



CDFA-FUNDIT WEBINAR



Understanding the Basic Principles of Development Finance

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CDFA-FUNDIT WEBINAR: UNDERSTANDING THE BASIC PRINCIPLES OF DEVELOPMENT FINANCE



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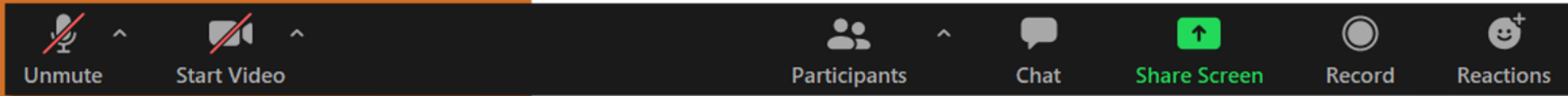
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Strategic Program Manager

New Mexico Economic Development Department

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Understanding the Basic Principles of Development Finance



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CDFA-FUNDIT WEBINAR: UNDERSTANDING THE BASIC PRINCIPLES OF DEVELOPMENT FINANCE



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Presentation Objectives

- ▶ About Toby Rittner
- ▶ Today's agenda
- ▶ Parameters for Training - limited time, need to go more in-depth
- ▶ Questions - ask them often
- ▶ All links to CDFA screenshots can be found at www.cdfa.net
- ▶ Always engage qualified legal counsel
- ▶ Housekeeping - breaks, slides, etc.

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What is Development Finance?

- ▶ Development finance is the efforts of local communities to support, encourage and catalyze expansion through public/private investment in physical development/redevelopment and/or business/industry.
- ▶ It is the act of contributing to a project/deal that causes that project/deal to materialize in a manner that benefits the long term health of the community.

What is Development Finance?

- ▶ Development finance requires programs and solutions to challenges that the local environment creates.
- ▶ Economic developers are the bridge between government and business and often direct the use of financing resources.
- ▶ Partnerships are a critical element when using development finance tools.

What Does Development Finance Include?

- ▶ Debt, equity, credits, liabilities, remediation, guarantees, collateral, credit enhancement, venture/seed capital, early stage, workforce, technical assistance, planning, short-term, long-term, incentives, gap, etc.
- ▶ Proactive approaches that leverage public resources to solve the needs of business, industry, developers and investors.

What Development Finance *Does Not* Include

- ▶ Free handouts and unabashed subsidies
- ▶ Duplicative assistance
- ▶ Poor due diligence and transparency
- ▶ Poor oversight and performance measures
- ▶ Irrational responses to immediate challenges

Why is Development Finance Important?

- ▶ Businesses need working capital and the ability to invest in themselves
- ▶ Developers need assistance to achieve an acceptable ROI
- ▶ Communities need infrastructure and amenities
- ▶ Citizens need opportunities for advancement - jobs, small business, education, etc.
- ▶ States and regions need economic growth

Development Finance Agency (DFA)

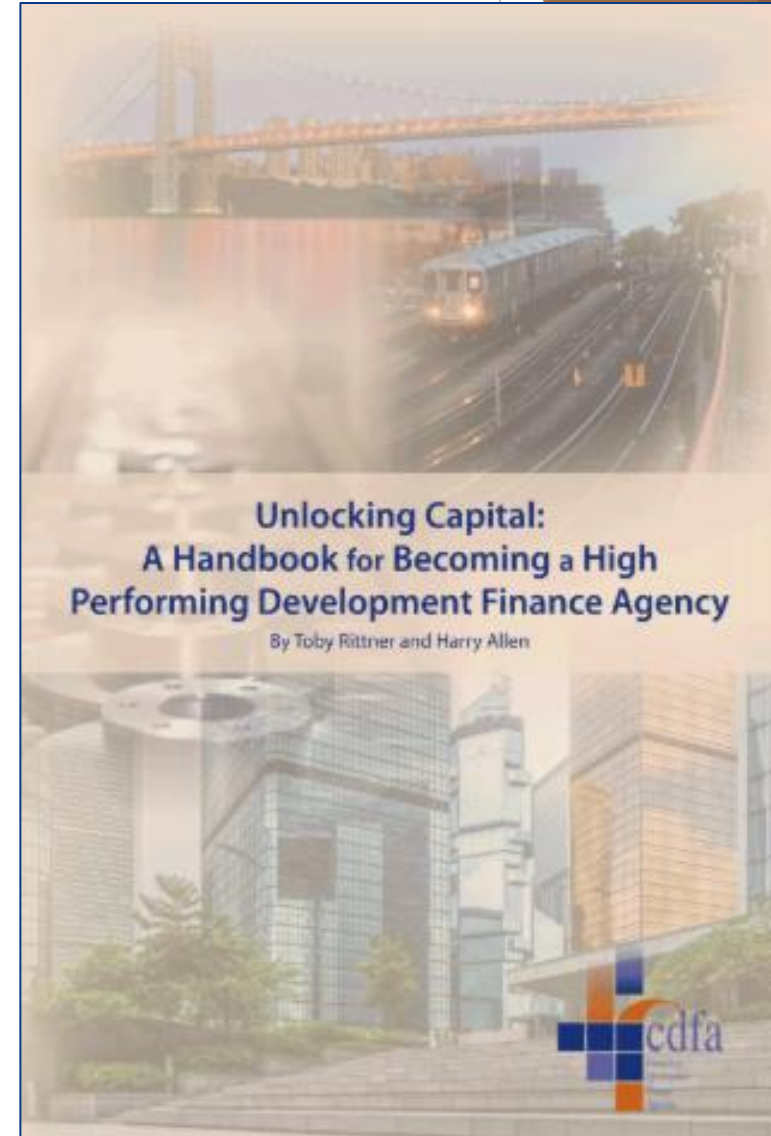
- ▶ Development finance agencies (DFAs) can be either public or quasi-public/private authorities that provide or otherwise support economic development through various direct and indirect financing programs.
- ▶ DFAs may issue tax-exempt and taxable bonds, provide credit enhancement programs, and offer direct lending, equity investments, or a broad range of access to capital financing mechanisms.
- ▶ DFAs can be formed at the state, county, township, borough or municipal level and often times have the authority to provide development finance programs across multi-jurisdictional boundaries.

Examples of Development Finance Agencies (DFAs)

- ▶ Industrial development authorities, boards or corporations
- ▶ Economic development authorities, corporations or councils
- ▶ Special purpose authorities (port, transportation, parking, development, energy, air, water, infrastructure, cultural, arts, tourism, special assessment, education, parks, healthcare, facility, etc.)
- ▶ Local and community development authorities, corporations or institutions
- ▶ Departments of development or commerce and finance authorities, divisions, or departments within state and local government
- ▶ Business development corporations, centers or districts
- ▶ Development and redevelopment authorities, commissions or districts

High Performing Development Finance Agencies (DFAs)

- ▶ Every state has authorizing language to allow for the creation of the DFAs
- ▶ DFAs that are able to manage and implement a variety of toolbox programs are considered “high performing”
- ▶ For those communities that do not have the means or capacity to create a high performing DFA, partnerships are critical



Development Finance Agencies (DFAs)

- ▶ Alaska Industrial Development and Export Authority
- ▶ Berwyn Development Corporation
- ▶ Chester County Economic Development Council
- ▶ City of Minneapolis Community Planning and Economic Development Department
- ▶ Colorado Region 9 Economic Development District of Southwest Colorado
- ▶ Development Authority of Fulton County
- ▶ Development Finance Authority of Summit County
- ▶ Louisville Forward
- ▶ Memphis Economic Development Growth Engine
- ▶ Philadelphia Industrial Development Corporation
- ▶ Phoenix Industrial Development Authority
- ▶ Redevelopment Authority of the City of Milwaukee
- ▶ St. Louis Economic Development Partnership
- ▶ Toledo-Lucas County Port Authority
- ▶ Wisconsin Housing and Economic Development Authority



Attracting private capital to Northeast Ohio for public good ®

Search ...

SEARCH



Youngstown YMCA

Type: **New Market Tax Credit**

The Youngstown YMCA is renovating nearly 20,000 square feet of its 100 year old downtown Central YMCA creating modified spaces for continuing its transformational work in providing healthy living, youth development, and strengthening families in its downtown



City of Akron Canal Park Stadium Improvements

Type: **Community Development**

Construction of various improvements to the City of Akron owned Canal Park Stadium including a new scoreboard/video board, LED Lights and associated camera, audio/video and operations equipment to



Akron Civic Theater Re

Type: **Community Development**

Akron Civic Theatre is the main downtown revival. Just six months after the market crash of 1929, the historic doors bringing live performance entertainment to the Akron community

Economy, Environment & Equity

- ▶ Many roadblocks to supporting sustainable development including
 - ▶ **Credit Quality** - borrowers, project, community
 - ▶ **Disinvestment** - crumbling infrastructure, stressed workforce
 - ▶ **Environmental Challenges** - blight, contamination
 - ▶ **Costs** - sustainability is expensive
 - ▶ **Resistance** - equitable development is threatening to many
 - ▶ **Rebounding Economy** - easier paths to success (short lived as they may be)

Economy, Environment & Equity

- ▶ How do we address these roadblocks?
 - ▶ **Analytics** - What is the cost of doing development in the old manner and how can we monetize the savings to be sustainable?
 - ▶ **Scope** - What problem are we trying to solve and can that problem be solved with a wider scope? One-offs hurt progress.
 - ▶ **Local Initiative, Wide Support** - How do we engage the local community to not only support equitable development but to also invest in it? And, how do we get larger players (private entities) to foot the bill?
 - ▶ **Leverage** - Using small public dollars to leverage large private investment

Principles of Development Finance

#1 Finance, generally speaking, is agnostic to your project. Your project is **GREAT**. I believe you...but, finance cares (mostly) about one question...

How will the project repay its debt?

To determine this, a project must be able to answer the following questions:

- What revenue streams does the project anticipate as a repayment source for any monies borrowed?
- Can the project articulate the strength and viability of this repayment stream and is it reliable based on proven facts and data?
- Has the project conducted any analysis to prove the repayment stream is viable such as a market feasibility study?
- Are there leases, rents, or purchase agreements in place to verify the strength of the repayment stream?
- What barriers to the repayment source are anticipated?
- In the event of a project change, how will debts be repaid?
- What collateral is available to secure financing?

Principles of Development Finance

#2 Finance wants to know all the details. How will you **USE** your money and can you define your project?

You must be able to define your project on **ONE** or **TWO** pages:

- ▶ What is the actual project?
- ▶ What is the timeline?
- ▶ How much will the project cost?
- ▶ Who are the customers or target market?
- ▶ Do you have land control?
- ▶ What are the alternatives?
- ▶ What are the expectations?

Principles of Development Finance

#3 Finance is about identifying **SOURCES** of revenue. How will the project repay its debt?

Find the revenue streams....

Loans Fees Appropriations Equity
Rents Taxes Donations Grants
Assessments Sales

Principles of Development Finance

#4 Financing a project requires embracing alternatives. Development finance is very difficult, and the original project vision simply may not be supported by the sources and uses available.

Embrace the alternatives early in the process. Projects may find that they can meet their goals by being open to new realities and new partners.

Principles of Development Finance

#5 Development finance is all about identifying barriers to capital. Removing those barriers. Then identifying all the sources of capital that can contribute to the project financing. So....**KNOW YOUR SOURCES!!!**

Landscape of Financing Tools

Tax Increment Finance

New Markets Tax Credits

504 Loans

Municipal Bonds

Collateral Support

Linked Deposit Programs

EB-5

Community Reinvestment Act

Revolving Loan Funds

Microlending

Opportunity Zones

Historic Tax Credits

Property Assessed Clean Energy

Grants

Special Assessment

Tax Abatements

Seed & Venture Capital

501(c)3 Bonds

Industrial Development Bonds

Mezzanine Funds



PILOTS

Credit Enhancement

Principles of Development Finance

#6

Development finance also involves understanding and addressing unmet needs within a community to advance social, racial and economic goals.

Although it is important to focus on maintaining sound financial and programmatic principals first and foremost, program implementation can be directed toward supporting underserved sectors, small businesses, and borrowers with limited access to private financing.

Development finance should do good when and where it can to be a driver of change, inclusion, and equity.

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CDFA houses the largest collection of development finance resources in the world and various online tools to support the industry. Click on the various resource sections below and go in-depth to learn more about the development finance tools and resources available.

+ Online Resource Database (ORD)

+ Resource Centers

+ Federal Financing Clearinghouse

+ State Financing Program Directory

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+ Online Resource Database (ORD)

- Resource Centers

Looking for very targeted development finance resources? CDFA has done the search for you with specialized CDFA Resource Centers. Click on the topic you're interested in exploring to load a customized CDFA Resource Center.

- Agriculture
- Bonds
- Brownfields
- Crowdfunding
- EB-5
- Energy
- Food Systems
- Incentives
- Opportunity Zones
- Property Assessed Clean Energy (PACE)
- Public-Private Partnerships (P3)
- Revolving Loan Funds
- Seed & Venture Capital
- Special Assessment
- Tax Credit
- Tax Increment Finance (TIF)
- Water Finance

+ Federal Financing Clearinghouse

+ State Financing Program Directory

+ News & Headlines





Federal Financing Clearinghouse

CDFA's **Federal Financing Clearinghouse** is the only online resource cataloging the development finance programs offered by the federal government. The FFC includes overviews of over 200 federal financing programs available to both public and private sector users. To conduct a search of the Federal Financing Clearinghouse, click on the features below.

Current Search

Search by Department

Search by Subsidiary Agency

Advanced Search

Search by Department



Export-Import Bank of the United States (EXIM Bank)



U.S. Dept. of Agriculture (USDA)



U.S. Dept. of Commerce (DOC)



U.S. Dept. of Defense (DOD)



U.S. Dept. of Energy (DOE)



U.S. Dept. of Health & Human Services (HHS)



U.S. Dept. of Homeland Security (DHS)



U.S. Dept. of Housing & Urban Development (HUD)



U.S. Dept. of Justice (DOJ)



U.S. Dept. of the Interior (DOI)



U.S. Dept. of Transportation (DOT)



U.S. Dept. of Treasury



U.S. Environmental Protection Agency (EPA)



U.S. Small Business Administration (SBA)



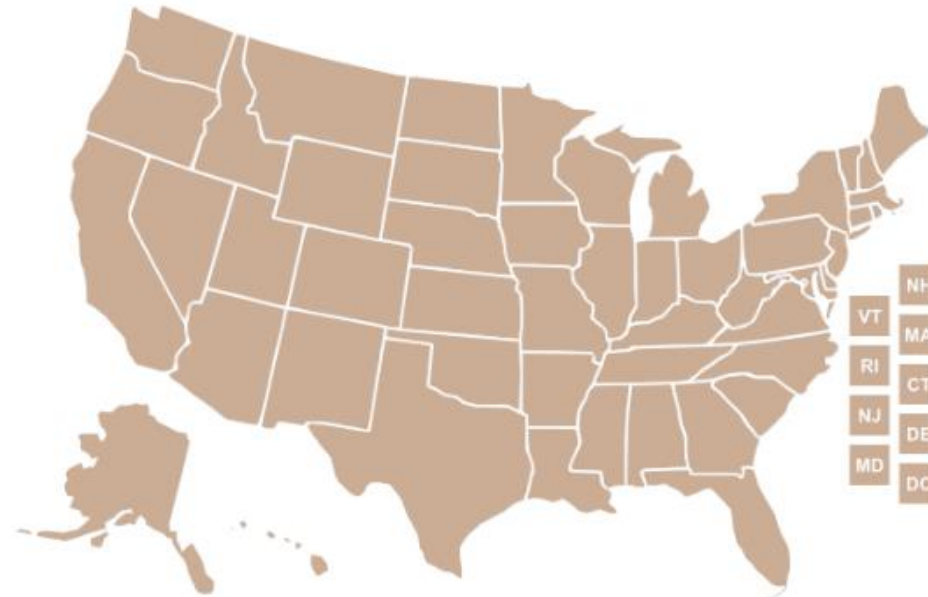


State Financing Program Directory

CDFA's **State Financing Program Directory** is the only online resource cataloging the development finance programs offered by state governments. The SFPD includes overviews of over 350 state financing programs available to both public and private sector users. To conduct a search of the State Financing Program Directory, click on a highlighted state below.

Search by state:

Simple Search *Advanced Search*



Exploring the Development Finance Market

- ▶ 55,000 bond issuers
- ▶ 25,000+ revolving loan funds
- ▶ 1000+ EB-5 regional centers
- ▶ 1000+ CDFIs
- ▶ 35,000+ public and private economic development organizations
- ▶ Hundreds of regional planning organizations
- ▶ 300 certified development corporations
- ▶ Thousands of banks and financial institutions
- ▶ 65,000 foundations
- ▶ Hundreds of development non-profits and supporting agencies

Trends in Development Finance Tool Use

- ▶ 50% of finance agencies issue bonds
- ▶ 41% act as conduit bond issuers
- ▶ 50% provide direct loans
- ▶ 27% provide loan guarantees (collateral support)
- ▶ 39% provide grants
- ▶ 62% provide technical assistance

Despite these trends....

50% of all finance agencies allocate less than 20% of their actual budget to directly financing development.

Development Finance Agency - Tool Use Trends

- ▶ **Industrial Development Bonds** - 50% do not use
- ▶ **501(c)3 Bonds** - 40% do not use
- ▶ **Tax Increment Finance** - 40% do not use
- ▶ **Special Assessment** - 65% do not use
- ▶ **Tax Credits** - Less than 5% do not use
- ▶ **Tax Abatement** - 50% use frequently
- ▶ **Revolving Loan Funds** - 43% use frequently
- ▶ **Early Stage Capital (seed/venture)** - 9% engaged in use
- ▶ **CDBG** - 40% use
- ▶ **EDA** - 18% use

What's Happening Here?

- ▶ Why are agencies ignoring tax-exempt bond financing tools for addressing manufacturing & non-profit development?
- ▶ Why are economic developers ignoring targeting financing tools such as TIF for addressing redevelopment, business district and revitalization?
- ▶ Why are tax credits programs underutilized? Tax credits abound - NMTC, brownfields, historic, LIHTC, hundreds of replicable state program.
- ▶ Over 30 states have state sponsored venture funds. Why little use locally?
- ▶ Why the reliance on federal funding?

A Few Answers

- ▶ Complexity of financing programs
- ▶ Nature of locally controlled, political economic development efforts
- ▶ Lack of focus on financing strengths within community
- ▶ Little dedication to education and capacity building

Public or Public/Private

- ▶ **Public** - 81% of public agencies allocated less than 20% of their budget directly towards financing development
- ▶ **Public/Private** - 33% of public/private agencies allocate over 50% of their budget directly towards financing development
- ▶ **Structure Matters** - Consider your structure closely and craft a legal standing that maximizes the use of financing tools.

In the End....

- ▶ All economic development comes down to the access to financial resources for completing a given project or deal.
- ▶ Nearly all projects/deals hinge on the ability to leverage inexpensive sources of financing.
- ▶ As they say, cash is king, money makes the world go around and show me the money!



Building the Development Finance Toolbox



Introducing the Toolbox Approach

- ▶ The Development Finance Toolbox Approach is a full scale effort for building local and regional financing capacity to serve and impact a variety of business, development, land use, infrastructure and industry needs.
- ▶ This is an investment in programs and resources that harness the full spectrum of a community's financial resources and is a dedication to public-private partnerships.

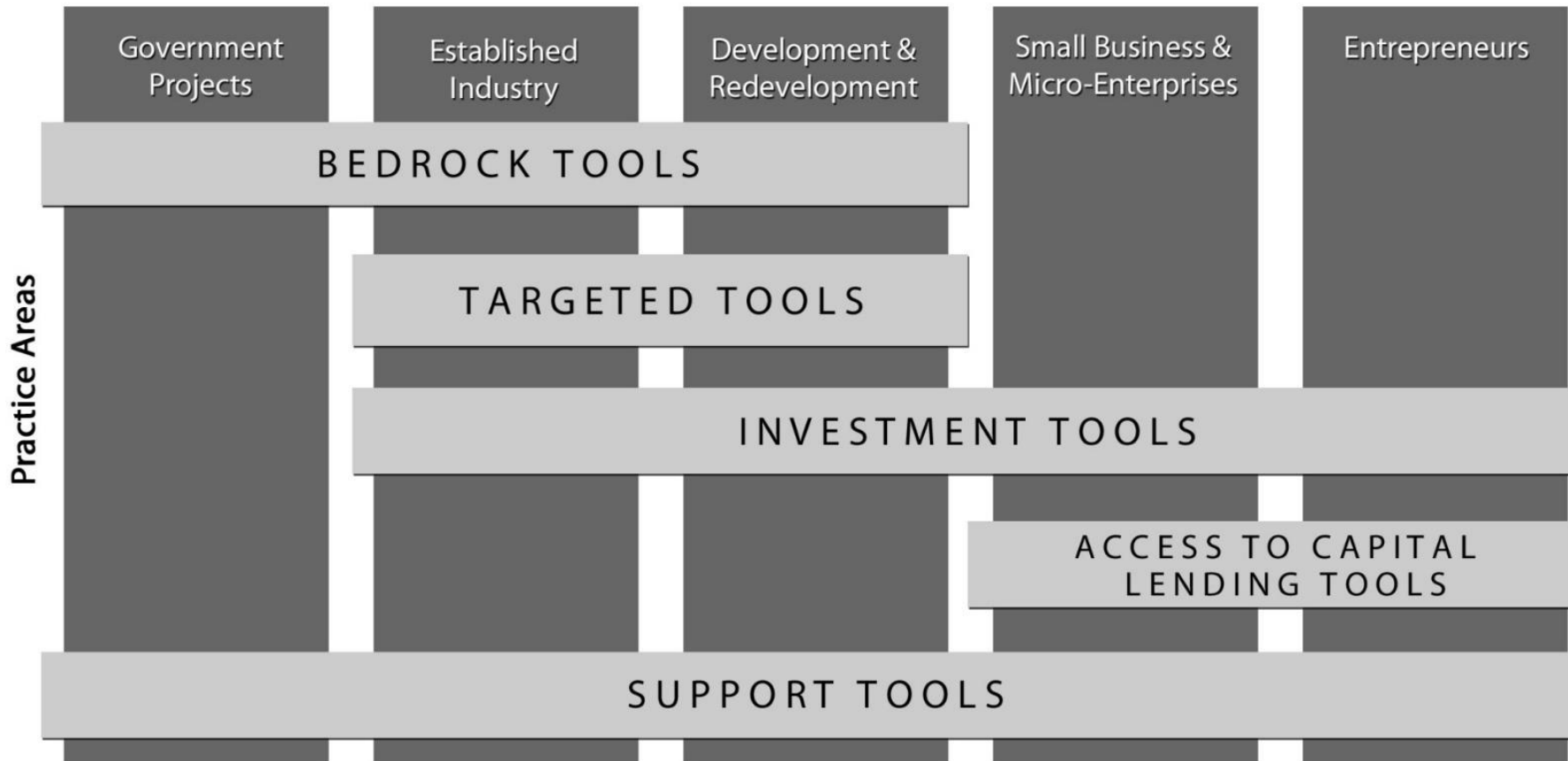
Why the Toolbox Approach?

- ▶ Wide variety of programs already exist to help with both general and targeted financing needs
- ▶ One size does not fit all and there are different instruments for different users
- ▶ More parties can be involved with a comprehensive approach - banks, thrifts, educational providers, investors, angels, developers, planning authorities, etc.
- ▶ Diversity is very important in development finance efforts.



Development Finance SPECTRUM

Types of Financings



From the *Practitioner's Guide to Economic Development Finance*

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Types of Financings

- ▶ **Government** projects are exactly what they sound like - roads, bridges, sewers, water facilities, schools, airports, docks, parking garages, broadband, utilities, etc.
- ▶ **Established Industry** represents our industrial, office and retail sectors (depending on location). Examples such as industrial parks, manufacturing, tech/research hubs and commercial retail centers fall within this category.
- ▶ **Development and Redevelopment** consists of the projects that require major public resource commitments to catalyze new private sector development. We see this throughout the country with urban revitalization, rural rejuvenation, adaptive reuse, brownfield development and other transformative projects that require significant public capital.

Types of Financings

- ▶ **Small Business and Micro-Enterprises** are pretty self-explanatory as well. These projects represent our economic engine locally. Generally, a small business is defined as any company with less than 500 employees and a micro-enterprise is any company with fewer than five employees. There are approximately 30 million micro-enterprises in the U.S.
- ▶ **Entrepreneurs** represents our future businesses. These are one-two person companies that are working through the early stages of the business life cycle. Typically, entrepreneurs are not ready for traditional financing and need a unique approach to help them find the working capital needed to expand and grow.

The Toolbox 7 Financing Spectrum

5 Practice Areas



Practice Area 1: Bedrock Tools

Bonds and the Basics of Public Finance

Practice Area 2: Targeted Tools

Tax Increment Finance, Special Assessment Districts, Government Districts, Project Specific District Financing & Tax Abatements

Practice Area 3: Investment Tools

Tax Credits, Opportunity Zones, EB-5

Practice Area 4: Access to Capital Lending Tools

Revolving Loan Funds, Mezzanine Funds, Loan Guarantees and Microenterprise Finance, Seed & Venture Capital

Practice Area 5: Support Tools

Federal Funding

Bedrock Tools

- ▶ Foundational financing tools - **BONDS**
- ▶ This is the large debt market generally known as bonds and makes up the foundation of all public finance in the U.S.
- ▶ Over 10,000 bonds are issued nationwide annually representing infrastructure, housing, education, agriculture, development, non-profits, healthcare and manufacturing.

Targeted Tools

- ▶ These tools target geographic areas through the use of taxation.
- ▶ Allow for direct reallocation of specific taxes to pay the current cost of development.
- ▶ Includes **Tax Increment Finance, Special Assessment and PACE.**
- ▶ Also includes use of **tax abatements**, which is the relief from taxes, not a redirection.

Investment Tools

- ▶ These tools encourage private sector engagement in projects and businesses by attracting investors.
- ▶ Tools such as **Tax Credits**, **Opportunity Zones** and the **EB-5** investor program drive this sector.
- ▶ Incorporates largest cross-section of US and international investor potential.
- ▶ Involves community development, historic rehabilitation, housing, energy investments, manufacturing expansion, site selection, employment growth, and dozens of other targeted objectives

Access to Capital Tools

- ▶ Represent the resources for supporting small businesses, entrepreneurs, microenterprises, etc. to help unlock capital for growth.
- ▶ These tools include **Revolving Loan Funds, Mezzanine Funds, Loan Guarantees and Microenterprise, Seed & Venture Capital** financing programs, etc.
- ▶ Constitutes the single largest set of development finance tools used in the US.

Support Tools

- ▶ Represent the robust federal funding resources provided by the federal government.
- ▶ Includes dozens of federal agencies, federal financing and funding programs and billions in annual resource allocation.
- ▶ Includes programs from HUD, USDA, SBA, EPA, EDA, DOL, DOT, DOD, DOJ, Treasury, etc.

Development Finance as Public Policy

- ▶ Financing can be the driver of economic development policy and can in turn drive future dollars towards projects within a region.
- ▶ Communities already have the financial capacity for supporting sustainable development, smart growth and resource use.



Implementing the Toolbox



Keys to Toolbox Success

- ▶ Comprehensive effort involving bold thinking, innovative planning, considerable strategizing and a fully supported, cooperative effort from all involved.
- ▶ Agencies that fail to build partnerships typically fail to implement the toolbox.
- ▶ Bring stakeholders to the table - don't try to operate all of these programs on your own.
- ▶ Partnerships should exist on the local, county, regional, state and federal level through the public, private, non-profit communities.

Think About Financing

- ▶ Create a *Strategic Financing Plan* that mirrors the community's master plan and economic development strategy.
- ▶ Connect the economic and physical development goals of your community with aligned development finance strategies and tools.
- ▶ Seek innovative strategies - think about industries not served by existing programs and create program that serve these needs.

ABOUT THE AUTHORITY

MISSION

The mission is to implement Summit County's economic development strategy.

HISTORY

In 1993, the Authority was established as the first bond development finance authority in Ohio.

In 1999, the Authority was reauthorized for the economic development of providing...

In an effort from the Summit County in 1999, the Authority received \$1 million in...

In 2011, the Authority was reauthorized as a Certified Local Government with \$7.5 million in...

Financing provided enabled the jobs, including...

CONTENTS

ABOUT THE AUTHORITY

OVERVIEW

STRATEGIC PLAN

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Vision #1

Vision #2

Vision #3

& Job Creation

GOVERNANCE

GOVERNANCE

STRATEGIC PLAN

ACKNOWLEDGEMENTS

STRATEGIC PLAN SNAPSHOT

This strategic plan outlines the economic development improvements for the county.

VISIONS

Vision #1: Capital Access
One of the Authority's leadership roles in Summit County will focus on capital access.

Vision #2: Maximize Economic Development
The Development Finance Authority managed and staffed firmly in place, the potential of DFWR...

Vision #3: Enhance Investment & Job Creation
The Authority's main focus is to increase investment, programming, and job creation in Summit County and Northeast Ohio by...

GOVERNANCE

Governance #1: Establish Operational Protocols
The Authority is a regional operational protocol and will secure financial stability,...

Governance #2: Maximize Economic Development
The Authority is a regional economic development and will grow and capitalize towards improving...

VISIONS

Vision #1: Capital Access

One of the Authority's leadership roles in Summit County will focus on capital access.

As such, the Authority will focus on capital access and collaborate with...

ACTION PLAN

I. Positive Economic Development

The Authority will:

A.

B.

C.

D.

E.

II. Establish substantive partnerships and collaborations with financing partners throughout Ohio and within the federal government to drive capital access in Summit County and Northeast Ohio.

The Authority will:

- A. Develop key and substantive partnerships with local, regional, state and federal development finance programs, resources and partners. Such examples include other port authorities for providing conduit bond financing, regional energy service providers to facilitate Property Assessed Clean Energy (PACE) transactions, partner community development entities engaged in the New Markets Tax Credit program and other Community Development Finance Institution programs. These partnerships will be collaborative in nature and provide the Authority with direct project financing opportunities that help develop additional economic development resources for Summit County and the region.

- B. Act as a conduit provider of financing resources through the programming and support provided by the federal government, including the:
 - U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI Fund) to address community development, capital access barriers and low-income housing.
 - Areas of Northeast Ohio not covered by the U.S. Environmental Protection Agency to address potential brownfield remediation and redevelopment.
 - U.S. Department of Energy to accelerate clean energy and energy efficiency.
 - Small Business Administration Community Advantage business lending program.

III. Cultivate significant community engagement that demonstrates the Authority's impact on economic development in Summit County and Northeast Ohio.

The Authority will:

- A. Launch an annual community engagement process to aggressively articulate and demonstrate the Authority's impact on the community. This will include sponsoring and presenting at local and regional events and supporting community development related efforts. In addition, the Authority will consider hosting an annual stakeholders event (luncheon, dinner, etc.) with community leaders, project partners, staff members and others to celebrate the Authority's success and accomplishments in the region.

IV. Build credible and trusted stakeholder and advisory groups to ensure that the Authority remains well-respected, relevant and focused on the needs of Summit County and Northeast Ohio.

The Authority will:

- A. Launch a high-ranking, high-level Advisory Committee consisting of select community leaders and a representative from each of the DFA and DFWR boards to provide guidance and to act as a sounding board for evaluating the Authority's future endeavors. This Advisory Committee will meet once or twice annually as part of the Authority's annual planning process and be engaged at a very high level with no day-to-day tasks or commitments.



DFA

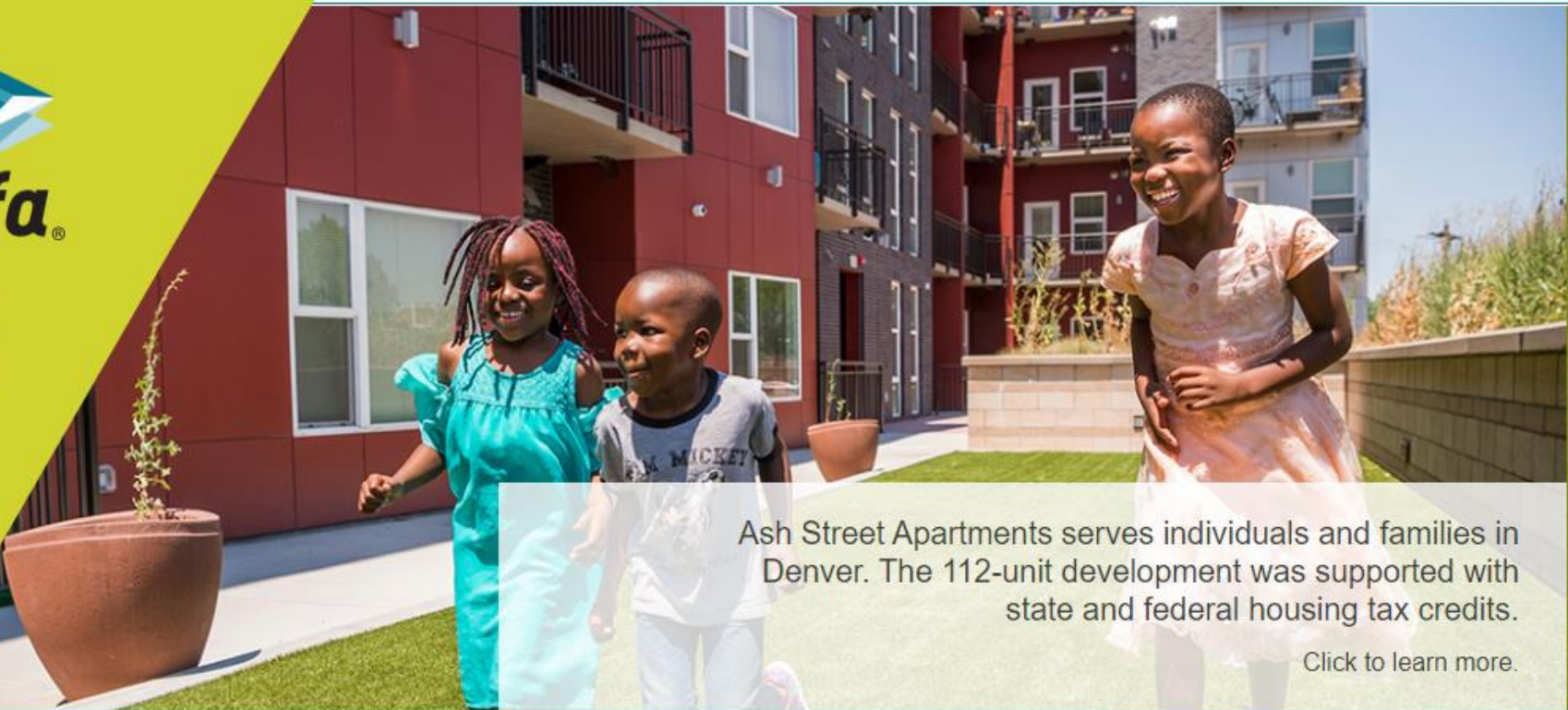
DEVELOPMENT FINANCE AUTHORITY
OF SUMMIT COUNTY

STRATEGIC PLAN 2017

Authored by
Council of Development Finance Agencies



financing the places where people live and work[®]



Ash Street Apartments serves individuals and families in Denver. The 112-unit development was supported with state and federal housing tax credits.

[Click to learn more.](#)

❖ homeownership

Make your dreams of homeownership come true with CHFA.

- ❖ How to get a CHFA loan
- ❖ Homebuyer education
- ❖ Down payment and closing cost assistance
- ❖ Find a Participating Lender

❖ rental housing

Let CHFA help you build and preserve affordable housing to strengthen Colorado communities. We offer:

- ❖ Financing for developers
- ❖ Low income housing tax credits
- ❖ Chfareach classes for property owners, staff, and residents

❖ business lending

Access capital to grow your business. Our programs can help you realize your entrepreneurial dreams. CHFA has:

- ❖ Programs for nonprofit and for-profit businesses
- ❖ Unique resources for manufacturers, healthy food grocers, and rural businesses

current customers

- ▶ home mortgage customers
 - account login
 - mortgage assistance
- ▶ multifamily and business customers
 - account login
- ▶ single family lenders
 - homeconnectionSM
- ▶ business lenders



loan programs

CHFA works with lenders to help businesses finance owner-occupied commercial real estate acquisition, renovations, and equipment purchases.

Our fixed rate loans and lower equity requirement give you the stability to grow your business.

tax exempt bonds

Manufacturing businesses and nonprofits can take advantage of low interest rate financing available for real estate that tax exempt bonds help make possible.

Click below to access the bond programs for:

- ❖ Manufacturers
- ❖ Nonprofits

access to capital

Take your business to the next level using CHFA's access to capital programs. Acquire additional collateral to secure financing with our Cash Collateral Support program.

Or use our credit reserve programs to connect with lenders actively serving small business customers.

new markets tax credits

New Markets Tax Credits (NMTCs) are an economic development tool designed to encourage private investment in underserved communities.

Make a difference in a local low income community by using this flexible financing tool to locate or expand your business in the area.

fresh food financing fund

The Colorado Fresh Food Financing Fund (CO4F) generates jobs and access to healthy food in underserved Colorado communities by financing grocery stores and other forms of healthy food retail.

resources

CHFA partners with the lending community and economic development professionals to help your business succeed.

Check out these resources if you are looking for more information about small business finance or how to grow your business.



Services

Discover
Chester County

Invest in CCEDC



GEAR UP FOR SAVINGS WITH EITC

Learn how to apply and start saving today!

Education Improvement Tax Credit EITC Program

Education Improvement Tax Credit (EITC)

THE CCEDC CAN HELP YOU



Start
Your Business



Finance
Your Business



Grow
Your Business



Hire
One



Attract
Businesses



Financing

Victory Brewing Company - Downingtown, PA

Take the Next Step in Building your Business

Low-interest debt financing and creative debt restructuring have always been core competencies at CCEDC. Over the course of its 50-plus year history, CCEDC has closed over \$2 billion in loans utilizing federal (SBA 504 and 7a), State (PIDA, SBFF, MELF, Tax-exempt) and local loan programs. With an experienced, Eight person lending department, the CCEDC utilizes professional expertise to design loan packages and blend various funding programs together to offer clients a customized, business-specific funding structure.

CCEDC's SBA Certified Development Company affiliate, [South Eastern Economic Development Company of Pennsylvania](#) (Seedcopa), has evolved to become the statewide leader in SBA lending. Seedcopa has become the largest SBA 504 lender in Pennsylvania serving companies throughout the state as far north as Pike County and as far west as Dauphin and York Counties. In addition, Seedcopa recently became a Lender Service Provider (LSP) providing SBA 7a processing and packaging services to 10 regional bank partners.

Financing:

[Agriculture Financing](#) »

[SBA Financing](#) »

[Tax-Exempt Financing](#) »

Related Programs & Resources:

[Grow Your Business](#) »

For more information:

Sherwood Robbins, 610.321.8241
srobbins@seedcopa.com

CONTACT

A CCEDC Initiative



A CCEDC affiliate program specializing in SBA 504, 7A, and USDA financing for small businesses. >

News

August 2013 Seedcopa was awarded \$2,000,000 in funds by the Commonwealth of Pennsylvania

Attracting private investment to Northeast Ohio for public good ®

Search ...

SEARCH

FINANCING

BROWNFIELDS

PUBLIC INFRASTRUCTURE

FOREIGN-TRADE ZONES

DEV FUND – WESTERN RESERVE

COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (C-PACE)

PORT GREEN INDUSTRIAL PARK

APPLICATIONS

FEATURED PROPERTY



Youngstown YMCA

New Market Tax Credit

The Youngstown YMCA is renovating nearly 20,000 square feet of its 100 year old downtown Central YMCA building into modified spaces for continuing its traditional work in providing healthy living, youth development, and strengthening families in its downtown community. This project will have a \$5.5M of Federal...



City of Akron Canal Park Stadium Improvements

Type: Community Development

Construction of various improvements to the City of Akron owned Canal Park Stadium including a new scoreboard/video board, LED Lights and associated camera, audio/video and operations equipment to...



Akron Civic Theatre

Type: Community Development
Akron Civic Theatre is a downtown revival project that is a market crash of the 1980s. The doors bringing in entertainment to...

Financing

Opportunity Zones

Western Reserve Community Fund (WRCF)

Financing

Brownfields

Public Infrastructure

Foreign-Trade Zones

Commercial Property Assessed Clean Energy (C-PACE)

Dev Fund - Western Reserve

Port Green Industrial Park

Applications

Featured Property

We offer fixed rate/bond fund, conduit/non-bond fund, PACE program and tax credit financing arrangements for businesses in Summit County.

DFA Fixed-Rate Bond Fund Financing Program

The Development Finance Authority's public-private partnerships can provide financing tailored to each project's needs. DFA issues tax-exempt industrial revenue and taxable bonds underwritten with the Development Finance Authority's A- Bond rating. [click here to view DFA Bond Rating](#). Loan's are structured for 10-30 year terms. The borrower is responsible for service on the incurred debt.

DFA Lease Conduit Financing Program

The Development Finance Authority's public-private partnerships can provide financing tailored to each project's needs. DFA issues tax-exempt industrial revenue and taxable bonds underwritten by a commercial lender's letter of credit. The borrower is responsible for service on the incurred debt. Companies can obtain a one-time exemption on all construction and materials used in a project.

New Markets Tax Credits Program

The New Markets Tax Credits Program was created in 2000 to provide an incentive for private sector investment in development projects and businesses located in economically distressed and low-income communities. NMTC's provide a subsidy to either a qualified business or a real estate project, often secured as one of the last sources of capital to fill the final remaining financing gap. The project/business must be located in a qualified census tract as identified by the Community Development Financial Institutions (CDFI), an entity of the U. S. Department of the Treasury. These qualified census tracts are usually characterized by poverty greater than 20 percent or area median income that is 80 percent or less than state median income. In addition, the CDFI gives priority to applicants who commit to investing in areas of higher economic distress.

Property Assessed Clean Energy program (PACE)

The Development Finance Authority's Property Assessed Clean Energy (PACE) financing is available to assist property owners finance energy efficient projects. PACE financing enables property owners to make significant building upgrades resulting in better indoor air quality, better work environment, and reduced energy costs for owners and their tenants.

Wrapping Up - You Can Do It

- ▶ **Analytics** - Use data to support your investment decisions
- ▶ **Sources & Uses** - Find revenues (sources), know expenses (uses) and keep it simple
- ▶ **Preferences** - Rural financing, sustainable infrastructure and manufacturing are highly preferred investment areas right now
- ▶ **Preferences** - Health care, higher education, non-profits are all economic engines and need financing. Plenty of resources available too!
- ▶ **Leverage** - Find small amounts of funding and financing to leverage bigger amounts. Look where you might not think to look.
- ▶ **Complex** - Financing today is complex, expect multiple sources of funding/financing to be part of your deal

Thank You!

Toby Rittner, DFCP

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Council of Development Finance Agencies

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www.cdfa.net



10 KEY Development Finance Toolbox Concepts

1 Understand Development Finance & the Financing Spectrum

2 Build a Development Finance Toolbox Strategy with Supporting Public Policy Goals

3 Bonds are the Bedrock of Finance

4 Targeted Tools Help Direct Public Investment

5 Investment Tools Cover a Wide Range of Financing Opportunities

6 Access to Capital Lending Tools Finance Underserved Markets & Growth Industries

7 Federal Support Tools Supplement Financing Efforts

8 Development Finance Toolbox Education is Essential

9 Tool Combinations & Creativity Make the Difference

10 Public & Private Sector Partnerships are Critical



From the *Practitioner's Guide to Economic Development Finance*

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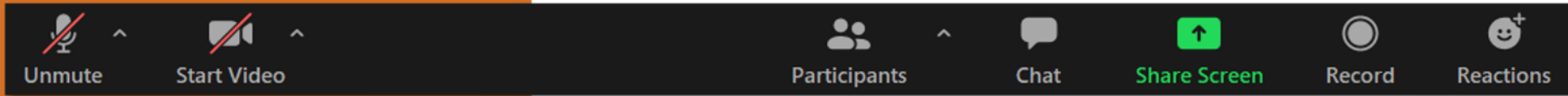
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Audience Questions



**Submit your questions by
using the chat function!**



Upcoming Events at CDFA

Intro Public-Private Partnership (P3) Finance WebCourse

June 29-30, 2022 / 12:00 PM - 5:00 PM Eastern

CDFA EC-Tech Initiative Info Session

Thursday, June 30, 2022 / 4:00 PM - 5:00 PM Eastern

CDFA // BNY Mellon Development Finance Webcast Series: Development Finance and the Cannabis Industry

Tuesday, July 19, 2022 / 2:00 PM - 3:00 PM Eastern

CDFA TRAINING INSTITUTE

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CDFA-FUNDIT WEBINAR: UNDERSTANDING THE BASIC PRINCIPLES OF DEVELOPMENT FINANCE

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\(nmfundit.org\)](http://nmfundit.org)

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