

NATIONAL DEVELOPMENT COUNCIL AND THE EDUCARE EARLY LEARNING CENTER



For more than 30 years, the National Development Council (NDC) has worked in Washington State to create and implement local economic and community development strategies that increase the flow of capital, establish finance programs and help to create a professional economic and community development workforce.

NDC works with local governments to provide strategic guidance and financing for new and existing development programs, such as the Educare Early Learning Center. NDC was able to support the development of the Educare Early Learning Center by bringing \$4.7 million in funding to the project through the New Market Tax Credit (NMTC) program, a national program aimed at stimulating private development in

low-income urban and rural areas. NMTC represents just one of NDC's four areas of expertise in Washington:

Public-Private Partnerships

NDC has developed a unique approach to public-private partnerships that delivers several benefits to public sector partners. By creating special purpose not-for-profit corporations, NDC is able to access tax-exempt financing and streamline the development process to benefit local governments. Through the use of 63-20 and 501c3 bonds, NDC finances facilities and works with private developers to build them. Once built, they are leased to the local government on a long-term basis and transferred at no-cost or at a nominal cost to the government at the retirement of the debt. The result is a facility that can cost between 10 and 30 percent less than the typical public development cost.

Small Business Lending – Grow America Fund

NDC's Grow America Fund (GAF) supports job creation by providing financing to small businesses, particularly in underserved areas, including minority and women-owned businesses, throughout the country. GAF lending offers longer terms for loans, larger loans, lower down payments, lower interest rates and better structure. In Washington, NDC has worked with the City of Tacoma to create the Grow Tacoma Fund, a small business revolving loan fund, which has allocated approximately \$10 million to 28 Tacoma businesses, creating more than 100 new jobs and supporting more than 300 existing jobs. In 2009, NDC partnered with the City of Seattle and the Seattle Foundation, to create an \$8 million Grow Seattle Fund to support small to medium-sized businesses that need capital to grow.

New Markets Tax Credits

For the past seven years, NDC has been received allocations of New Markets Tax Credits (NMTC) from the Department of the Treasury totaling \$486 million. NDC not only provides tax credit equity for community projects but also helps communities structure their NMTC deals, finds necessary additional financing, and develops relationships with other organizations that receive allocations of the tax credits to maximize the opportunity for clients. To date, NDC has invested \$346 million in 44 NMTC projects across 20 states, generating total investments of \$752 million and creating 3,893 jobs, providing critical services and attracting additional investment to these communities. The projects include neighborhood and downtown revitalization, new and expanded industrial enterprises, cultural, recreation, social service and health care facilities. In Washington State, NDC financed more than \$62 million in NMTC in 2009, supporting such projects as the Compass Center (Seattle), Spokane Y, Greenbridge Early Learning Center (Seattle), Recovery Café (Seattle) and White Center Square (Seattle).

Affordable Housing

NDC's portfolio includes 7,000 affordable housing units and represents over \$1.5 billion of investments. NDC projects include housing for low-income families, senior citizens in need of independent and assisted-living facilities and services, developmentally or physically-disabled individuals and their families, and the formerly homeless and their families. In Washington, NDC leverages its Corporate Equity Fund for the construction and preservation of affordable housing using Federal Low Income Housing Tax Credits, Federal Historic Preservation Tax Credits and Renewable Energy Credits.

For more information:

Amina Suchoski, (206) 343-1543

asuchoski@feareygroup.com