



News Release

Contact: Arnold Hendrix
Public Information Officer
O - 434-857-3331 M- 434-835-7102

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City awarded \$30 million in federal tax credits

The Danville, Virginia Community Development Entity (CDE) has been awarded \$30 million through the federal New Markets Tax Credits program. The Danville CDE was one of 107 community development entities selected from a pool of 199 applicants.

The tax credits will be used to attract private investment capital for real estate and business projects that produce jobs and leverage private investment.

"I am thankful that the U.S. Treasury has provided us with these tax credits and our team for making the application," said Mayor Alonzo Jones, who is chair of the CDE. "I look forward to working with the board to determine how to best use this resource."

Corrie Bobe, director of the Danville Office of Economic Development and Tourism, serves as executive director of the Danville CDE. Applications are being accepted for potential projects, she said.

"The purpose of the Danville CDE is to diversify Southern Virginia's economy by lending to entities that create quality jobs," said Bobe. "Through this new award, the CDE will be well positioned to assist in moving impactful projects forward across the region."

This award is the third of its kind for the Danville CDE, which was created to administer the program for the City of Danville. Previous allocations have been used for the River District Tower and Lighthouse Foods projects.

"Danville is fortunate to have a community development entity that is able to invest in transformational projects in our region that would otherwise not be financially feasible," said City Manager Ken Larking, who serves on the CDE board.

About the New Markets Tax Credits program: Administered by the U.S. Department of the Treasury's Community Development Financial Institutions fund, the New Markets Tax Credits program was established by Congress in 2000. The program permits



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investors to receive a credit against their federal income taxes for making qualified equity investments in designated Community Development Entities. In turn, those entities must re-invest the equity investments in low-income communities.

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