



New Markets Tax Credits

Waverly Area Economic Development

Program Overview

Designed to
compensate
Investors for
perceived risk of
investing in low-
income
communities



NMTC Program Overview

Bringing capital to
communities that
have had
inadequate access
to capital



Low Income Tracts in Iowa Communities

- Census tracts where:
 - Poverty rate exceeds 20% or
 - Median income is below 80% of the greater of:
 - Statewide median income or
 - Metropolitan area median income.

Program Overview

- \$10 million dollar Project will produce 39% tax Credit
 - $(\$10,000,000 * 39\% = \$3,900,000)$
- \$3.9 million dollar tax credit converts into cash at 78¢
 - $(\$3,900,000 * .78¢ = \$3,042,000)$
- Transaction costs vary but typically can reach \$400,000
 - $(\$3,042,000 - \$400,000 = \$2,642,000)$

Economic Benefit = \$2,642,000

Iowa Community Development, LC

Status of Allocations

3/27/2013

Round four - 2006 \$45 million Award		No Non-metro requirement		
	Project name	Date dlosed	Allocation used	Non-metro
	Village Place - Des Moines	7/13/2007	\$ 7,000,000	No
	Adler Theatre-Davenport	9/27/2007	\$ 9,500,000	No
	Museum Building-Sioux City	11/7/2007	\$ 10,000,000	No
	River Point West - DMI	11/19/2007	\$ 9,000,000	No
	Cambridge - Fairfield	6/6/2008	\$ 5,750,000	Yes
	Hotel Julien - Dubuque	7/18/2008	\$ 3,750,000	No
			<u>\$ 45,000,000</u>	12.78%

Iowa Community Development, LC

Status of Allocations

3/27/2013

Round six - 2008 \$50 million Award	30% Non-metro requirement			
	Project name	Date closed	Allocation used	Non-metro
	Roshek Bldg-IBMDubuque	6/22/2009	\$ 10,000,000	No
	Wright on the Park - Mason City	1/26/2010	\$ 10,000,000	Yes
	Swift - Half of OEI	3/10/2011	\$ 5,000,000	Yes
	PCI - 53% of OEI	8/29/2011	\$ 8,000,000	No
	Novelty Ironworks - Dubuque	Pending	\$ 8,800,000	No
	Iowa Premium Beef - Tama	Pending	\$ 8,200,000	Yes
			\$ 50,000,000	46.40%

Iowa Community Development, LC

Status of Allocations

3/27/2013

Round seven - 2009 \$70 million Award		46% Non-metro requirement		
	Project name	Date closed	Allocation used	Non-metro
	Hawkeye Pride Egg	9/28/2010	\$ 10,000,000	Yes
	JB Swift Inc (Half of QEI funded)	7/21/2010	\$ 5,000,000	Yes
	Pinnacle Foods	8/11/2011	\$ 10,000,000	Yes
	Winegard - 60% of QEI	9/11/2012	\$ 7,200,000	Yes
	Habitat for Humanity	8/23/2012	\$ 12,000,000	No
	63.14% deployed		<u>\$ 44,200,000</u>	46.00%
Required - 100% by 12/8/2014				

Iowa Community Development, LC

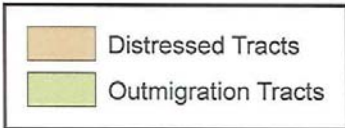
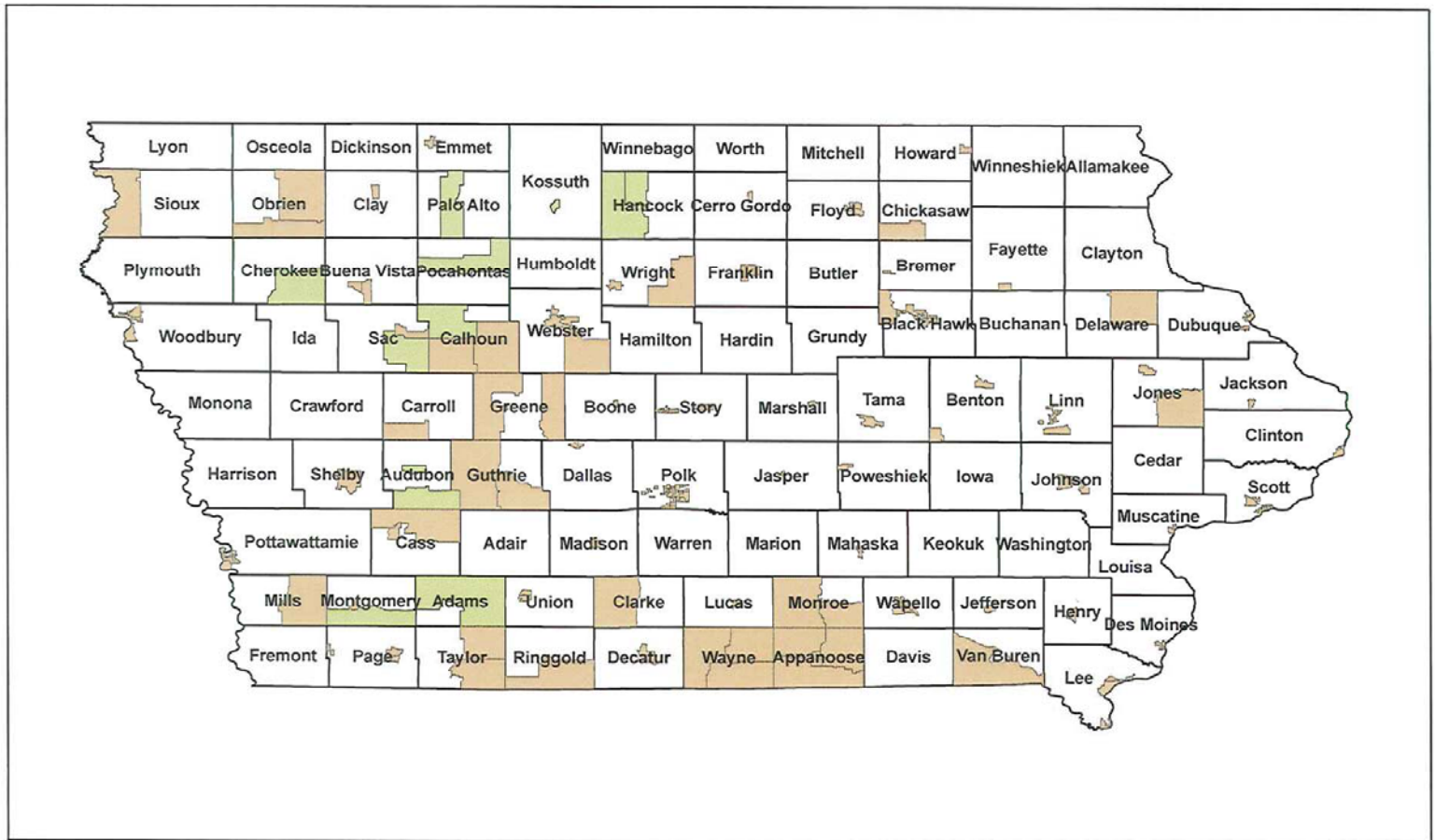
Status of Allocations

3/27/2013

Round eight - 2010 \$35 million Award		50% Non-metro requirement		
	Project name	Date closed	Allocation used	Non-metro
	PCI - 47% of QEI	8/29/2011	\$ 7,000,000	No
	Winegard - 40% of QEI	9/11/2012	\$ 4,800,000	Yes
	Novelty Ironworks - Dubuque	Pending	\$ 9,200,000	No
	Iowa Premium Beef - Tama	Pending	\$ 11,800,000	Yes
	93.71% deployed		\$ 32,800,000	47.43%
Required - 60% by 9/30/2013 100% by 4/4/2016				
	Remaining non-metro requirement		\$ 900,000	
\$28 million of uncommitted allocation remaining				
	Required split of remaining allocation:			
		Non-Metro	\$ 900,000	
		Metro	\$ 27,100,000	
		Total	\$ 28,000,000	

Eligible NMTC Tracts – Iowa

2010 Iowa NMTC Qualifying Tracts



Eligible NMTC Tracts – Iowa



Eligible NMTC Tracts – Iowa





6th St

Walnut

NO PARKING
7-9 AM
MON-FRI









HARRISVILLE HOTEL SUITES & RESTAURANT ONLY



Roshek Building (IBM), Dubuque, IA

Office Building – renovation of 180,000 square foot historical building

Project size: \$45.5 million

2008 ICD NMTC Allocation used: \$10 million

Investor: US Bank

	<u>Project</u>	<u>Construction</u>
Direct Jobs	1300	190

Planned annual payroll: \$58.5 million



Roshek Building (IBM), Dubuque, IA

Office Building – renovation of 180,000 square foot historical building

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Investor: US Bank

	<u>Project</u>	<u>Construction</u>
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Moorman
CLOTHIERS

Moorman
CLOTHIERS

KIDS OP BIG & TALL

Bank of America





THE PARK INN MASON CITY IOWA

51

Wright on the Park, Mason City

Renovation of former bank building and hotel designed by Frank Lloyd Wright. Will be used as a boutique hotel, restaurant, and conference center.

Project size: \$18.9 million

2008 ICD NMTC Allocation used: \$10 million

Investor: US Bank

	<u>Project</u>	<u>Construction</u>
Direct Jobs	11	25

\$1.47 million of the benefit will go to a Mason City Foundation for support of future low income Mason City area benefit.

Iowa

Business

Growth Company

Thank you!