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**For Immediate Release: 2/14/2018**

## **Central States Development Partners Receives \$20 Million New Market Tax Credit Award**

Rock Island, IL– Central States Development Partners, Inc. (Central States) is pleased to announce it has been awarded \$20 million in New Market Tax Credits (NMTC) from the U.S. Department of the Treasury’s Community Development Financial Institution (CDFI) Fund during the 2017 round of funding distribution. Central States is a Community Development Entity (CDE) that provides capital to qualifying businesses and projects in highly distressed low-income areas in Iowa, Illinois, Indiana, and Florida.

First funded in 2016, Central States has received a total of \$65 million in NMTCs back-to-back over two awards.

According to the news release issued by the U.S. Department of the Treasury CDFI Fund, a total of 230 CDE’s applied for allocations for a total demand of nearly \$16.2 billion in credits, with Central States being one of the 73 CDE’s awarded (31.7 percent), receiving a total of \$3.5 billion, an amount that only meets a fraction of the demand.

Central States controlling entity, Economic Growth Corporation, was founded in 1983, with a mission to enhance the overall image and economic vitality of low-income and underserved communities, with emphasis in blighted areas and communities in need of new investment and attracting new commercial and industrial businesses. Central States advances GROWTH’s mission by furthering its efforts to grow job opportunities and new investment in highly distressed areas.

“Our community-driven efforts have consistently been directed at creating jobs, supporting neighborhoods and strengthening the community fabric in ways that sustains and promotes long-term viable economic success. We are proud that the CDFI Fund recognizes the work we’ve accomplished and has entrusted us with another round of New Market Tax Credits to continue expanding,” said Brian Hollenback, President and CEO of Central States Development Partners, Inc.

Within one year of the closing of its first NMTC award of \$45 million, Central States has made great strides to further its mission bringing critical jobs and services to areas and people that need it most.

Central States has made Qualified Low Income Community Investments (QLICs) into seven (7) Qualified Active Low Income Community Businesses (QALICBs) all of which are located in highly distressed areas within Low Income Communities (LICs) in Illinois and Iowa. These investments support more than \$110.82 million in project value, and create 1425 jobs, 360 construction jobs and 222 indirect jobs with 90% of these new jobs anticipated to benefit low-income individuals.

The New Markets Tax Credit program helps economically distressed communities attract private investment capital by providing investors with a federal tax credit. Over the past decade, our nation's low-income communities have suffered more than other due to factors such as dormant manufacturing facilities, vacant commercial properties, and lower property values. As a result, many of these communities find it difficult to attract the necessary capital from private investors.

Investments made through the NMTC Program are used to finance businesses and real estate projects, breathing new life into neglected, underserved communities. The NMTC Program catalyzes investment where it's needed most. These are communities with low median incomes and high rates of unemployment, and the NMTC investments can have a dramatic positive impact. For every \$1 invested by the Federal government, the NMTC Program generates over \$8 of private investment.

#### **About Central States Development Partners, Inc.**

An equal opportunity provider, Central States Development Partners, Inc. is a nationwide Community Development Entity (CDE) organized in 2009, with a primary mission to serve distressed, low-income communities and low-income individuals. Central States was formed by its parent non-profit, Economic Growth Corporation, a national non-profit community development organization. Since its formation in 2009, Central States has sought to bring critical jobs, services and goods to low income communities.

Certified by the Department of Treasury in 2010, Central States originally served as a conduit in which to access to New Market Tax Credits. Below demonstrates the timeline of activities and capacity building of Central States Development Partners:

- In April 2012, Central States Development Partners, Inc. closed its first New Market Tax Credit transaction with DOT Foods, Inc. in Mt. Sterling, IL. The closing of DOT Foods, Inc. advanced Central States capacity as a CDE, and opened the door to new opportunities for Central States.
- In February 2015, Central States Development Partners, Inc. facilitated Hill & Valley, Inc.'s \$7 million NMTC transaction, in partnership with Baker Tilly, US Bancorp CDC, the City of Rock Island, and LRC Developers.
- In February 2017, Central States closed on its first NMTC award of \$45 million.
- In February 2018, Central States was notified of its second NMTC award of \$20 million.

Information about Central States Development Partners, Inc. is available at [www.economicgrowthcorporation.com](http://www.economicgrowthcorporation.com).

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