

New Market Tax Credits



PRESENTED BY: WES ERNST, CPA, DIRECTOR



OUR GOALS FOR TODAY

1

Overview of the NMTC Program

2

Key Terms and Relationships

3

Accounting & Auditing
Considerations

4

Notable NMTC Projects & Statistics



PROGRAM OVERVIEW



Community Renewal Tax Relief Act

- December 2000

Joint Administration

- Community Development Financial Institutions Fund (CDFI Fund)
- Internal Revenue Service (IRS)

Program Design

- Attract private capital to urban and low-income communities



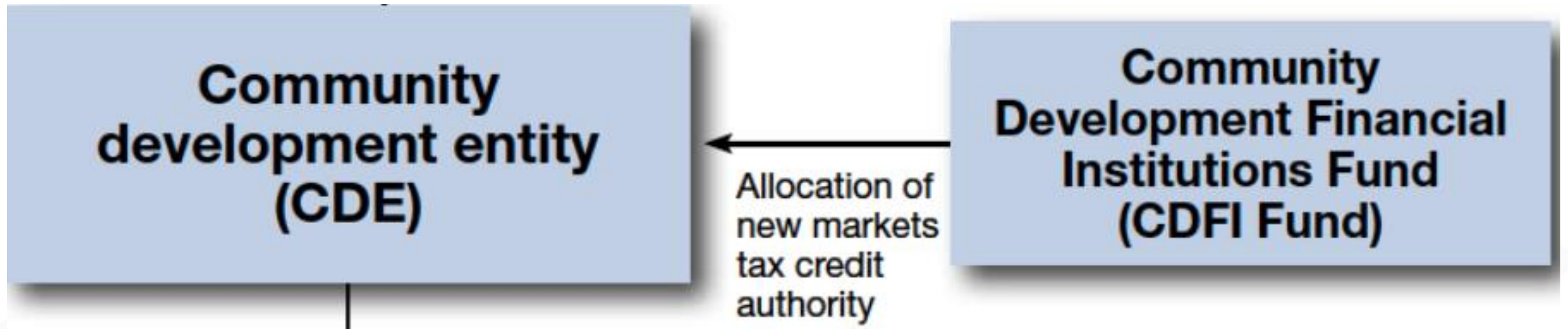
KEY TERMS & RELATIONSHIPS



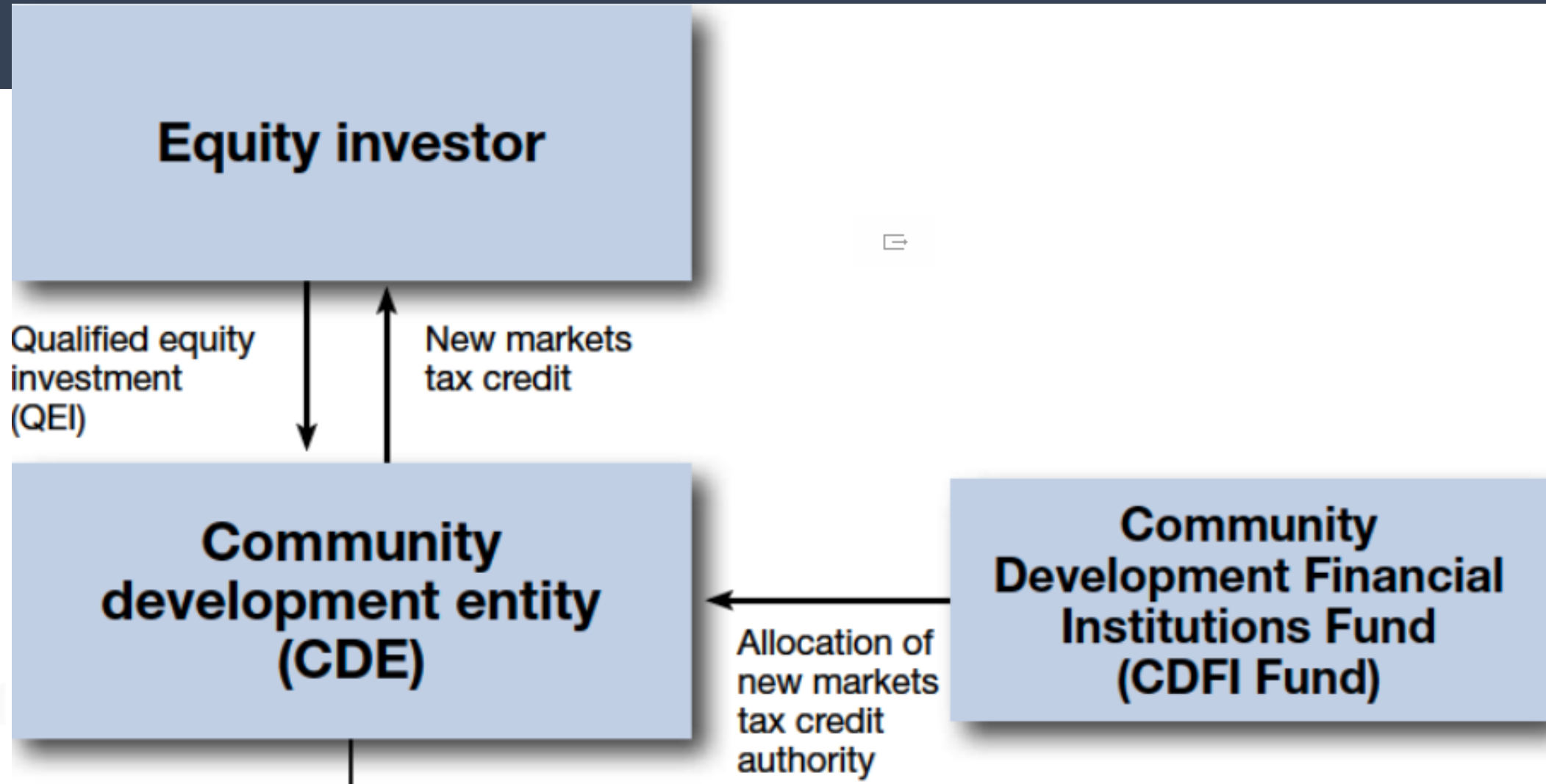
KEY TERMS & RELATIONSHIPS

**Community
Development Financial
Institutions Fund
(CDFI Fund)**

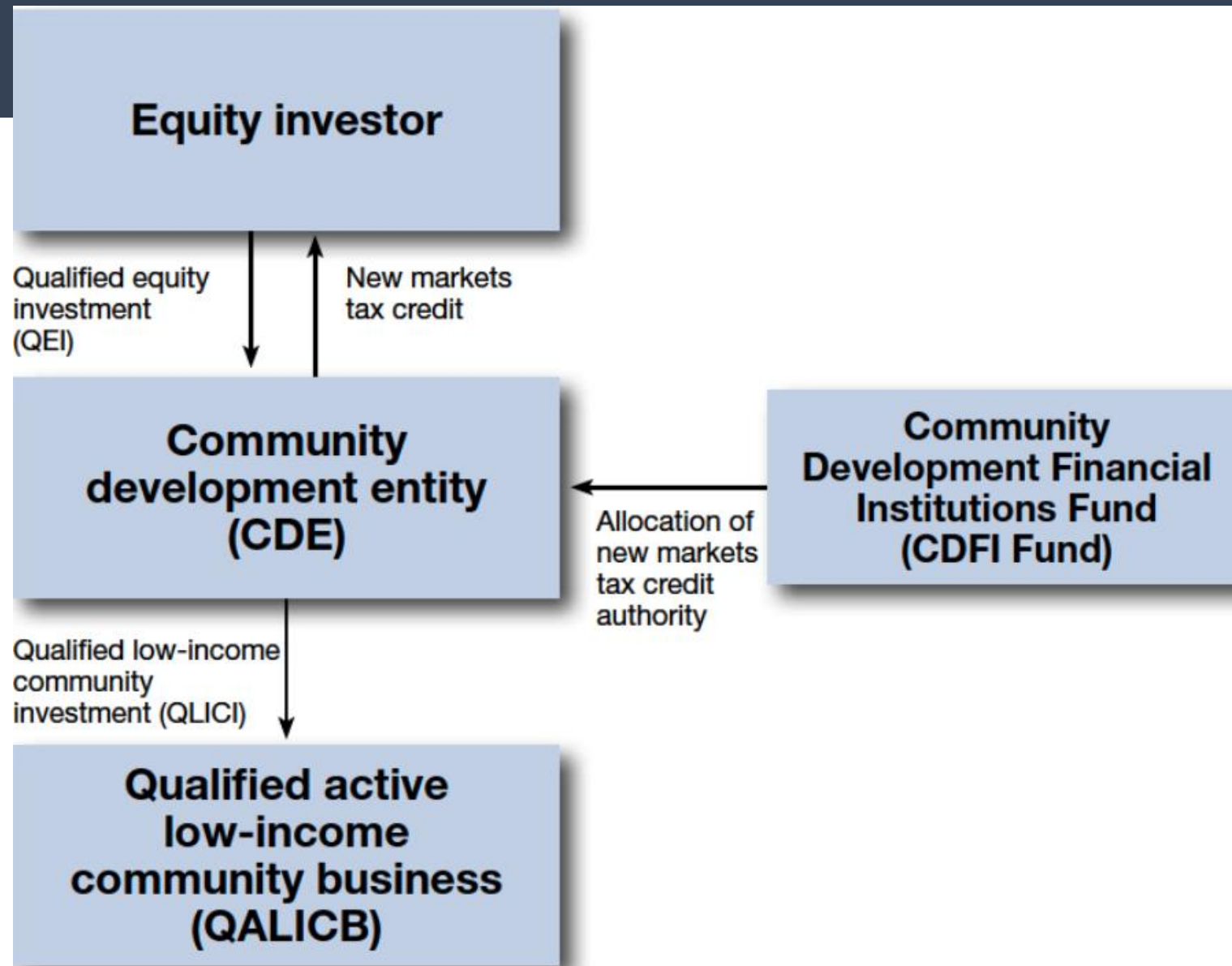
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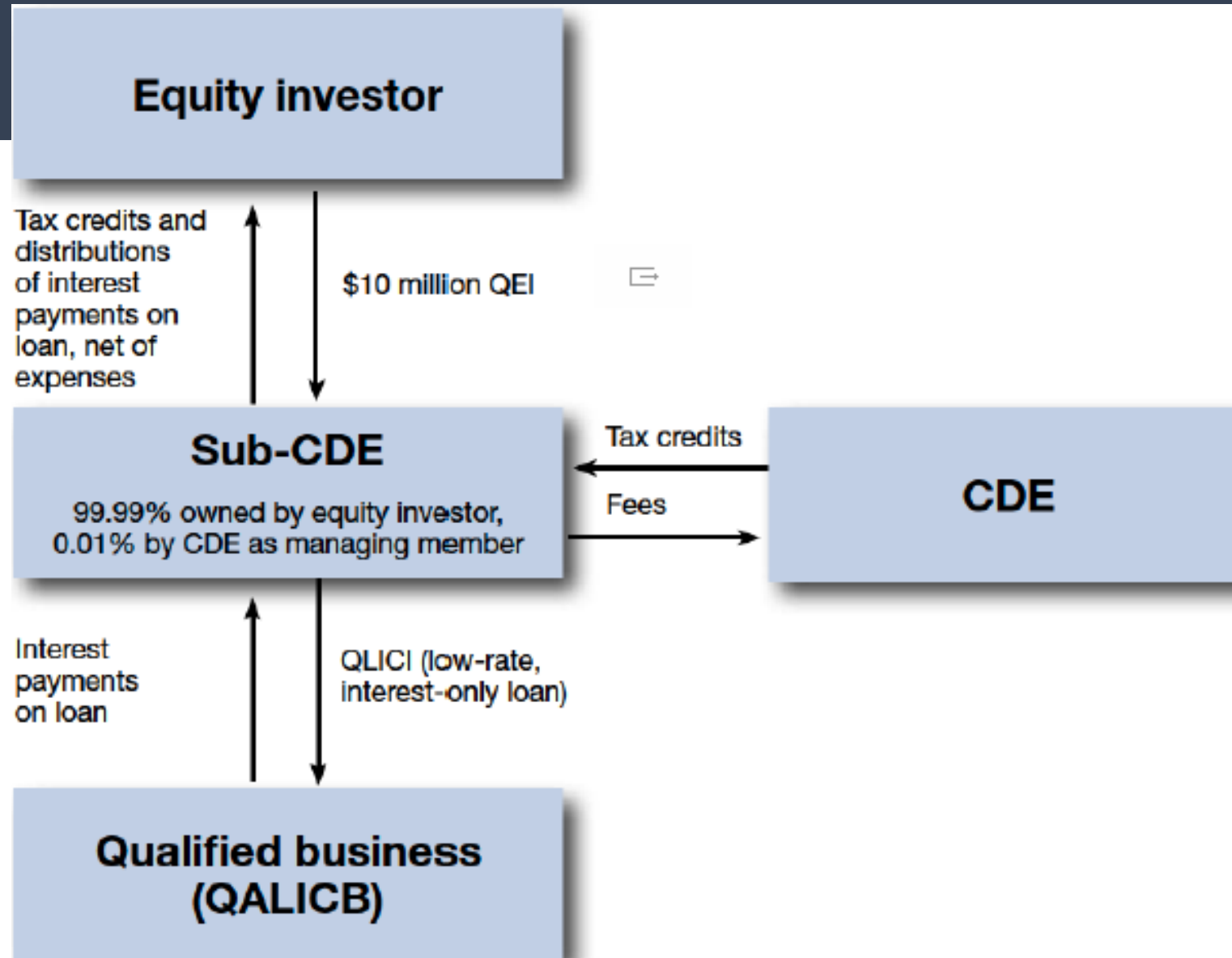
KEY TERMS & RELATIONSHIPS



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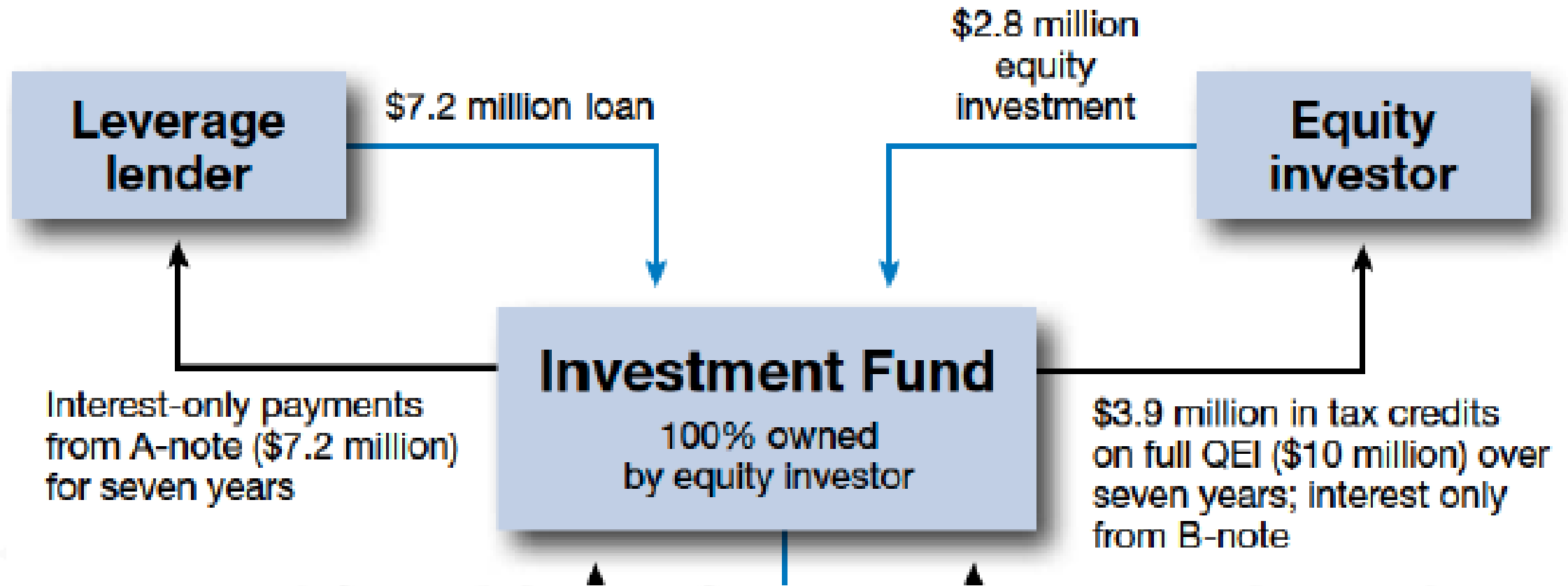


KEY TERMS & RELATIONSHIPS

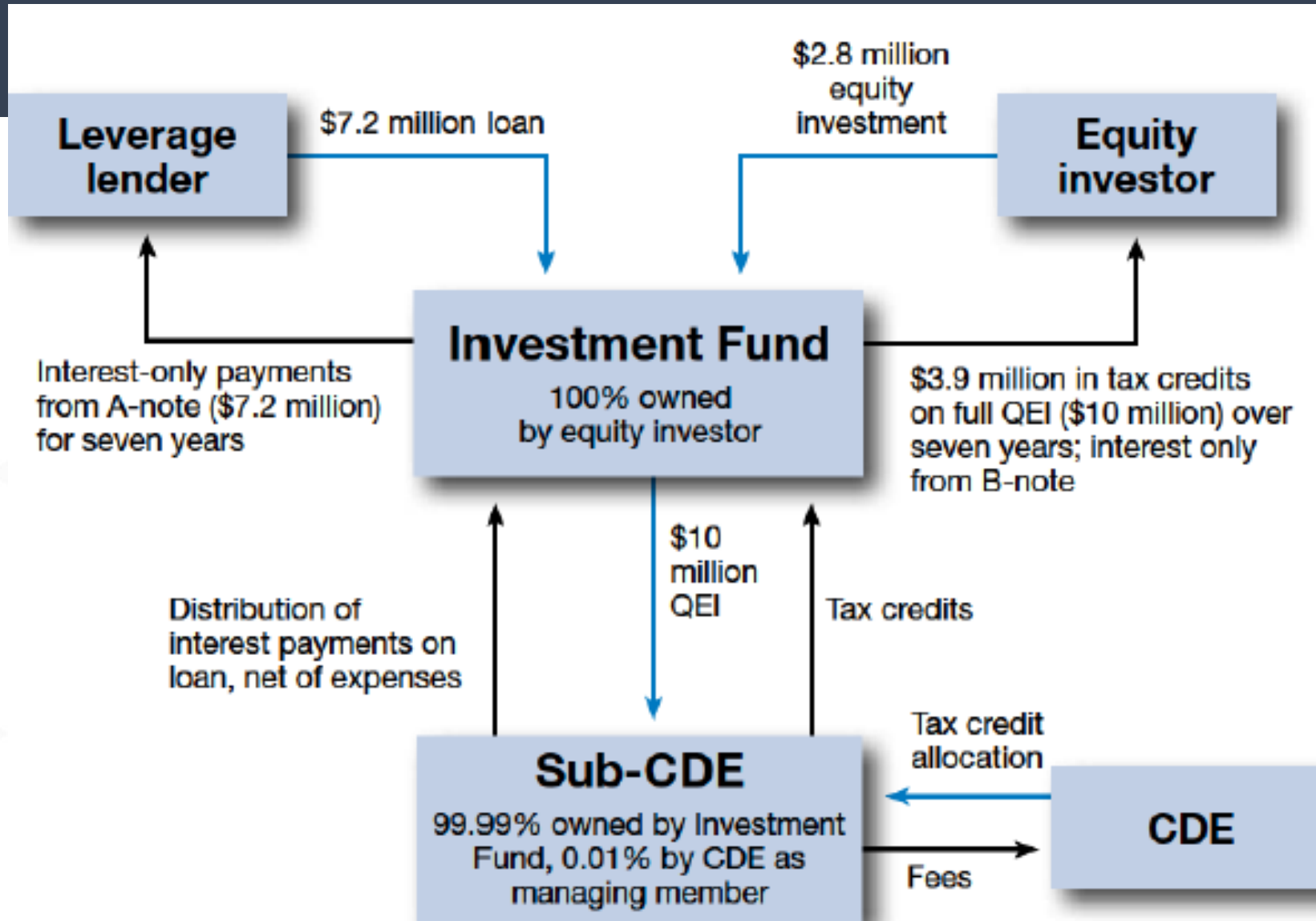
Investment Fund

100% owned
by equity investor

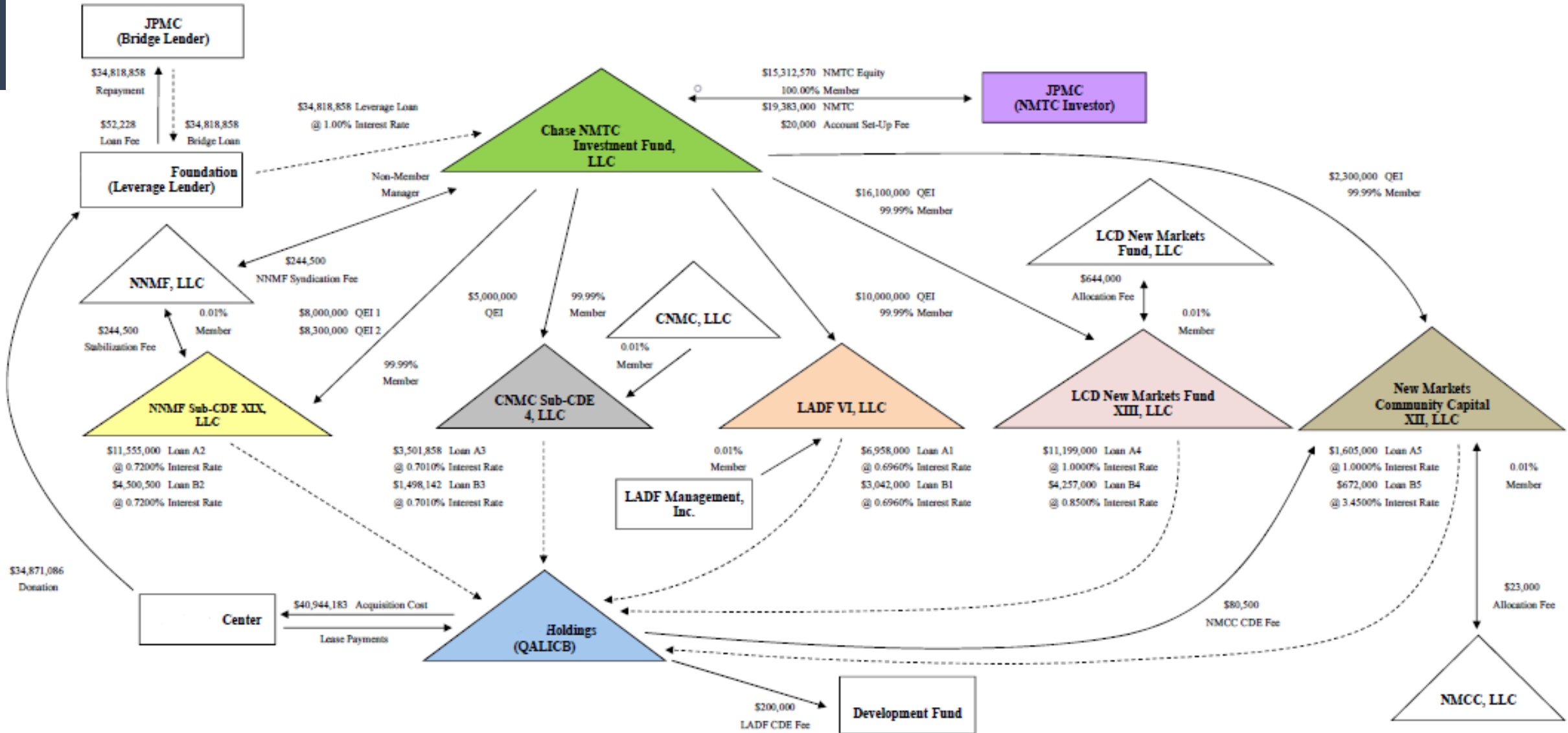
KEY TERMS & RELATIONSHIPS



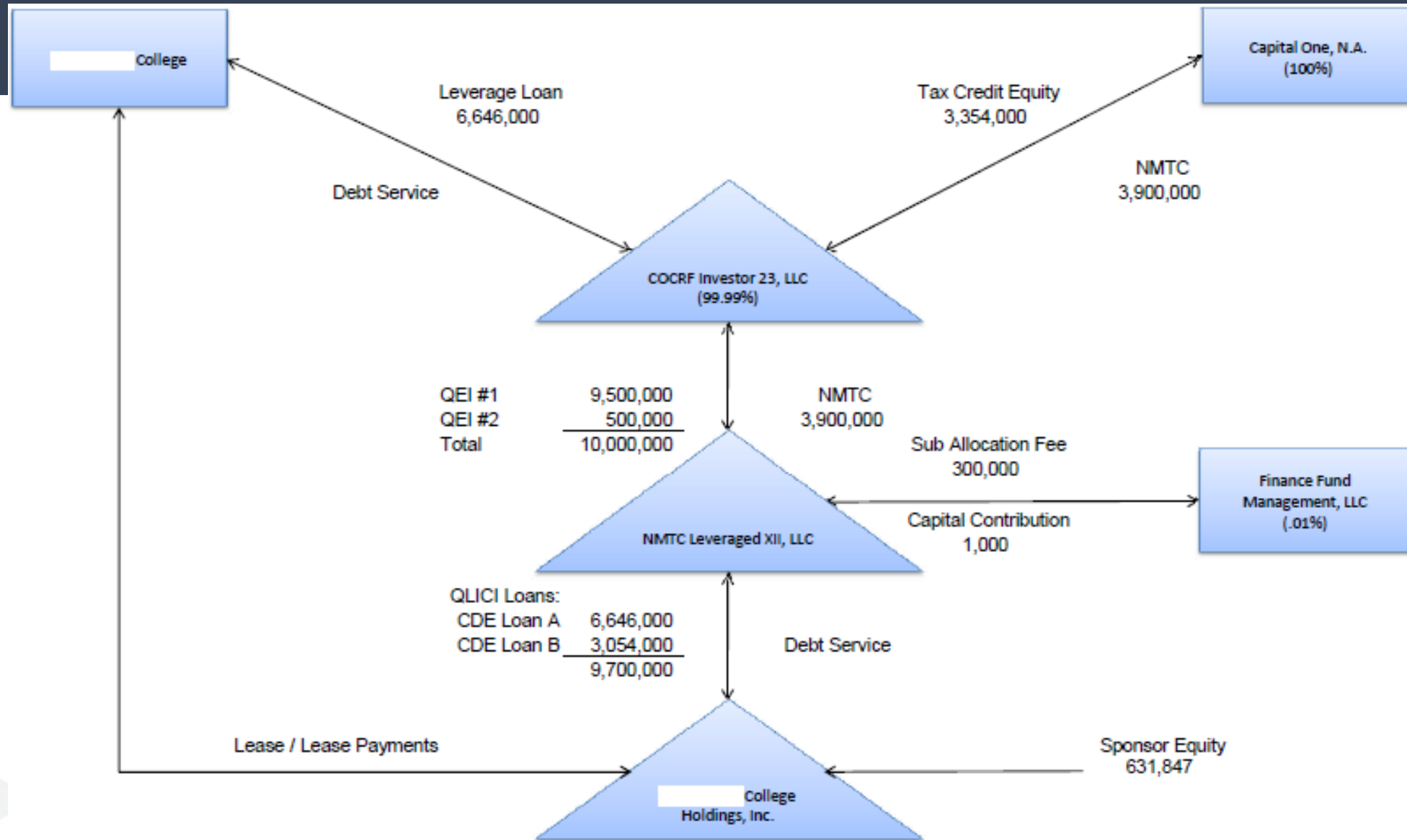
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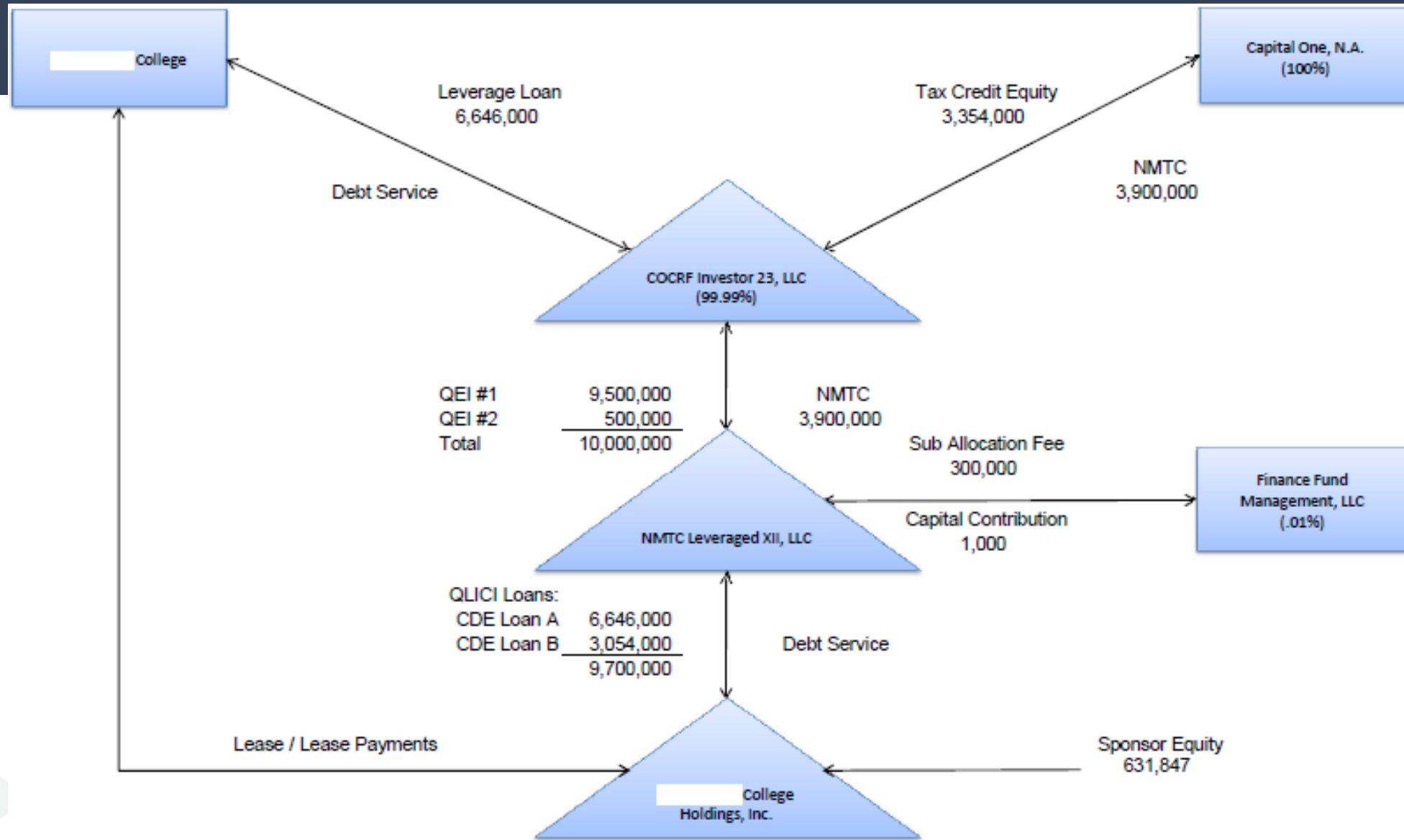
Assets	<u>College</u>	<u>Holdings</u>	<u>Cons</u>
Cash and cash equivalents	\$ 3,645,610	\$ 5,311,278	\$ 8,956,888
Note receivable - related party	6,646,000	-	6,646,000
Investments	37,689,106	-	37,689,106
Property and equipment, net of accumulated depreciation;	29,374,102	6,294,891	35,668,993
Beneficial interest in perpetual trusts	3,506,404	-	3,506,404
	<u>\$ 80,861,222</u>	<u>\$ 11,606,169</u>	<u>\$ 92,467,391</u>
Total assets			
 Liabilities and Net Assets			
Accounts payable	\$ 433,041	\$ -	\$ 433,041
Accrued liabilities	2,327,058	1,942,826	4,269,884
Long-term debt	13,039,280	-	13,039,280
Long-term debt - leverage loan	6,646,000	-	6,646,000
Long-term debt - related party	-	9,700,000	9,700,000
	<u>22,445,379</u>	<u>11,642,826</u>	<u>34,088,205</u>
Total liabilities			
Total net assets	<u>58,415,843</u>	<u>(36,657)</u>	<u>58,379,186</u>
Total liabilities and net assets	<u>\$ 80,861,222</u>	<u>\$ 11,606,169</u>	<u>\$ 92,467,391</u>



PROGRAM OVERVIEW

Why do this?

KEY TERMS & RELATIONSHIPS





PROGRAM OVERVIEW NATIONAL STATISTICS

190M
FT²

\$1 = \$8

750,000

\$54B

5,400



PROGRAM OVERVIEW NATIONAL STATISTICS

Summary By Round

	Round Year	Award Amount	Amount Finalized	Amount Remaining
Round 1	(2001-2002)	\$2,485,699,042.00	\$2,485,699,041.87	\$0.13
Round 2	(2003-2004)	\$3,493,786,205.00	\$3,493,786,204.29	\$0.71
Round 3	(2005)	\$1,964,688,856.00	\$1,964,688,855.60	\$0.00
Round 4	(2006)	\$4,099,765,000.00	\$4,099,765,000.00	\$0.00
Round 5	(2007)	\$3,892,249,021.00	\$3,892,249,020.48	\$0.36
Round 6	(2008)	\$4,964,500,010.00	\$4,964,500,009.34	\$0.00
Round 7	(2009)	\$4,987,650,000.00	\$4,987,649,999.17	\$0.83
Round 8	(2010)	\$3,475,000,000.00	\$3,475,000,000.00	\$0.00
Round 9	(2011)	\$3,622,919,753.00	\$3,622,919,753.00	\$0.00
Round 10	(2012)	\$3,500,000,000.00	\$3,500,000,000.00	\$0.00
Round 11	(2013)	\$3,501,392,113.00	\$3,488,813,824.00	\$12,578,289.00
Round 12	(2014)	\$3,512,350,000.00	\$3,471,951,040.00	\$40,398,960.00
Round 13	(2015-2016)	\$7,000,000,000.00	\$6,130,868,657.00	\$869,131,343.00
Round 14	(2017)	\$3,500,000,000.00	\$1,303,922,523.00	\$2,196,077,477.00
	TOTAL	\$54,000,000,000.00	\$50,881,813,927.75	\$3,118,186,071.03



NOTABLE OHIO PROJECTS

Ohio New Markets Tax Credit Program Funded Projects

Project Name	Address	City	Community Development Entity
Allen Theatre	1501 Euclid Avenue	Cleveland	Northeast Ohio Development Fund
Miceli's Dairy	2721 E. 90th Street	Cleveland	Northeast Ohio Development Fund
Middough Building	1901 E. 13th Street	Cleveland	Northeast Ohio Development Fund
St. Aloysius	4721 Reading Road	Cincinnati	Finance Fund
21c Hotel	609 Walnut Street	Cincinnati	Cincinnati Development Fund
Courtyard by Marriott – University Circle	2021 Cornell Road	Cleveland	Finance Fund
Lutheran Metropolitan Ministries	4515-4516 Superior Avenue	Cleveland	Cleveland New Markets Investment Fund II
Mercer Commons	14-32 Mercer Street	Cincinnati	Cincinnati Development Fund
Premier Health Center	110 N. Main Street	Dayton	Dayton Region New Market Fund
SolarVision - Celina	State Route 29 and Meyer Road	Celina	Finance Fund
Kent State University Hotel and Conference Center	215 South DePeyster Street	Kent	Finance Fund
Ronald McDonald House	10415 Euclid Avenue	Cleveland	Finance Fund
Muskingum Recreation Center	1425 Newark Road	Zanesville	Finance Fund
Paycor Headquarters	4811 Montgomery Rd.	Norwood	Stonehenge Community Development
Benjamin Rose Institute on Aging	11900 Fairhill Road	Cleveland	Northeast Ohio Development Fund
Toledo Port Expansion	2883 Front Street	Toledo	Finance Fund
Lorain County Health and Dentistry	1205 Broadway Ave.	Lorain	Development Fund of the Western Reserve
Dunnhumby Headquarters	Fifth and Race Streets	Cincinnati	Cincinnati New Markets Fund
Hilton Garden Inn – Akron	1307 E. Market Street	Akron	Development Fund of the Western Reserve
Goodwill Easter Seals Miami Valley	652 South Main Street	Dayton	Dayton Region New Market Fund
Children's CARE House	410 Valley Street & 156 Grant Street	Dayton	Dayton Region New Market Fund
Central Ohio Youth for Christ	40 North Chicago Avenue	Columbus	Finance Fund
Cristo Rey Columbus High School	400 East Town Street	Columbus	Finance Fund
Cintrifuse	1311-1315 Vine Street	Cincinnati	Cincinnati Development Fund

Thank You!