

Examples of the California NMTC Projects

These projects leverage private capital to create jobs and provide positive environmental and community impacts in California's lowest income areas. More needs to done. Without additional resources, these financial and community needs will remain unmet.

Biofuels Fuel Cells, LLC

This project funded/closed in November 2010 and involves the purchase, installation and operation of 2 biofuel cells in NMTC eligible locations in San Diego. NMCC VI contributed \$34.16 million in NMTC allocation to finance 3 QLICI loans in the total amount of \$32.7 million and an equity investment of \$1 million. Methane gas at the City's Point Loma Wastewater Treatment Facility is captured and converted to biogas within natural gas consistency which will then be transported to the two off-site fuel cell locations to produce renewable electricity. The NMTC financing was used to purchase and install the two off-site fuel cells. The Project will lower emissions through "green" measures and reduce dependency on the Electrical Grid. The project has the full support and involvement of the City to the extent that the City will be purchasing all of the fuel generated by one of the plants. Both plants are in highly distressed census tracts with poverty rates of 31.6%, median income of 56.4% or unemployment rates of 3.7 times the national average. A total of 638 jobs will be created including installation and construction jobs as well as permanent positions to support the ongoing operation and maintenance of the fuel cells.

With rising energy costs and the threat of global warming, many businesses and communities now recognize the benefits of using green technology to reduce their carbon footprint and to minimize waste. Using the Fuel Cell technology implemented by this project, the City of San Diego will take methane, a byproduct of the Point Loma facility water treatment process that is currently released into the atmosphere, and utilize it to provide clean, renewable energy at two businesses located in the City of San Diego. This project will eliminate the emission of approximately 68,100 pounds of pollutants annually, which is equivalent to removing approximately 1,136 cars from the road. Further, the City of San Diego estimates the project will generate \$2.6 million of revenue over ten years from payments made by BioFuels Energy for the biogas. In addition, the City expects to save \$780,000 in electricity costs to power the South Bay Water Reclamation Plant under a ten year power purchase agreement with BioFuels Energy.



On many levels, the benefits of implementing a green initiative, such as this fuel cell technology, are extensive. At the UCSD site, a strong education program in green technologies prepares students for future employment, and national forecasts indicate that many of the country's future top-growth occupations will be eco-centered. In addition, both sites will benefit from decreased operating costs and therefore benefiting the customers and campus population, another benefit of "going green". The project sponsor will also work in partnership with public schools within these LIC's to develop educational curriculum targeted to elementary, middle and high school students that will expose disadvantaged youth to these eco-based applications of science to solve real life problems of pollution and global warming.

Desert Hot Springs Community Health and Wellness Center

This NMTC financing closed in July 2012 and involved two CDE's combining to provide a total of \$21,300,000 in QEI at the investment fund level and total QLICI's to the QALICB of \$20,697,000. The two participating CDE's were NMCC and The Opportunity Fund. NMCC contributed \$8.3 million through two NMTC Allocations, (\$4 million and \$4.3 million) while its wholly owned subsidiary and Sub-CDE NMCC X funded \$8,217,000 in QLICI's.

The City of Desert Hot Springs Community Health and Wellness Center was conceived in 2003 to provide facilities for a medically underserved community to improve the health and welfare of the community. With a Poverty Rate of 33.8%, an Unemployment Rate of 13.2%, and Median Family Income at 45.5%, the need for this project was acute. Approximately 33% of the City's population is under 18 years of age and the project targets this important segment of the population. The 6.63-acre, 36,000 SF Project provides upstream preventive and primary health care opportunities through a newly constructed facility designed to activate the community in physical activity, as well as health and nutritional education. The project has four principal tenants/uses:

- **The Boys & Girls Club:** The "Club" is dedicated "to serve[ing] and enhance[ing] the lives of the young people of the Desert Hot Springs (DHS) community, especially those with economic and/or social needs, by offering a safe haven and meaningful youth development programs provided by a caring and qualified staff". Programs at the Club include activities and physical education for DHS Youth no longer offered at the local public schools due to budget cuts. Additionally, the Club offers mental health education, self-esteem promotion, gang intervention, anti-tattoo counseling, wellness lifestyle classes, homework assistance, computer labs, and community services.
- **The Community Health and Wellness Center:** The project also houses a 4,000 sq ft health and dental wellness center providing general dentistry, with an emphasis on prevention and screening. Additionally, the Center provides DHS residents with diabetes screening, nutritional education, grief recovery assistance, stroke recovery resources, heart attack prevention resources, first aid education, and HIV/AIDS prevention education. The Center also includes a large multi-purpose space with, a kitchen, and three smaller meeting/class rooms, which can be used by community organizations and local non-profits.
- **The Teen Center:** Provides young DHS residents with teen pregnancy prevention education, sex education, and HIV/AIDS prevention education.
- **Gymnasium & Aquatics Center:** The project also has a solar-powered pool and gymnasium that provides structured children's activities including Karate, sports and games, and adult activities such as volleyball, basketball, water sports, lap swimming, competitive swimming, water aerobics, etc. The outdoor aquatics center also features a toddler splash-area, which will provide entertainment for children under the age of five. Facility will be shared by all tenants, the adjacent high school and the school district.



The Dream Center



This NMTC financing closed in August 2012 and involved five (5) CDE's combining to provide a total of \$49.7 million in QEI at the investment fund level and total QLICI loans to the QALICB of \$48,788,500. NMCC contributed \$2.3 million in QEI while its' wholly owned subsidiary/Sub-CDE NMCC XII funded \$2,277,000 to the QALICB through two QLICI loans of \$1,605,000 (QLICI Loan A) and \$672,000 (QLICI Loan B). The other participating CDE's are:

- Opportunity Fund \$16,100,000 NMTC Allocation/ \$15,456,000 QLICI's

- Los Angeles Development Fund \$10,000,000 NMTC Allocation / \$10,000,000 QLICI's
- Chase New Markets Corporation \$5,000,000 NMTC Allocation / \$5,000,000 QLICI's
- National New Markets Fund \$16,300,000 NMTC Allocation / \$16,055,500 QLICI's

The Dream Center is located near downtown Los Angeles in a highly distressed urban location with a Poverty Rate of 38.2%, an Unemployment Rate of 21.2% and Median Income of 46.1%. Originally built in 1926 as the Queen of Angels Hospital, the Dream Center is a multi-building campus that has been renovated into an outreach center providing housing, education, meal preparation, recreation, and religious services. The improvements total 416,443 SF situated on two parcels totaling 348,120 SF. The Dream Center helps over 40,000 people each month, through a myriad of programs including:

- Long-term transitional life-building programs
- Shelter for homeless individuals and families
- Mobile medical clinic
- Food distribution
- Job training
- Foster care intervention and aiding young adults emancipated from foster care

San Pablo Helms Community Center



NMCC contributed a \$9.4 million NMTC allocation and QLICI's totaling \$9.306 million as a "Construction to Permanent" loan for the San Pablo Helms Community Center in December 2012. This new facility will be located on the campus of the Walter T. Helms Middle School in San Pablo, California. This is a highly distressed LIC with Unemployment at 2.22 times the national average, a poverty rate of 17.7%, and Median Income of 59.1%. The City of San Pablo entered into a ground lease with the West Contra Costa Unified School District for a 20,000 square foot plot of land between the middle school and the track and sports fields. Through the partnership established with the school district and the

desire not to duplicate services, the project will meet the needs of both the school population and the community at large. The Helms Community Center will be 10,500 square feet and will include a large multi-purpose space with WiFi and a kitchen for catering or cooking classes, two smaller meeting/class rooms, a teen lounge with a music recording room, a computer room with 20 computers, and a fitness room. The outdoor space will include a Tot Lot (playground), edible garden and a youth multi-use plaza. There will be a surface parking lot and restrooms that are accessible from the adjacent track and sports fields.

This NMTC investment has retained 135 and created 30 jobs. The project also supports over 4,600 volunteer positions.