



U.S. Bank Receives \$70 Million in Tax Credit Allocations

June 5, 2019

Funds will be used for community investments that drive economic development and job growth in lower-income communities

ST. LOUIS--(BUSINESS WIRE)--Jun. 5, 2019-- U.S. Bancorp Community Development Entity, LLC (USBCDE), the community development arm of U.S. Bank, received \$70 million in tax credit allocations from the U.S. Department of Treasury to help address persistent gaps in economic outcomes in lower-income communities. The \$70 million allocation is part of the \$3.5 billion New Market Tax Credit (NMTC) Program from the Treasury.

"U.S. Bank believes everyone deserves an opportunity to achieve financial stability. The NMTCs provides a unique opportunity for us to invest in economic development projects that make a difference in our communities. We intend to commit a portion of this allocation to projects in rural communities, plus we will create a small business loan pool," said Terra Neilson, USBCDE program manager. "We recognize that job creation in rural areas can have a particularly significant economic impact on a community. NMTCs are driving capital to historically under-invested areas, and we welcome the opportunity to put the tax credits to work to close the economic opportunity gap."

The USBCDE was one of only 73 community development entities to receive a share of the NMTC allocation authority package announced last week by the Treasury's Community Development Financial Institutions Fund. This is USBCDE's ninth allocation under the NMTC program, bringing its total community investment across the country to \$795 million. It has partnered with other CDEs to raise more than \$5 billion for nearly 150 community development initiatives in 43 states.

"U.S. Bank has a proven track record in these kinds of development projects that help remove disparities," said Zack Boyers, chief executive officer of the U.S. Bancorp Community Development Corporation. "When the private and public sectors work together, we can help close the gap between people and possibilities and that has a meaningful and lasting impact in our communities."

Community Development Entities, like USBCDE, allocate tax credits to projects to attract private sector investments in disadvantaged communities that lack access to the long-term capital investment needed to support and grow businesses and create jobs. The program is an effective economic development tool to infuse up-front capital in areas that need it most. According to the Department of the Treasury, NMTC program awards have generated \$8 of private investment for every \$1 invested by the federal government. Since its inception, the NMTC program has created or retained nearly 800,000 jobs and supported the construction or rehab of more than 205 million square feet of manufacturing, office and retail space in low-income communities across the country.

Some of the diverse businesses and developments that USBCDE has financed with its allocation awards include a warehouse/distribution center in Caldwell, Idaho that distributes goods to convenience and small grocery stores; a new manufacturing facility for tea and lemonade in Bay Minette, Alabama; a mixed-use project – including commercial and retail space, a federally qualified health center, grocery store and residential units – in the East End neighborhood of Lexington, Kentucky; and new classrooms, dance studios and an expanded theatre at the Center of Creative Arts in St. Louis.

Learn more about the U.S. Bancorp Community Development Corporation here: www.usbank.com/cdc

About U.S. Bank:

U.S. Bancorp, with 74,000 employees and \$476 billion in assets as of March 31, 2019, is the parent company of U.S. Bank, the fifth-largest commercial bank in the United States. The Minneapolis-based bank blends its relationship teams, branches and ATM network with mobile and online tools that allow customers to bank how, when and where they prefer. U.S. Bank is committed to serving its millions of retail, business, wealth management, payment, commercial and corporate, and investment services customers across the country and around the world as a trusted financial partner, a commitment recognized by the Ethisphere Institute naming the bank a 2019 World's Most Ethical Company. Visit U.S. Bank at www.usbank.com or follow on social media to stay up to date with company news.

About U.S. Bancorp Community Development Corporation:

With \$29.5 billion in managed assets as of March 31, 2019, U.S. Bancorp Community Development Corporation, a subsidiary of U.S. Bank, provides innovative financing solutions for community development projects across the country using state and federally sponsored tax credit programs. USBCDC's commitments provide capital investment to areas that need it the most and contribute to the creation of new jobs, the rehabilitation of historic buildings, the construction of needed affordable and market-rate homes, the development of renewable energy facilities, and the generation of commercial economic activity in underserved communities. Visit USBCDC on the web at www.usbank.com/cdc.

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