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## **City First Bank Receives \$70 Million in New Market Tax Credit Awards**

*Allocation Among Largest in the Nation*

Washington, DC, February 28, 2011...City First Bank, the only Washington, DC area bank founded specifically to finance community development, recently was selected by the Community Development Financial Institutions Fund of the Department of the Treasury to receive tax credit authority of \$70 million for investments under the New Markets Tax Credit (NMTC) Program. The bank will use the credits to spur equity investments in eligible in low-income communities, primarily for community facilities such as health centers and charter schools. This is the fourth such allocation received by City First which have totaled \$300 million. City First may finance projects in the District of Columbia plus four states: MD, VA, DE and PA.

“The New Market Tax Credit has been a powerful tool to create jobs and stimulate economic development in low wealth communities. Through NMTC, we have been able to finance critical projects that otherwise would not have been able to move forward. Our NMTC authority allows us to attract substantial investment capital and deploy it in highly distressed communities with high levels of poverty and unemployment,” said Marie Bibbs, Executive Vice President of City First.

Established by Congress in December of 2000, the NMTC Program is designed to stimulate private investment in low-income communities by permitting individual and corporate taxpayers to receive a credit against federal income taxes for making equity investments in investment vehicles known as Community Development Entities (CDEs). The credit equals 39 percent of the amount of those equity investments, spread over seven years.

City First's NMTC allocations have helped to finance projects that are transforming low and moderate income communities in Washington. These include:

- Financing of the new facility for Mary's Center in Petworth and the renovation of the Adams Morgan facility
- The expansion and renovation of Bread for the City's facility in the Shaw community
- The expansion of the Capital Area Food Bank warehouse and distribution facility currently underway in NE
- The redevelopment of Tivoli Square, the defining catalyst for redevelopment efforts in Columbia Heights
- Permanent financing of THEARC in Congress Heights
- The construction of a the new campus for the E.L. Haynes Public Charter School in Petworth, Georgia Avenue, NW

**About City First**

City First Bank of DC is a nationally chartered commercial bank with a mission to provide financial and other services in low to moderate income communities. With assets of \$156 million, loans of \$105 million, and deposits of \$126 million, the bank targets neighborhoods east of 16th Street including far SE and NE Washington and other economically challenged suburban communities. Last year, in excess of \$25 million in loans were originated, 100% of which was for development in low and moderate income neighborhoods. City first has been certified as a Community Development Financial Institution by the CDFI Fund of the US Department of Treasury and has won three rounds of authority under the New Markets Tax Credit Program totaling \$230 million. City First operates its sole branch at 1432 U Street, NW, Washington, DC.

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