis. Developer Sherman Associates purchased and renovated the property using a \$6.5 million NMTC allocation from University Financial Corp, a holding company of Sunrise Banks NA.

In order to redevelop a vacant, tax-forfeited site into a development that will create jobs and services for low-income residents in Minneapolis, the development will house a Minnesota DEED WorkForce Center, Minneapolis Public Schools, NorthPoint Health and Wellness and one or two retail spaces. The 800 West Broadway project will rehabilitate a 47,100-square-foot property that has been vacant since 2006 in an area with a 52.2 percent poverty rate and 28 percent unemployment. It will attract both public and private investment necessary to reinvigorate the area, closely aligning with the CDFI Fund’s program goals.

With financing from Sunrise Banks NA, Sherman Associates was able to access below-market interest rates and no origination fees. The 800 West Broadway project is located in a Minneapolis Tax Increment Financing (TIF) district and construction began in November 2015. The project is expected to be complete in fall 2016.

### Non-Metro QLICIs Winner

AMCREF Community Capital LLC won the 2016 Non-Metro QLICI of the Year Award for its investment in Express Grain Terminals LLC (EGT) in Sidon, Miss., and Greenwood, Miss. AMCREF’s investment, along with that of Hampton Roads Ventures LLC, helped EGT expand its existing grain facility to process soybeans

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*Image: Courtesy of Central Valley NMTC Fund*  
**The North Fork Bioenergy Plant in North Fork, Calif., was able to build and operate the nation's first forestry-fueled biomass gasification plant following an investment by Central Valley NMTC Fund**

with the purchase and conversion of a recently shuttered cottonseed oil plant, the Delta Oil Mill (DOM).

Both Greenwood, Miss., and Sidon, Miss., are located in the Mississippi Delta, a region historically associated with poverty and racial inequality. The land of the delta supports agriculture, historically concentrated in cotton, which declined in recent years. EGT will hire from the local community and will “also improve agricultural supply chain efficiency, which will reduce fuel consumption and air emissions by sourcing soybeans locally,” said Douglas Fields, a 2016 Community Development QLICIs of the Year Awards judge.

AMCREF provided \$9.2 million of federal NMTC financing and \$9.2 million of state NMTC financing with low interest rates. EGT could not secure additional bank debt, due to the commodity nature of their business, so AMCREF provided the funding for EGT to purchase new equipment and reopen the cottonseed mill. In addition to hiring previously laid-off employees, EGT is bringing high-quality jobs to a rural low-income community, making it one of the largest employers in the area. The price increase per bushel of soybeans will result in a \$1 million increase in revenue for local farmers and the additional tax revenue will provide \$3.2 million for the community.



*Image: Courtesy of Studebaker Building 84 LLC*  
**National Trust Community Investment Corporation and Urban Research Park LLC invested in the Studebaker Innovation Center in South Bend, Ind., which is estimated to bring in more than 440 jobs with higher-than-average wages, including health care benefits and accessibility to underserved populations.**

### Operating Business Winner

Central Valley NMTC Fund earned the 2016 Operating Business QLICI of the Year Award for its investment in the North Fork Bioenergy Plant in North Fork, Calif. The deal was funded with \$6 million of Central Valley's NMTC allocation to build and operate the nation's first forestry-fueled biomass gasification plant. The plant uses Sierra Nevada forest waste as its feedstock to produce electricity, thereby reducing fire hazard in the Sierra.

Though North Fork, Calif., is a small, low-income community, the town has taken an active role in the redevelopment of a vacant mill site that closed in 1994. As noted by Janice Hetland, 2016 Community Development QLICIs of the Year Awards judge, the North Fork Bioenergy Plant, “addresses a variety of issues by using forest waste as feed stock for a biomass facility, which will produce electricity to be used by businesses in the area which manufacture forest-produced goods,” creating jobs while maintaining local forests.

Central Valley NMTC Fund addressed Gov. Jerry Brown's emergency proclamation that specifically called for the development of forest waste-to-fuel plants.



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### Real Estate Winner

The 2016 Real Estate QLICI of the Year Award went to National Trust Community Investment Corporation (NTCIC) and Urban Research Park CDE LLC for their investment in the Studebaker Innovation Center in South Bend, Ind. The development was a much-needed catalyst for employment and economic revitalization to the South Michigan Street Historic District that had been struggling since the Studebaker factory closed in 1963.

With \$10.6 million in NMTC allocation from Urban Research Park CDE LLC and \$8 million from NTCIC,

the development will bring community and economic benefits to South Bend. It is estimated to bring more than 440 new jobs with higher-than-average wages, including health care benefits and accessibility to underserved populations. The development “allows an older building to bring modern services to its surrounding community, which shows its support through the many organizations partnering with development,” such as local nonprofits, entrepreneurs and creative professionals, said John Adamucci, 2016 Community Development QLICIs of the Year Awards judge. ♦

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