



# Innovative Resources

Tuesday, August 17

Brian Hollenback, President/CEO

# Who We Are. What We Do.



**Developer**



**Financer**

*New Market Tax Credit Loan Pool*



**Financer**

*Gap Financing Patient Capital*

# Who We Are, What We Do

- **Economic Growth Corporation** (GROWTH) is a minority-controlled, mission-driven organization with over 35 years experience in community and economic development working to enhance the overall image and economic vitality of underserved communities in need of jobs, investment and housing.
- 501(c)3 non-profit, community-based development organization
- Pioneer and expert of mixed-use and mixed-income developments
- Demonstrated ability to package multiple sources of financing and funding sources to transform challenging projects into financially feasible ventures
- 318 multifamily units developed to date
- 1000 single family units constructed/rehabilitated since 1998
- 152 units under construction by end of 2021



# Comprehensive Redevelopment

*Historic College Campus*



# Who We Are. What We Do.



**Brian Hollenback**

*President/CEO*



**Cindy Berg**

*Chief Financial Officer*



**Beth Payne**

*Vice President*



# Who We Are. What We Do.



**Jon Davidshofer**

*Vice President*



**Carey Jorgensen**

*Director of Property Management*



**Frank Perez**

*Loan Officer*



# The History

*Mission Driven for over 35 Years*



In the 1980's, one of Rock Island's major employers, International Harvester, closed its doors resulting in a loss of 5,000 jobs.

Rock Island's population dropped over 20%, and a common bumper sticker read "If you are the last one to leave, please turn out the lights."

# The Results

*Mission Driven for over 35 Years*



Instead of giving up, the **community joined together** to seek ways to promote new development, new housing, new businesses, expansion of current businesses and to improve the overall quality of life in Rock Island.

The renaissance began and **GROWTH** was birthed, serving as a catalyst to spur the commitment and investment of public and private partners.

Grown into a **complex non-profit with a national footprint**, headquartered in Rock Island, IL



# Affordable Housing Development for over 35 years

**807**

**families** assisted in home purchase

*\$77.5 Million in home sales*

*\$15.91 in grants and assistance*

**134**

**homeowners** with repairs to their homes.

*\$4.1 Million invested to address aging housing stock*

**1,012**

total **single family housing units** rehabilitated/ constructed

**2,337**

individuals successfully completed **HUD-approved housing education course.**

# Who We Are, What We Do

- **Central States Development Partners** (Central States) was created for the purpose of providing loans and investments into qualified businesses located in low-income, distressed communities that provide job creation and economic impact within its community/region
- Incorporated in 2009, certified as a Community Development Entity (CDE) in 2010. CDE's is a certification that allows access to New Market Tax Credit (NMTC) allocations.
- 4 back-to-back, consecutive allocations of federal New Market Tax Credits totaling **\$130 Million**.
- 2 allocations of State New Market Tax Credits totaling **\$14 million**.
  - Illinois
  - Nevada
  - Application in for state of Kentucky
- **\$50.4 Million** of NMTC deployed in the state of Illinois to date
  - \$103.5 Million Total Project Costs
  - 3,295 jobs
  - **An additional \$21.75 Million** to be deployed in August 2021

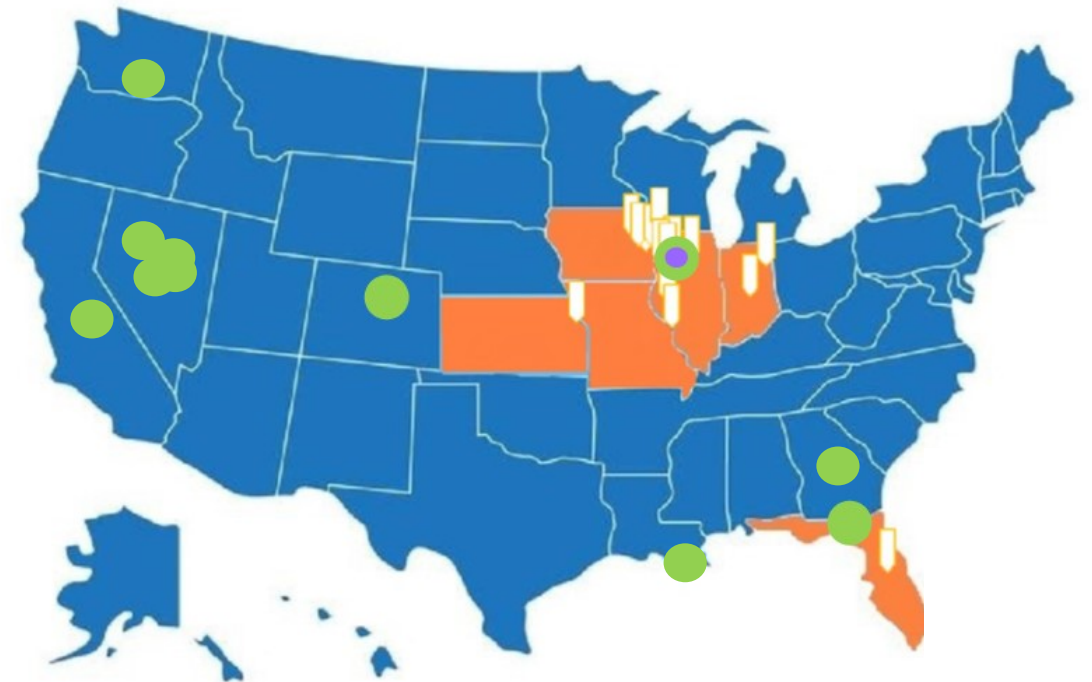
# Central States Development Partners

- Central States has a minority-controlled entity, Economic Growth Corporation, a national, community-based development organization with 35 years of development and affordable housing experience.
- Created in 2009 by the GROWTH Board of Directors
- Certified Community Development Entity by the Treasury in 2010.



# Central States Development Partners

- Four-time consecutive allocatee of **\$130 Million of Federal NMTC** in 4 years.
- 2 allocations of **State New Market Tax Credits**
  - Illinois- **\$14 million**
  - Nevada- **\$9.7 million**
  - Application in for state of Kentucky
- In Illinois, **\$50.4 Million of NMTC deployed in the state of Illinois to date**
  - **\$103.5 Million** Total Project Costs
  - **3,295 jobs**
  - **\$21.75 Million** in NMTC closing in August adding 400 jobs



# Who We Are, What We Do

- **Bridge Investment Community Development Corporation** (Bridge Investment) has a mission to empower individuals and businesses through its financing programs that support job creation and economic growth within low-income areas.
- 501(c)3 non-profit with a national footprint, focus on Iowa and Illinois
- Separate board of directors, managed by GROWTH through a management agreement
- Certified Community Development Financial Institution (CDFI) Incorporated in 2014, first loan made in 2016
- Originated over 40 loans totaling over \$3 million to date

# Bridge Investment Community Development Corporation

National 501(c)3 non-profit.

Certified Community Development Financial Institution (CDFI) in 2017.

Supporting job creation and economic growth in low-and-moderate income communities and underserved areas within Iowa and Illinois.



# Bridge Investment Community Development Corporation

Over **\$3 Million in lending** provided to date to support:

- Small Business Growth
- Microfinancing
- Commercial Real Estate
- Non-profit organizations
- Upper Story Rental housing
- Single Family Rehabilitation



# New Market Tax Credits & Loan Pools

- The NMTC was authorized in the Community Renewal Tax Relief Act of 2000, as part of a bi-partisan effort to stimulate investment and economic growth in low-income urban neighborhoods and rural communities.
- NMTC's are a federal income tax credit issued to investors who commit capital to job creating-growth projects in qualified census tracts.



*In 2019, Central States deployed \$6,000,000 in NMTC to fund Donnelly College, located in Kansas City, Kansas increasing access to higher education opportunities for low-income persons and low-income community residents in Wyandotte County, Kansas.*



# Donnelly College

Kansas City, KS

- Central States deployed \$6 Million in New Market Tax Credit financing to complete the **final phase of a three phase Campus Master Plan to renovate the campus and spur the redevelopment** of the areas surrounding Donnelly College.
- **16.7% of Wyandotte County residents have a bachelor's degree or higher versus 32.3% of the Kansas residents have a bachelor's degree or higher.**
- Helps students attain an affordable college education– **the average annual tuition at Donnelly College is \$6,822** whereas the average tuition for a Kansas state college is \$9,100.

**#1**

**IN KANSAS CITY**

**BEST COLLEGES**  
U.S. News & World Report  
REGIONAL COLLEGES  
MIDWEST  
#1 CAMPUS ETHNIC DIVERSITY  
2021

**Most Affordable**  
Private College

**Most Diverse**  
Student Body

# Donnelly College

Kansas City, KS

- **\$20.3 Million new investment into Kansas**
  - \$6 Million NMTC financing by Central States
  - \$11 Million in NMTC financing by another CDE
- **147 Jobs Created/ Supported**
- Continue to provide quality higher education with **enrollment growth exceeding 50% growth in the total number of students currently served by the College**
- **Increases access to higher education opportunities for many first generation, low-income students** and low-income community residents within Wyandotte County, KS.
- **Helps students provide a better quality of life in the future as the median income for someone with a bachelor's degree in Wyandotte County is approximately \$13,000 higher** than someone without.



# New Market Tax Credits & Loan Pool

- NMTC investors receive credits **equal to 39%** of the total project cost
- NMTC issued over a 7-year compliance period
  - 5% annually for the first 3 years
  - 6% for remaining 4 years



*North America's fastest growing manufacturer and co-packer of salty snacks for retailers and national brands*

*\$25,000,000 Total Project Costs*

*\$7,000,000 New Market Tax Credit allocation*

*Allowed for purchasing high-end manufacturing equipment*

*Creation of 500 jobs*



# New Market Tax Credits & Loan Pool

- The program is administered by the CDFI Fund, a division of the U.S. Treasury, and is highly competitive.
- The CDFI Fund issues “allocation” to selected Community Development Entities (CDE’s), which act as stewards of the program **identifying**, **qualifying**, and **closing** NMTC investment deals.



*Redevelopment of one of the first, forced integrated school “McDonogh 19” in the deep south into an education and community training center and 25-units of affordable senior housing.*

- *\$15.2 Million Total Project Costs*
- *\$5,000,000 New Market Tax Credit allocation*

# New Market Tax Credits

- **As a Community Development Entity:**
  - Seek projects in underserved communities looking for New Market Tax Credits
  - Guide projects through the allocation process
  - Loan Pool directly supports smaller scale real estate development projects located within highly distressed areas within low-income communities
  - Low-cost tax credit financing to real estate deals between **\$500,000-\$2,000,000** in loan pool size per project

# New Market Tax Credits

- **80/20 Residential Rental Property Test**

- Residential rental property is defined as any building or structure in which 80 percent or more of the gross rental income is from such dwelling units.
- **If more than 20 percent (20%) of a building's or structure's gross income is from sources such as rental of commercial space, then the building is not residential rental property.**
- In order to qualify as a QALICB, the building must be considered commercial property with **over 20% of its revenue coming from the rental of commercial space.**

# New Market Tax Credits

- **80/20 Residential Rental Affordability Test**
  - Investments in residential rental property must result in at least 20 percent of housing units developed or rehabilitated be “affordable to low-income persons.”
  - For rental housing, “low-income persons” is defined based on 80 percent of area median income, and “affordability” requires the units to be rent restricted.
  - The rent restriction and income tests must be met for the entire seven-year NMTC compliance period.

# New Market Tax Credits

- **How it Helps:**
- Targets revitalization and expansion projects within areas that need it most
- New Market Tax Credits provides additional equity into a project
- Provides vital gap financing for projects
- Offers above market pricing and more attractive rates than traditional real estate financing



# New Market Tax Credits

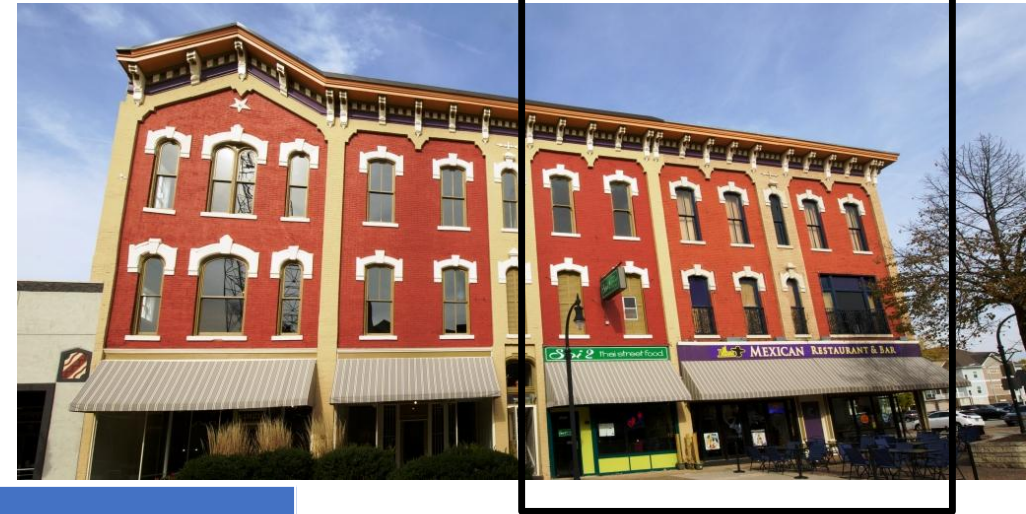
- **How do community benefits factor into tax credit utilization?**
- Overall impacts are very important
- Must demonstrate how the project expects to contribute to **improving economic conditions and catalytic impact** relative to the community/county
- **Examples:**
  - Jobs (**Quantity, Quality**)
  - Lowering the poverty rate
  - Low-Income Individuals served
  - Community input
  - Annual Participants
- **Community Benefit Agreement:** Required reporting over full 7-year compliance period

# New Market Tax Credits

- **Quality Jobs**
  - one that provides a living wage and benefits to the employee.
- **Living Wage**
  - Wage that pays 115% the median wage in the county where a project is located.
- **Quantity**
  - The more jobs it creates, the better.
  - Not only just jobs, but quality jobs.
- **Required reporting over full 7-year compliance period**

# New Market Tax Credits

## Case Study



**14 live-work lofts**  
**Each 520 SQ. FT.**  
**\$520/mo**

<b>Debt</b>	<b>\$1,530,000</b>
<b>Grants</b>	<b>\$400,000</b>
<i>TIF</i>	<i>\$400,000</i>
<b>Equity</b>	<b>\$2,446,153</b>
<b><i>New Market Tax Credits</i></b>	<b><i>\$1,150,000</i></b>
<i>Illinois Affordable Housing Tax Credits</i>	<i>\$176,000</i>
<i>State Historic Tax Credits</i>	<i>\$608,381</i>
<i>Federal Historic Tax Credits</i>	<i>\$467,742</i>
Deferred Developer Fee	\$91,227
<b>Total</b>	<b>\$4,467,380</b>

New Market 80/20  
 test next slide

# New Market Tax Credits

## 80/20 Test

63% gross commercial income = NMTC eligible.

*Project meets the 80/20 test.*

Residential Units	% AMI	Monthly Rent	Annual Income	Total Residential Income <i>at 100% occupancy</i>
14 Apartments	80% AMI	\$510	\$12,240 per unit	<b>\$85,680</b>

Commercial Units	% AMI	Monthly Rent	Annual Income	Total Commercial Income <i>at 100% occupancy</i>
Unit 1	-	\$1500	\$18,000	<b>\$54,000</b>
Unit 2	-	\$3000	\$36,000	

# CDFI Loan Programs

# CDFI Loan Programs

## Provide Working Capital

To address working cash flow needs of existing or expanding businesses.

## Provide Patient Capital

To entities utilizing development agreements for the purpose of real estate transactions.

## Provide Short-term Gap Financing

To entities seeking to assist with pre-development costs of businesses or real estate activities.




**Loan Programs**  
Bridge Investment Community Development Corporation



Yes, we are  
**OPEN**

A bridge forward for viable underserved businesses and communities.

Serving Illinois and Iowa as a Community Development Financial Institution (CDFI), Bridge Investment Community Development Corporation specializes in bridging the gap for small businesses and affordable housing initiatives with the capital necessary to grow underserved communities and businesses to reach their economic potential.

 Flexible & Fair	 Programs	 Development Services
<p><b>Provide Working Capital</b> To address working cash flow needs of existing or expanding businesses.</p> <p><b>Provide Patient Capital</b> To entities utilizing development agreements for the purpose of real estate transactions.</p> <p><b>Provide Short-term Gap Financing</b> To entities seeking to assist with pre-development costs of businesses or real estate activities.</p>	<p><b>Microloan Program</b> Borrow amounts from \$500 to \$10,000 for working capital, purchasing inventory, buying equipment, machinery, and hiring needs.</p> <p><b>Small Business</b> Business loans generally will range in size from \$10,000 to \$100,000.</p>	<p>By offering loans, guidance, and resources to small and emerging businesses, Bridge Investment is looking to create community impact, emphasize projects that are in highly distressed locations, have strong alignment with other community initiatives, create jobs, and provide critical services.</p>

Apply online at  
[www.BridgeInvestmentCDC.org](http://www.BridgeInvestmentCDC.org)

Bridge Investment Community Development Corporation  
100 18th Street, Suite 109  
Rock Island, IL 61201  
(309) 784-6711



# Introduction

- Bridge Investment Community Development Corporation is a non-profit Community Development Financial Institution (CDFI)
- Serves primarily Iowa and Illinois, **40% of loan activity can be outside of states**
- Mission-based non-profit created to provide lending programs to small businesses that sustain and grow jobs and community investment in underserved communities



# Loan Types

- ***Small Business Loans***
- ***Microenterprise Loans***
- ***Affordable Housing***



The flyer is titled "Microloan Application" and is from Bridge Investment Community Development Corporation. It explains what a microloan is, lists key features like loan amount, term length, and interest rate, and includes contact information. The right side of the flyer features a dark background with a magnifying glass over a document and three circular icons: a dollar sign, a calendar, and a bar chart, each with a corresponding benefit.

## Microloan Application

Bridge Investment Community Development Corporation

What is a microloan? It is a short-term loan with a low-interest rate that is offered to self-employed individuals, new startups or small businesses with only a few employees. Use a microloan to solve the small issues that will help you do big things.

We're here to help **local, small businesses** get growing.

**Loan Amount**  
Borrow amounts from \$500 up to \$30,000 for working capital, purchasing inventory, buying equipment, machinery and hiring needs.

**Term Length**  
Repayment terms vary based on amount, needs of borrower and use of funds. Typical periods range from 3 months to 36 months.

**Interest Rate**  
Microloans offer interest rates that are lower than traditional lenders average market rates.

Find out if you meet eligibility by speaking to one of our small business specialists today!

Bridge Investment Community Development Corporation  
500 29th Street, Suite 109  
Rock Island, IL 61201  
(309) 794-6711  
bridginvestmentcdc.org

**Ready to grow?**

Request the amount you need.

Set a term that works for your business.

Receive an affordable interest rate.



# Loan Programs

## Microloan Program

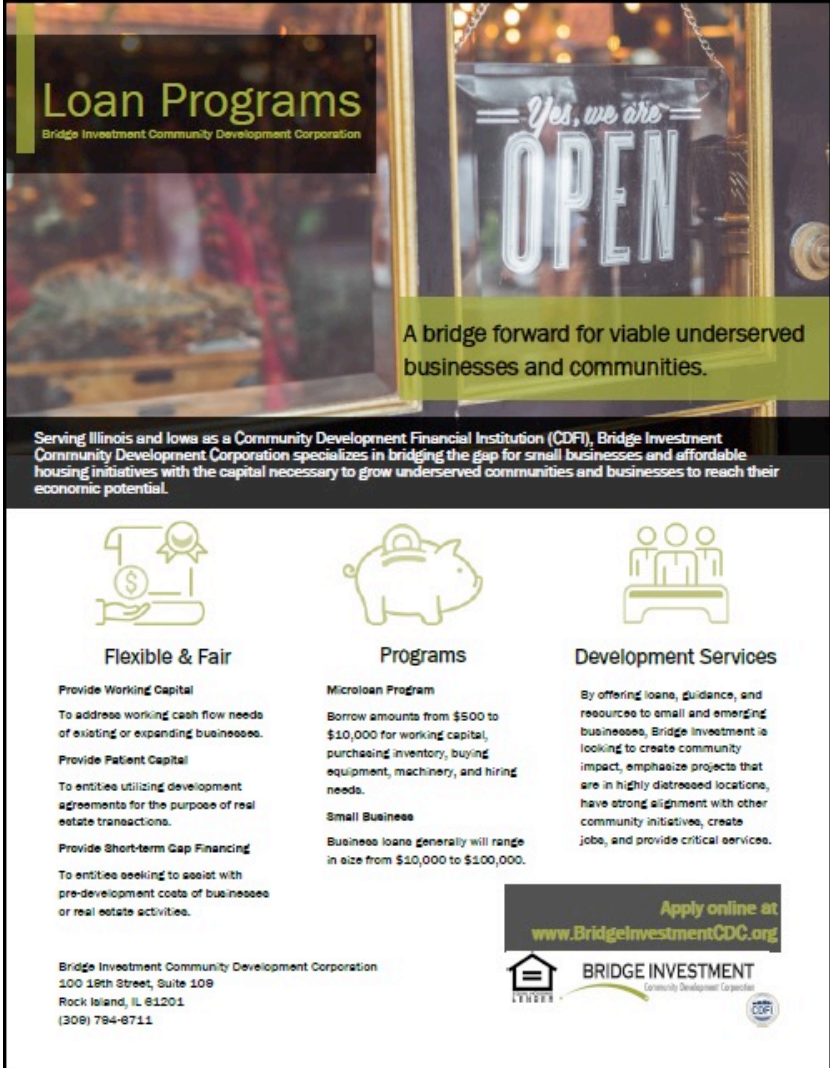
Borrow amounts from \$500 to \$10,000 for working capital, purchasing inventory, buying equipment, machinery, and hiring needs. Interest rates up to 4%.

## Small Business

Business loans generally will range in size from \$10,000 to \$100,000. Interest rates up to 4%

## Affordable Housing

To entities seeking to assist with pre-development costs of businesses or real estate activities.






**Loan Programs**  
Bridge Investment Community Development Corporation

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 **BRIDGE INVESTMENT**  
Community Development Corporation

# Loan Programs

## Microloan Program

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We're here to help **local, small businesses** get growing.

#### Loan Amount

Borrow amounts from \$500 up to \$10,000 for working capital, purchasing inventory, buying equipment, machinery and hiring needs.

#### Term Length

Repayment terms vary based on amount, needs of borrower and use of funds. Typical periods range from 8 months to 36 months.

#### Interest Rate

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*Find out if you meet eligibility by speaking to one of our small business specialists today!*

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Ready to  
grow?



Request the amount you need.



Set a term that works for your business.



Receive an affordable interest rate.

# Special Loan Products

- **Black Business Loan Program**
- Helping to strengthen start-up and small business communities by tapping into the potential of black businesses owners and entrepreneurs



The advertisement features two photographs: a smiling Black woman in a white shirt and green apron on the left, and a man in a dark polo shirt with a 'G' logo holding a tablet on the right. The background of the right photo shows a calendar and office supplies.

## Black Business Loan Program

Bridge Investment Community Development Corporation is committed to growing and increasing diversity in businesses throughout Iowa and Illinois by administering the Black Business Loan Program.

By providing alternative lending opportunities and technical assistance to black entrepreneurs throughout Illinois and Iowa, Bridge Investment is able to help strengthen start-up and small business communities by tapping into the potential of black business owners and entrepreneurs.

Visit [BridgeInvestmentCDC.org](http://BridgeInvestmentCDC.org) to get started!

- Small Business Loans
- Microloans up to \$10,000
- Establish/Build Business Credit
- Designed for Black Business Owners

**BRIDGE INVESTMENT**  
Community Development Corporation

**Equal Housing LENDER**

**CFDI**

Serving Illinois and Iowa as a Community Development Financial Institution (CDFI), Bridge Investment Community Development Corporation specializes in bridging the gap for small businesses with the capital necessary to grow.

As a CDFI, Bridge Investment is dedicated to delivering responsible lending opportunities.

By putting community first, we offer fair and affordable loans and financial products that will facilitate your access to financial opportunities and success. Equal Opportunity Provider.

**Contact:**  
Frank Perez, Loan Officer  
(309) 794-6711  
[fperez@bridgeinvestmentcdc.org](mailto:fperez@bridgeinvestmentcdc.org)

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100 19th Street, Suite 108  
Rock Island, IL 61201  
(309) 794-6711  
[www.BridgeInvestmentCDC.org](http://www.BridgeInvestmentCDC.org)

# Special Loan Products

- **Microloan Program**
- Allows for loans to new or existing businesses starting from \$500 to \$10,000 for working capital, purchasing inventory, buying equipment, machinery, and hiring needs.



The flyer is titled "Microloan Application" and is from Bridge Investment Community Development Corporation. It features a dark grey background with a white magnifying glass over a laptop keyboard. The text is white and yellow. It includes sections for "Loan Amount", "Term Length", and "Interest Rate", each with a corresponding icon (dollar sign, calendar, and bar chart). A call to action at the bottom asks to speak to a small business specialist.

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Bridge Investment Community Development Corporation

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**Interest Rate**  
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Request the amount you need.

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Receive an affordable interest rate.

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bridgeinvestmentcdc.org

# Special Loan Products

- **Microloan Program**
- Allows for loans to new or existing businesses starting from \$500 to \$10,00 for working capital, purchasing inventory, buying equipment, machinery, and hiring needs.
- **Revolving loan**
- **Very favorable terms**

Bridge Investment Community Development Corporation

Introducing  
**Microloan Program- Limited**

**BRIDGE INVESTMENT**  
Community Development Corporation

Bridge Investment Community Development Corporation (Bridge Investment) has launched a special "Microloan Program- Limited" loan program offering financial help to certain small businesses impacted by the COVID-19 pandemic.

For a limited time only, Bridge Investment is offering microloans to help with operating and business capital to small businesses and microenterprises with a microloan up to \$10,000 with no payments and no interest for the first 6 months of the loan to help your business stay on course. That means, you will be able to operate your business while allowing enough time before your first payment and interest start kicking in. **Exciting news for you!**

Offers:

- Loan Amount varies between \$500- \$10,000
- No payments and no interest for first 6 months of loan (then a fixed APR of 4.0%)
- 6 months until first loan payment due
- Flexible repayment options (up to 36 months from date of signing)

Eligible Uses:

- Rent, Utilities, Payroll, Operations

Eligibility:

- Minority and women-owned small businesses and microenterprises
- Businesses located in Low Income Census Tracts
- Businesses located in underserved, bordering counties in IA and IL
- Business with a storefront presence
- Businesses that employ Low-to-Moderate Income Individuals
- Businesses that provide "essential" community services



**Contact:**  
Frank Perez, Loan Officer  
309-732-4024  
fperez@bridgeinvestmentco.org  
100 19th Street, STE. 109  
Rock Island, IL 61201

**EQUAL OPPORTUNITY LENDER**  
For a limited time only.  
Equal Opportunity Provider.

# Contractor Capacity Loan

- **Contractor Capacity Loan**
- Helping to strengthen small construction contractors working on housing rehabilitation projects support low-to-moderate income homeowners using programs funded by the Illinois Housing Development Authority (IHDA) or similar state agencies.



## Are You Ready

for the next home improvement contract for homeowners?

**Contact:**  
Frank Perez, Loan Officer  
(309) 784-8711  
fperez@bridgeinvestmentcdc.org

Find out how you can get more home improvement contracts. Call or email today!

Serving Illinois and Iowa as a Community Development Financial Institution (CDFI), Bridge Investment Community Development Corporation specializes in bridging the gap for small businesses with the capital necessary to grow.

**Examples:**

Total Construction Contract	\$20,000
Contractor Contribution (20% of contract amount)	(\$4,000)
Total Loan Amount	\$16,000
Interest Paid by Contractor (120 days)	\$213.92*

Total Construction Contract	\$30,000
Contractor Contribution (20% of contract amount)	(\$6,000)
Total Loan Amount	\$24,000
Interest Paid by Contractor (120 days)	\$320.88*

Total Construction Contract	\$40,000
Contractor Contribution (20% of contract amount)	(\$8,000)
Total Loan Amount	\$32,000
Interest Paid by Contractor (120 days)	\$427.84*

\*Interest payments are approximate based on August 2020 interest rates. Actual interest paid will vary based on terms approved.

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 **BRIDGE INVESTMENT**  
Community Development Corporation  


# Bridge Investment Loan Program

## Case Study

<b>Debt</b>	
Bank	\$675,000
Bridge Investment CDC	\$125,000
<b>Grants</b>	
TIF	\$380,000
Donation	\$10,000
<b>Equity</b>	
Illinois Affordable Housing Tax Credits	\$147,600
Deferred Developer Fee	\$121,656
<b>Total</b>	<b>\$1,459,256</b>



**Bowlby Condominiums**  
**2 upper story lofts- Owner**  
**Occupied**  
**Ground Floor Commercial**



# Advanced Financial Transactions



# How to get Tough Deals Done



# Centre @ 501



Due Diligence: 2016-2018  
Under Construction: 2018  
Ribbon Cutting: June 2019



**Best Overall Renovation Award**  
*Downtown Springfield, Inc.*  
2020

# Centre @ 501



# Centre @ 501



# Centre @ 501



# Centre @ 501

## *“How to get Tough Deals Done”*

• New Market Tax Credits:	\$2,100,000
• Federal Historic Tax Credits:	\$1,200,000
• Illinois Housing Development Authority, State Donation Tax Credits:	\$1,400,000
• The City of Springfield, Tax Increment Financing (TIF):	\$1,600,000
• Debt, Illinois National Bank:	\$1,600,000
• Developer contribution:	<u>\$520,000</u>
<b><u>Total</u></b>	<b><u>\$8,600,000</u></b>

# Wilson Lofts

Source	Amount
<b>Debt</b>	<b>\$3,580,000</b>
1 <sup>st</sup> mortgage	\$2,300,000
TIF Loan	\$1,280,000
<b>Grants</b>	<b>\$530,000</b>
<i>Façade Grant</i>	\$500,000
<i>Downtown BID Organization</i>	\$30,000
<b>Equity</b>	<b>\$7,623,333</b>
New Market Tax Credits	\$3,139,500
Federal Historic Tax Credits	\$1,519,667
State Historic Tax Credits	\$2,592,934
Brownfield Tax Credits	\$371,232
<b>Deferred Developer Fee</b>	<b>\$971,031</b>
<b>Total</b>	<b>\$12,704,364</b>



# Wilson Lofts

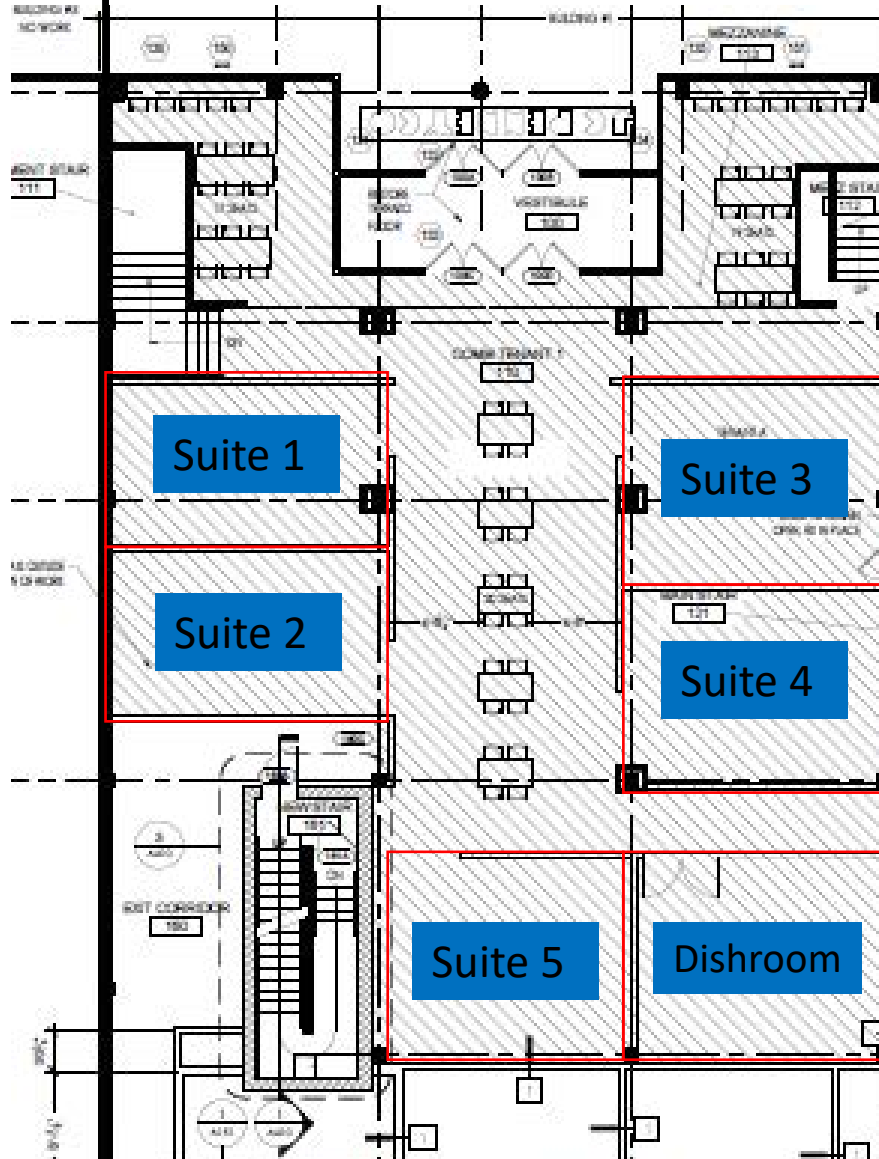
33 units residential

2 ground floor business incubators

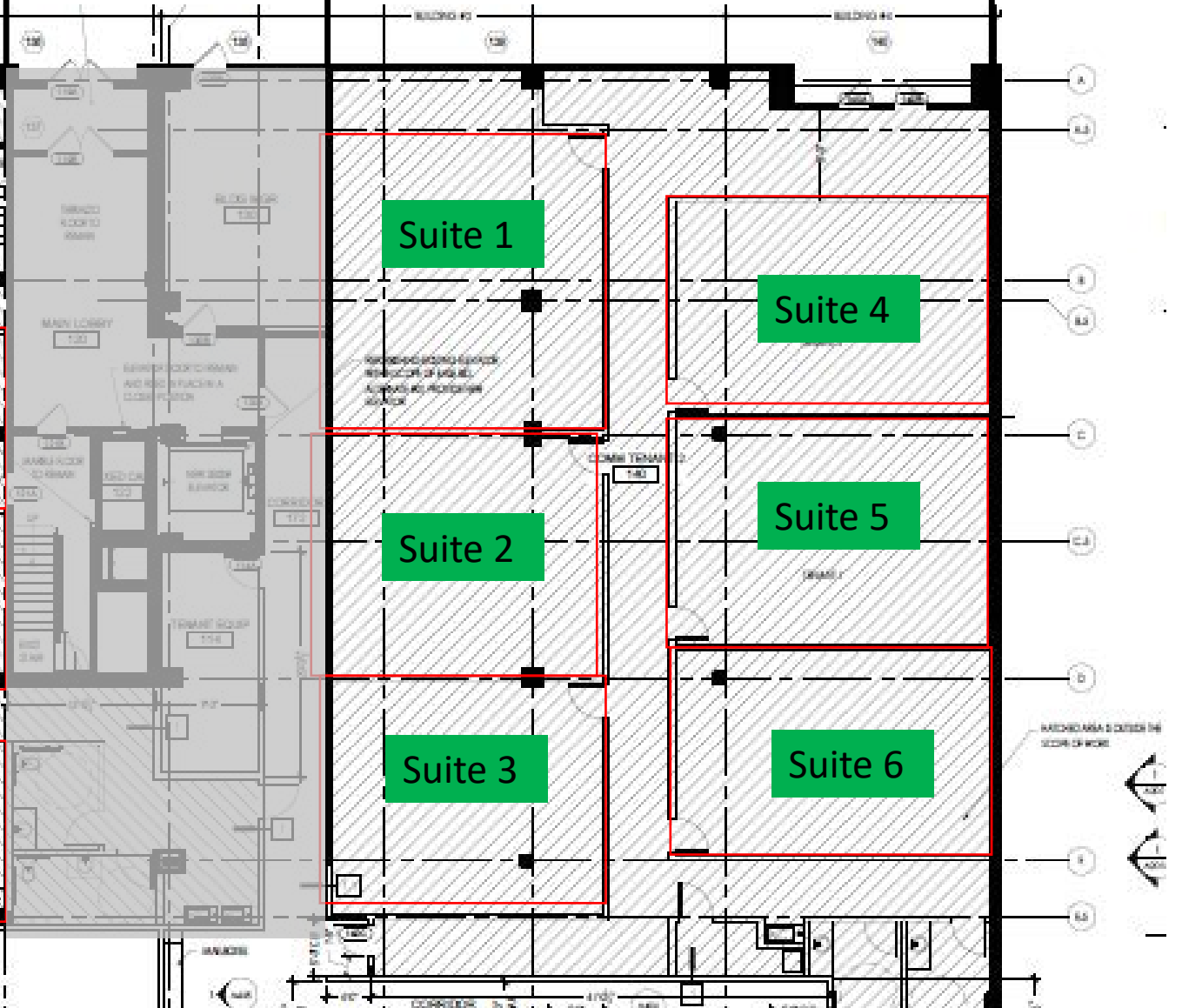




# Clinton Culinary



# Makers on 5th



# First Floor Plans

## Clinton Culinary

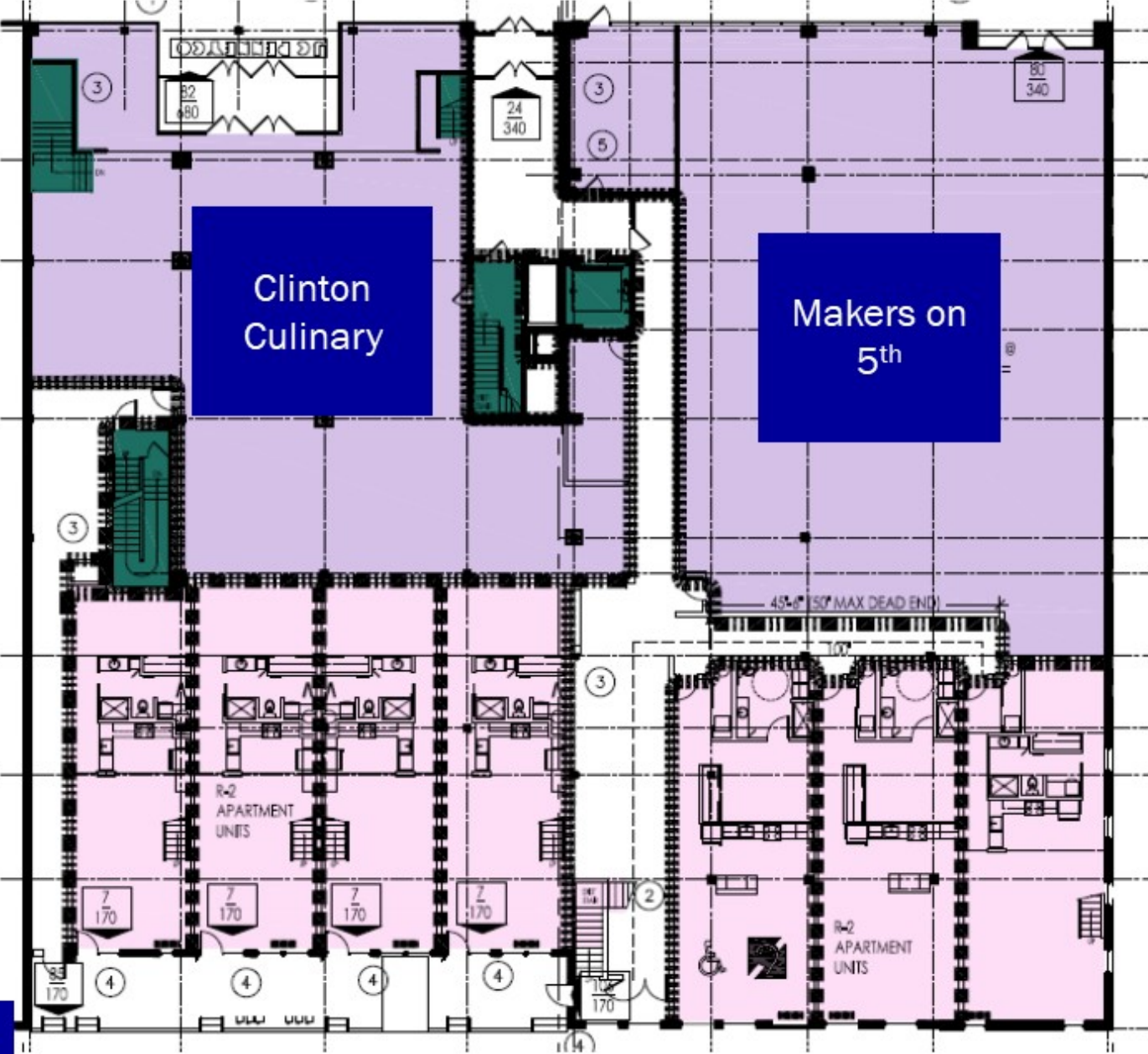
5 Food Incubator Suites focused on startup, food entrepreneurs for Lease

## Makers on 5<sup>th</sup>

6 Retail/ Business suites for entrepreneurs available for Lease

## 7 Townhome Type Apartments

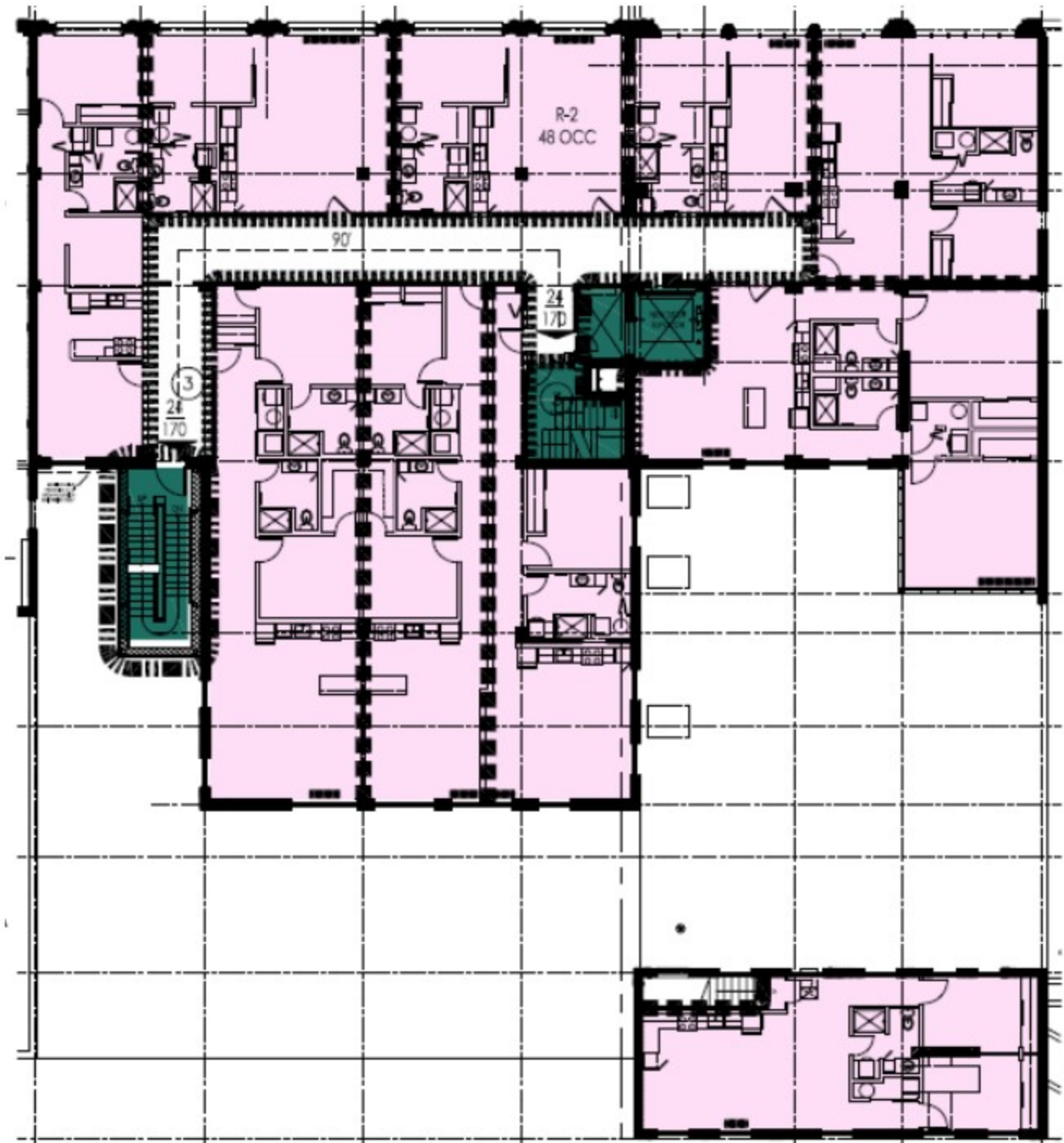
Accessed from 6<sup>th</sup> Avenue South



Pre-applications available at [Wilson-Lofts.com](http://Wilson-Lofts.com)

# 2<sup>nd</sup> Floor Plans

**33 residential units**  
**501-1,330 SQ FT**



# Goldman Lofts



The process begins with decision of a property owner to donate a white elephant structure to a local not-for-profit.

# Goldman Lofts

Patience can be a virtue.



501 c3 status allowed tax benefits to exceed probable cash sale proceeds.

# Goldman Lofts



Splitting the parcel, the former annex became the (former) offices of Renaissance Rock Island. Sold in 2016 providing new resources for reinvestment.

# Goldman & Renaissance Lofts

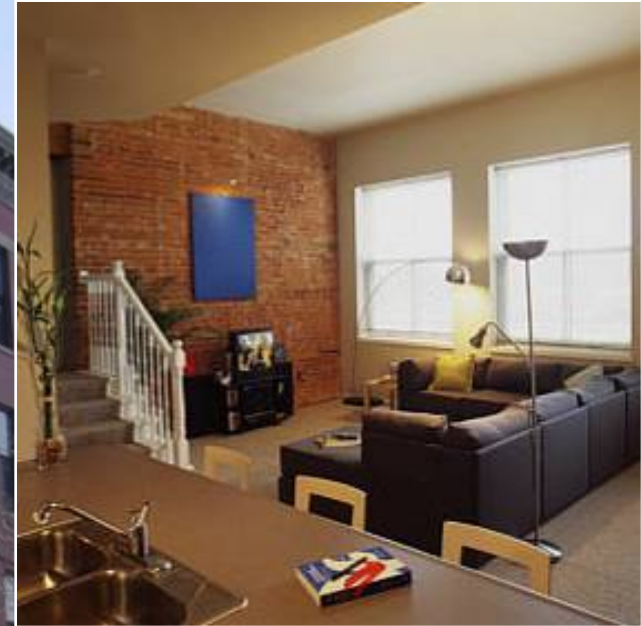
Goldman Lofts – 28 units



In one project two white elephants were converted to 52 units of loft housing.

# Goldman & Renaissance Lofts

Renaissance Lofts – 24 units



\$6.3 million development employed 100 workers through various trades. An additional 40 persons were utilized in peripheral positions.



# Renaissance Lofts



Innovative partnerships transforming Rock Island!



Renaissance Lofts

# Goldman & Renaissance Lofts



Units are attractive to retirees and young professionals.

# Goldman & Renaissance Lofts-2000

First Mortgage		<b>\$1,700,000</b>
–Risk Sharing 50/50 insured by IHDA & USHUD		
–Funded by the AFL-CIO		
•Second Mortgage		<b>\$ 750,000</b>
–Funded by HTF		
•Third Mortgage		<b>\$ 275,320</b>
–Funded by the City of Rock Island		
•Equity		<b>\$3,308,870</b>
–Historic	\$ 433,210	
–Affordable	\$ 2,758,466	
–Deferred Dev. Fee	\$ 117,194	
•Grants		<b>\$ 272,000</b>
–City Façade	\$ 30,000	
–State Energy	\$ 68,000	
–AHP	\$ 175,000	
• <b>Total</b>		<b>\$6,307,190</b>
• <i>Other</i>		
– <i>15 year property tax negotiated schedule</i>		
– <i>30 year lease back of commercial space</i>		

# Goldman & Renaissance Lofts

## Commercial Space Lease Back

The Development Association of Rock Island (DARI) long term lease to maintain first floor commercial space.

\$1 Million initial investment: Commercial buildout

\$1.00 per year + pro rata share of taxes, insurance & maintenance.

Sublease income pays for commercial build out costs then becomes an annuity for the not-for-profit.

Gives flexibility for income or retail development.





# Renaissance Lofts: Business Incubator

## *Activity Generator for Downtown*

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## Goldman Lofts: Business Incubator

*Supporting Wellness, Entrepreneurs & Economic Development*

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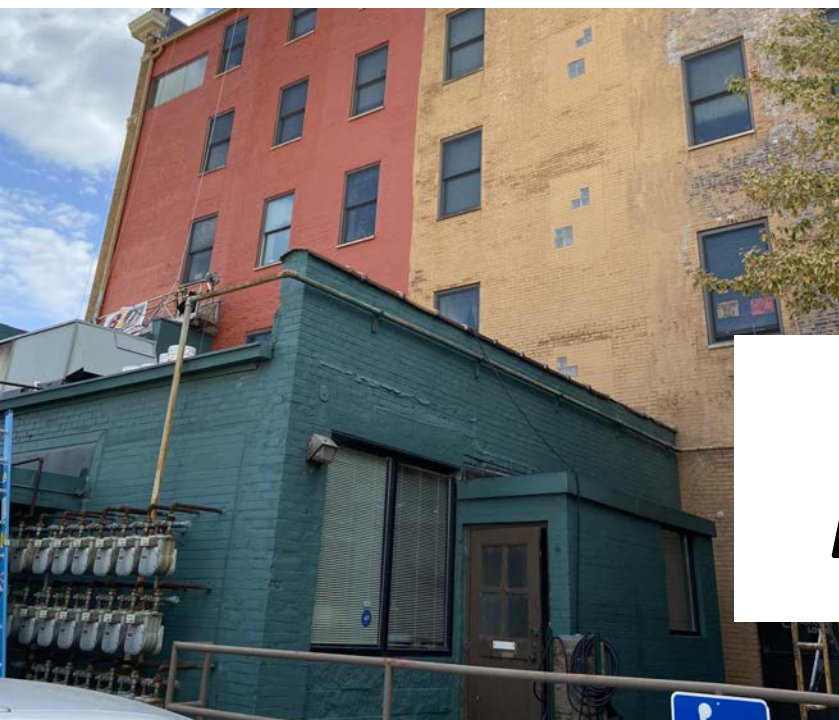
# Goldman & Renaissance Lofts- 2020

## *Expiring Tax Credit Project*

<b>Debt</b>	<b>\$1,390,000</b>
<i>IHDA Trust Fund-- \$3,071,591</i>	
<i>IHDA Trust Fund-- \$750,000</i>	
<i>Resubordinate Debt-- \$275,320</i>	
<b>Grants</b>	<b>\$1,260,000</b>
<i>CDBG, City of Rock Island-- \$575,000</i>	
<b>Equity</b>	<b>\$ 22,514</b>
<b>Deferred Developer Fee</b>	<b>\$ 181,783</b>
<b>Total</b>	<b>\$4,876,273</b>

- Other*

*–30-year lease with DARI continues as originally stated, demonstrating commitment to partnerships and agreements made in 2000*



**Goldman Lofts**  
*Exterior Paint & Tuckpointing*





# Goldman Lofts

*Full Roof Replacement*

# Renaissance Lofts

## *Full Roof Replacement*

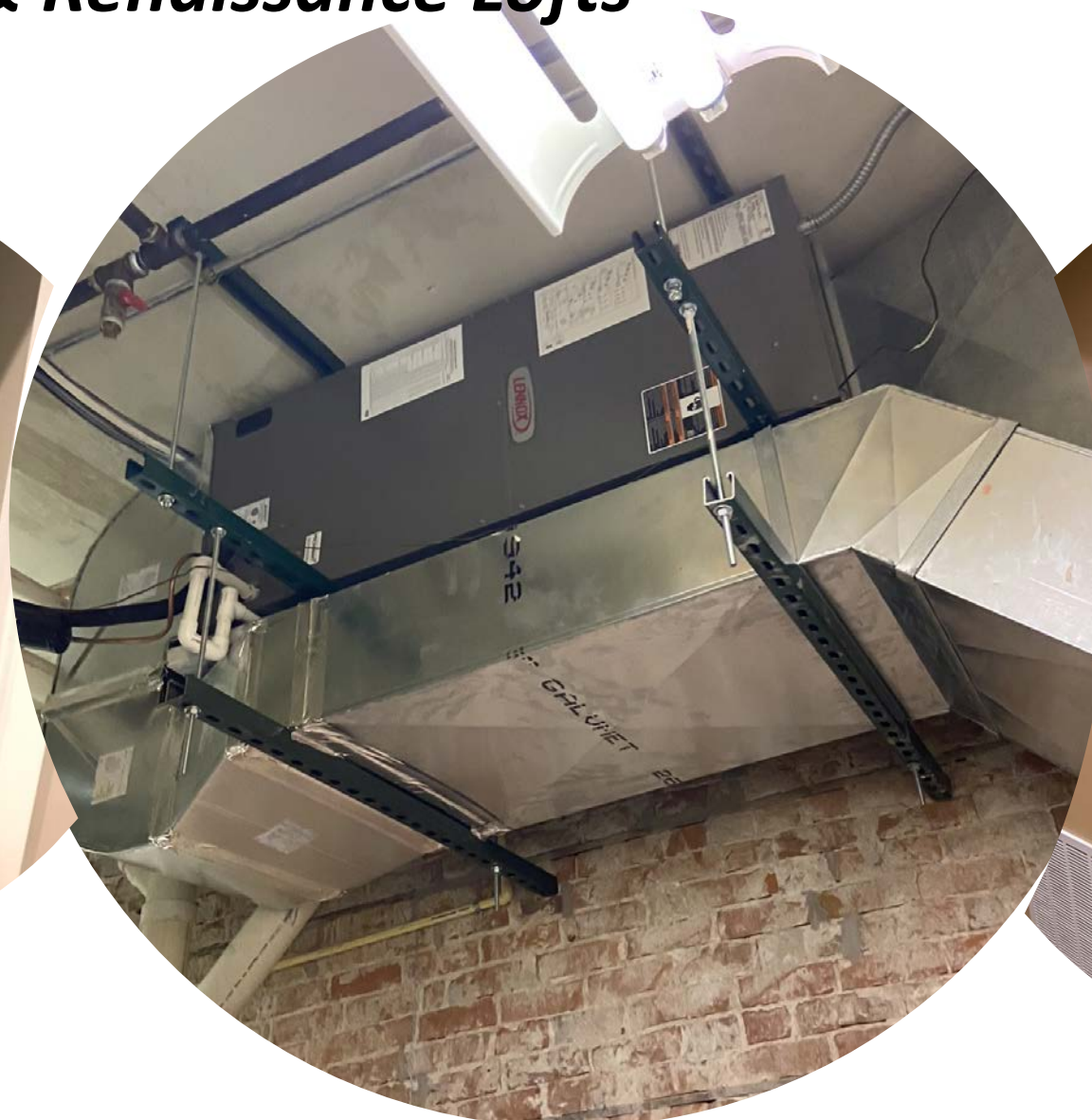




***New air conditioning units/ full replacement of aged mechanicals***



# ***New Furnaces Goldman Lofts & Renaissance Lofts***



# Jackson Square

*2008: Identified as priority project in 2010 Downtown Strategic Plan*

*2009: Predevelopment identified as a 72-unit LIHTC development*



# Jackson Square

**2010:** Mixed Use development consisting of 30 residential units + commercial space with the help of Neighborhood Stabilization Program 2  
**2011:** Completion of \$8.8 Million Adaptive Reuse Development



# Jackson Square

## Sources of Funding:

Neighborhood Stabilization Program 2	\$5,908,898
MWA Bank	\$1,305,000
City of Rock Island TIF	\$740,000
US EPA	\$300,000
State Donation Tax Credits	\$318,200
DCEO	\$36,000
<b>Total Project Cost</b>	<b>\$8,831,087</b>

51 Full Time Jobs  
Created

# Voss Brothers Lofts



GROWTH builds capacity serving as lead partner with the local housing authority.



# Voss Brothers Lofts



Views of the Mississippi River



Unique Uses of Space

# Voss Brothers Lofts

## Sources of Funding

Illinois Housing Development Authority

HOME program

\$2,500,000

USA Institutional Fund, LLC

\$2,185,695

State Affordable Housing T.C.

\$447,525

City of Rock Island

\$265,000

Deferred Developer Fees

\$122,897

Energy Grant

\$65,000

**Total Project Cost**

**\$5,586,117**

100 Jobs Created

# Clipper Condos



## Beautiful River Views



# Clipper Condos



First owner-occupied, new construction downtown in over 50 years.

# Clipper Condos



First floor commercial space

# McKesson Loft Condominiums



Incorporated **the first Green-Roof** into its downtown McKesson development – first green roof in Illinois Quad Cities.

# McKesson Loft Condominiums



# McKesson Lofts Funding Sources

A \$6.5 million redevelopment project made possible by these generous and community-spirited funders:

- City of Rock Island
- Illinois Housing Development Authority
- Quad City Bank & Trust
- Blackhawk Bank & Trust
- First Midwest Bank
- Bank Orion
- THE National Bank
- Illinois Environmental Protection Agency
- Doris & Victor Day Foundation





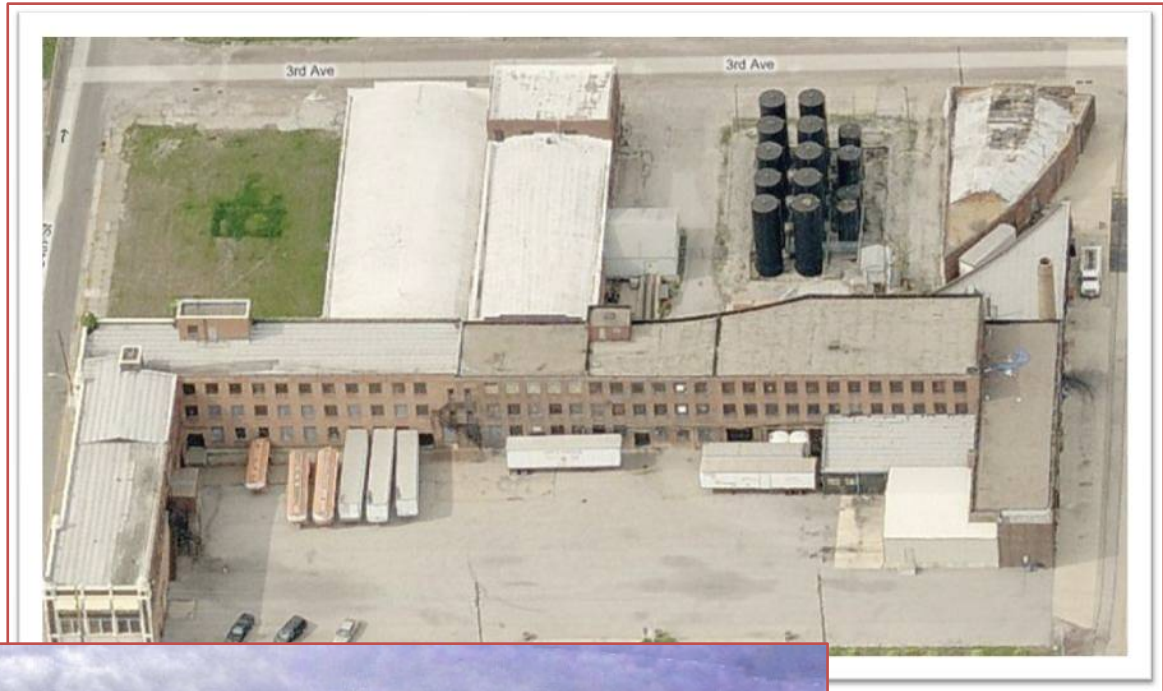
# Jackson Square



GROWTH purchased this 87 year old site in 2010 to advance the Downtown Strategic Plan, Arsenal Gateway Plan and meet housing needs of the community

# Jackson Square

Over 40,000 sq. ft. of  
blight demolished



# Jackson Square



## Unit Counts:

1 Bedroom (768-830 sq ft)	= 3
2 Bedroom (925 sq ft)	= 17
3 Bedroom (1300-1409 sq ft)	= 10

## Features:

- 3 bedroom / 2 bath Units
- High Speed Internet, Washer & Dryer Hook Ups in Units
- 3,159 Sq Ft of Community Space, Kitchen & Meeting Rooms
- 3,700 Sq Ft Future Commercial Space on First Floor

**Rent Ranges:**  
**\$432 - \$875**

# Jackson Square

## Sources of Funding:

Neighborhood Stabilization Program 2	\$5,908,898
MWA Bank	\$1,305,000
City of Rock Island TIF	\$740,000
US EPA	\$300,000
State Donation Tax Credits	\$318,200
DCEO	\$36,000
<b>Total Project Cost</b>	<b>\$8,831,087</b>

51 Full Time Jobs  
Created

# Affordable Housing Tax Credits

## Case Study



**Goldman Family Block**  
**5 upper story apartments**  
**4 commercial spaces**  
**450-1000 SF**  
**\$525-\$750/mo**

<b>Debt</b>	<b>\$675,000</b>
<i>Bank</i>	<i>\$675,000</i>
<b>Grants</b>	<b>\$990,000</b>
<b>TIF</b>	<b>\$380,000</b>
<i>Donation</i>	<i>\$10,000</i>
<i>National Foreclosure Settlement Funds</i>	<i>\$600,000</i>
<b>Equity</b>	<b>\$272,600</b>
<b>Affordable Housing Tax Credits</b>	<b>\$147,600</b>
Deferred Developer Fee	\$121,656
<b>Total</b>	<b>\$1,934,256</b>

\$180,000  
 Allocation at \$0.82  
 raise rate



# Historic Tax Credits

## Case Study



14 live-work lofts  
 Each 520 SQ. FT.  
 \$520/mo

<b>Debt</b>	<b>\$1,725,000</b>
<b>Grants</b>	<b>\$400,000</b>
<i>City of Rock Island- TIF</i>	<i>\$400,000</i>
<i>Donation</i>	<i>\$10,000</i>
<i>National Foreclosure Settlement Funds</i>	<i>\$600,000</i>
<b>Equity</b>	<b>\$1,252,123</b>
<i>Illinois Affordable Housing Tax Credits</i>	<i>\$176,000</i>
<i>State Historic Tax Credits</i>	<i>\$608,381</i>
<i>Federal Historic Tax Credits</i>	<i>\$467,742</i>
Deferred Developer Fee	\$88,398
<b>Total</b>	<b>\$3,465,521</b>

QRE Projections  
 next slide

# QRE Projections

## Case Study

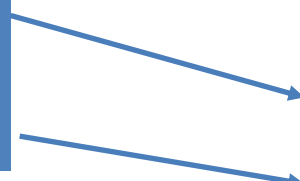
**\*Hard Construction & Contingency excludes:**

- Appliances
- Site Work
- Utilities
- Other Misc.

**QRE Projections**

State Historic Tax Credits

Federal Historic Tax Credits



	Projections
* Hard Construction costs (I & II)	2,400,000.00
* Hard Contingency	239,200.00
Architect	117,000.00
Interest during construction	19,991.00
Market Study	6,000.00
Appraisal	2,500.00
Environmental report	7,500.00
Professional fees	6,000.00
Title & recording	3,200.00
Real estate taxes during construction	4,620.00
Insurance during construction	4,410.00
Developer fee	350,000.00
<b>Expected QREs</b>	<b>3,160,421.00</b>
State Historic Eligibility	790,105.25
Raise Rate Multiplier - \$.77	608,381.04
Federal Historic Eligibility	632,084.20
Raise Rate Multiplier - \$.74	467,742.31





# **Community Needs Assessment**

# Community Needs Assessment

- Needs will be computed and shared to bring national resources to Springfield, IL
- ***What does your community need?***
  - ***Housing?***
  - ***Access to Capital?***
  - ***Gap Financing?***
  - ***Workforce Development?***
  - ***Other***

Please email your needs to Beth Payne,  
[bpayne@growthcorp.org](mailto:bpayne@growthcorp.org).

**Community Needs Assessment**

Please complete the below sections and leave at your table when you exit. Thank you for attending.

1. Name:
2. Email Address:
3. Phone Number:
4. Organization You Are Representing Today:
5. Community You Represent:
6. Needs Within Your Community:

Central States Development Partners Inc. and Bridge Investment Community Development Corporation  
are Equal Opportunity Providers.

# Conclusion





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