



## **National New Markets Fund Closes \$9 Million Investment With U.S. Bank for Redevelopment in San Francisco's Mission District**

Federal Tax Credit Financing Will Support \$9.5 Million Plaza Adelante Project in Underserved and Economically Distressed Community

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SAN FRANCISCO, CA and LOS ANGELES, CA, Dec 16, 2008 (MARKET WIRE via COMTEX) -- National New Markets Fund, LLC -- a New Markets Tax Credit (NMTC) fund created by Los Angeles-based Strategic Development Solutions (SDS) and Boston-based Economic Innovation International -- has closed \$9 million in NMTC financing to redevelop an underutilized warehouse in San Francisco's Mission District into a resource center with tenants that will provide much needed services to the community. Project financing includes an investment from U.S. Bancorp Community Development Corporation, as well as loans from U.S. Bank and the Northern California Community Loan Fund (NCCLF) and a grant from the City of San Francisco.

Renamed "Plaza Adelante," the site at 19th and Mission Streets will be home to the MEDA (Mission Economic Development Agency) Resource Center and up to 10 other nonprofit organizations that will provide critical asset, financial and workforce development, as well as legal and other support services. MEDA is a community-based economic development corporation that has served the Mission District for more than 35 years.

Based on the latest census, the Mission District has a poverty rate of 20.2% and an unemployment rate 1.4 times the national average. In addition, its residents earn just 53% of the Area Median Income.

Plaza Adelante will help ensure that such residents in the Mission District and throughout San Francisco have access to critical services, as well as office and classroom space, community meeting space and private consultation rooms for use by local residents and businesses.

"With this redevelopment, organizations that help low-income families will be able to provide a 'one-stop' shop for a range of community services," said Deborah La Franchi, co-founder of the \$125 million National New Markets Fund. "Plaza Adelante demonstrates how New

Markets Tax Credit funding can help much needed yet challenging redevelopment projects overcome financial hurdles, particularly in today's tight credit market."

NNMF Co-Founder Belden Hull Daniels added, "New Markets Tax Credit financing achieves important social, environmental and economic benefits that enable organizations such as MEDA to fulfill their mission of helping low-income families access critical services."

Plaza Adelante involves the redevelopment of 21,000 square feet of retail space spanning three floors - a ground level of 8,200 square feet, a 3,800 mezzanine level, and an upper level of 8,400 square feet -- into a community facility. Incoming tenants include MEDA, Good Samaritan Family Resource Center, Single Stop, Mission Asset Fund, One California Foundation and Caminos Pathways Learning Center.

MEDA Executive Director Luis Granados underscored the need for creative financing to make this project a reality. "We are very proud to bring such critical community services under one roof to serve the community. The New Markets Tax Credit program and the City of San Francisco played key roles in making this project a reality."

The Plaza Adelante development is made possible by a combination of funding sources including a \$9 million allocation of New Markets Tax Credits, leveraged with MEDA's owner equity, a \$3 million loan from U.S. Bank, a \$2.8 million loan from NCCLF, grants from Comerica Bank, Wachovia Bank and the Walter and Elise Hass Foundation, as well as a \$723,000 grant from the City of San Francisco.

"This development furthers the shared goal of U.S. Bancorp's Community Development Corporation and our Commercial Banking group to provide financing for projects that serve as catalysts for economic development in communities across the country," said Joseph Otting, vice chairman of Commercial Banking for U.S. Bancorp. "It enables us to continue our long-standing commitment of serving San Francisco residents."

NCCLF President Mary A Rogier added, "Working with the leadership and volunteers at MEDA embodies the 'community hub concept' we like to support and encourage throughout our 46 county service area. It's important that even in the midst of financial turmoil in the conventional markets, NCCLF is reaching out to revitalize distressed communities using distinctly un-conventional yet highly effective methods."

Created in 2000, the New Markets Tax Credit Program (NMTC Program) is administered through the Community Development Financial Institutions Fund (CDFI Fund) by the U.S. Department of the Treasury. The NMTC Program serves as a catalyst to encourage investment of capital in urban and rural low-income communities, and allows tax paying investors to receive a credit against Federal income taxes for making equity investments in designated Community Development Entities (CDEs). To date, the Fund has made 364 awards totaling \$19.5 billion in allocation authority.

#### About the National New Markets Fund (NNMF)

Deborah La Franchi of Strategic Development Solutions (SDS) and Belden Hull Daniels of Economic Innovation International, Inc. co-founded the National New Markets Fund (NNMF) to invest in development projects across the US that serve low-income communities. The Fund has received \$125 million in NMTC funding from the federal Community Development Financial Institutions (CDFI Fund) of the U.S. Department of Treasury, and is currently investing in a variety of projects throughout the South, California's Central Valley, and the Pacific Northwest. Visit [www.sdsgroup.com/nnmf-project-list.html](http://www.sdsgroup.com/nnmf-project-list.html) for more information on NNMF projects.

#### About Strategic Development Solutions

Strategic Development Solutions (SDS) creates innovative business and investment strategies that foster economic opportunity and promote positive environmental impacts in low-income communities. At the investment level, SDS creates and manages Double and Triple Bottom Line private equity funds that facilitate market-based solutions for social and environmental challenges. At the community level, the firm provides capacity building and funding strategies to nonprofits that serve low-income communities. SDS is based in Los Angeles. More information is available at [www.SDSGroup.com](http://www.SDSGroup.com).

#### About Economic Innovation International, Inc.

Founded in 1970, Economic Innovation International is internationally recognized for building more than \$100 billion of privately capitalized innovative institutions that accomplish public purposes in North America, Europe and Asia. These funds generate measurable wealth and high quality jobs for residents of targeted communities. More information is available at [www.economic-innovation.com](http://www.economic-innovation.com).

#### About U.S. Bancorp's Community Development Corporation

With assets of over \$5 billion, U.S. Bancorp Community Development Corporation (USBCDC) is the largest New Markets tax credit investor in the country, investing billions of dollars nationwide in hundreds of transactions. These equity investments have provided much needed revitalization and new resources to communities throughout the country. USBCDC finances community development and affordable housing projects through the use of New Markets, Historic, Low-Income Housing, and Renewable Energy tax credits. USBCDC is a subsidiary of U.S. Bank and U.S. Bancorp ([USB](http://www.usbank.com)).

#### About U.S. Bank Commercial Banking

U.S. Bank Commercial Banking is a premier provider of flexible, competitive financing solutions to middle market clients. U.S. Bank relationship managers put their seasoned skills to work for their clients' growth and success by building core funding relationships and providing access to a wide array of U.S. Bank products and services. U.S. Bank operates 2,542 banking offices and 4,895 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](http://www.usbank.com).

#### About Northern California Community Loan Fund (NCCLF)

NCCLF provides financing and expertise to strengthen low-income neighborhoods and enable disadvantaged people to build a better future. NCCLF provides loans, financial training and consulting to organizations that develop affordable housing, community facilities, job-training programs, and vital human services. Since 1987, NCCLF has provided qualified socially responsible investors with an opportunity to invest in revitalization of low-income communities.

#### About Mission Economic Development Agency (MEDA)

Mission Economic Development Agency promotes economic justice for San Francisco's low- and moderate-income Latino families through asset development. MEDA achieves its mission through direct services for micro-enterprises and homeownership, research and analysis, organizing, and policy advocacy.

<http://www.marketwatch.com/news/story/National-New-Markets-Fund-Closes/story.aspx?guid={F51D8F35-0990-44CC-881B-8B1885FE562A}>