



City of Seattle
Office of Economic Development

News

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City establishes \$40 million financing program to spur growth in Seattle neighborhoods

SEATTLE – The city of Seattle has officially launched a \$40 million federal New Markets Tax Credit Program that will provide low-cost private financing to businesses in targeted Seattle neighborhoods.

Seattle's allocation of New Markets Tax Credits ("NMTCs") will be invested in commercial and mixed-use projects in neighborhoods exhibiting economic distress, as determined by the federal government. Potential areas for NMTC investment under this program include select North Seattle neighborhoods, the downtown business core, manufacturing and industrial centers, parts of Capitol Hill and the Central District, and large swaths of the Rainier Valley.

"This new program is a valuable tool for investing in projects that support vibrant and healthy neighborhoods," said Mayor Mike McGinn.

"Through this program, the City will be able to provide critical financing to businesses during a difficult economic time. This will help Seattle businesses stabilize, expand, and create jobs," said Council President Richard Conlin.

Seattle's \$40 million allocation of NMTCs was awarded by the federal Treasury Department in the fall of 2009 and will be invested in multiple projects over the next 18 months.

Legislation passed by the Seattle City Council last Monday approves the investment policies of the NMTC program. Seattle's Office of Economic Development, which spearheaded the city's application for the credits, will manage the investment of NMTCs through a city-created entity, the Seattle Investment Fund LLC.

"In the past year, the city of Seattle has raised over \$70 million in new financing to augment the capital market for Seattle businesses of all sizes," said Steve Johnson, Acting Director of the Office of Economic Development. "The NMTC program is one facet of our office's comprehensive strategy to keep the Seattle business community active and strong."

More information on NMTCs is available on the Office of Economic Development's website, www.seattle.gov/economicdevelopment.

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