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New Markets Tax Credit Program funds three projects in Kansas City

The City of Kansas City, Mo., Community Development Entity has completed funding of three New Markets Tax Credit projects. The three transactions involving Reeves Wiedeman Company, the Greater Kansas City Boys and Girls Clubs and Posty Cards Inc., represent the first New Markets Tax Credit projects funded by the Kansas City, Mo., Community Development Entity, which has been awarded \$75 million in New Market Tax Credit allocation authority during the past two years.

"I am happy to see the City leveraging resources to help businesses continue to invest in our communities, especially the 3rd District," said Councilwoman Melba Curls, 3rd District at large.

The Kansas City Community Development Entity used \$5 million in New Markets Tax Credit allocation authority for each of the Reeves Wiedeman Company and the Greater Kansas City Boys and Girls Clubs projects, and \$6 million in allocation authority for the Posty Cards project. The Posty Cards project also benefited from a New Markets Tax Credit allocation from the State of Missouri, which the Kansas City Community Development Entity secured by submitting an application to the Missouri State Department of Economic Development. Posty Cards is the first project in Kansas City, Mo., to benefit from the State of Missouri's New Markets Tax Credit Program. US Bank was the tax credit investor for all three transactions as well as the lender in the Posty Cards project.

"Both the Posty Cards and the Greater Kansas City Boys and Girls Clubs projects will deliver critical jobs and services to 3rd District residents," said Councilwoman Sharon Sanders Brooks, 3rd District, whose district is home to both projects. "The New Markets Tax Credit Program demonstrates that the City can play an effective role in promoting community and economic development in our most underserved communities."

All three projects confirmed both a need for New Markets Tax Credit financing, as well as an ability to achieve specific outcomes that the Kansas City Community Development Entity has prioritized in its consideration of eligible businesses and development projects, which include either providing or supporting vital goods and services to low-income communities; providing living-wage jobs and workforce development; Disadvantaged, Minority and Women Business Enterprise utilization; environmental/brownfields remediation; "Green" building practices; and others.

The Greater Kansas City Boys and Girls Clubs project includes the renovation of the former Minute Circle Friendly House building located at 2405 Elmwood Ave., as well as new construction to create the JD Wagner Unit Community Center that will house a gym, indoor pool, computer lab, art room, multi-purpose space and classrooms.

Posty Cards Inc., which designs, manufactures, and sells personalized "all occasion" and holiday greeting cards and calendars for companies nationwide, will be expanding the company's existing card fabrication facility, located at 1600 Olive St., including adding more than 20,000 square feet of production space. The new fabrication facility will be the first industrial building in Kansas City, Mo., to achieve the Leadership in Energy and Environmental Design Gold Certification designation.

Reeves Wiedeman Company, a local plumbing supply company established in 1887, is renovating the historic O.H. Dean building located at 3536 Main St., and converting it into office and retail space. Reeves Wiedeman Company will be moving its corporate headquarters operations from Lenexa, Kan., to the renovated building.

"Three years ago there was not one New Markets Tax Credit project in Kansas City, Mo. Now we can point to these projects located in some of our most underserved areas that have benefited from the program," said Ruben Alonso III, manager of the New Markets Tax Credit Program for the City of Kansas City, Mo. "The New Markets Tax Credit Program is truly elevating the way economic development is done in our communities."

For more information about the City of Kansas City, Mo., Community Development Entity and the New Markets Tax Credit Program, contact Ruben Alonso III, (816) 513-1021 or ruben_alonso@kcmo.org.