



# Where Do New Markets Tax Credit Projects Go?

## Evaluating the NMTC Program

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*April 2021*

The New Markets Tax Credit (NMTC) program was designed to spur investment and economic development in distressed neighborhoods. To ensure this, Congress enacted specific eligibility criteria requiring that projects go into census tracts that have low median incomes or high poverty rates. The program also gives preference to neighborhoods with severe levels of economic distress, neighborhood outside of metropolitan areas, and projects that serve or employ low-income populations.

In this brief, we examine the characteristics of census tracts where NMTC projects are located to determine whether the program is targeting the intended neighborhoods. We also describe the distribution of NMTC projects, including where projects are located across the country, and whether projects have become more or less targeted toward neighborhoods of certain levels of distress and toward rural areas over time.

We find that NMTC projects are located in neighborhoods that, relative to eligible tracts that did not receive NMTCs, tend to have higher poverty rates, lower median incomes, and larger shares of people of color. Further, the majority of NMTCs go to the most disadvantaged neighborhoods in the country. We find that nonmetropolitan areas get fewer NMTC project dollars per capita than metropolitan areas. We find that NMTC projects have been largely targeted toward places with higher distress since the program's inception, but this focus did not increase over time.

This brief is the third in a six-part series about the NMTC program. For a full description of how the program works see Abravanel et al. (2013), but in short, it seeks to attract private investment capital to low-income communities by providing taxpayers with credits against their federal income taxes for making investments (qualified equity investments) into organizations (community

development entities, or CDEs). These organizations must first be certified by the CDFI Fund and then competitively win access to provide the tax credits. Taxpayers accessing the credits (“investors”) can reduce their federal income taxes by up to 39 percent of the amount of the qualified equity investment. After CDEs sell the credits to investors, they use the capital they receive to make investments (qualified low-income community investments) in businesses and real-estate projects located in low-income communities. These projects are then carried out by nonprofits or businesses (qualified active low-income community businesses).

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#### BOX 1

##### The New Markets Tax Credit Evaluation

With funding from Arnold Ventures, the Urban Institute is conducting an impact evaluation of the NMTC program nearly two decades after its original implementation. The evaluation has produced six briefs that focus on different aspects of the program. This brief describes the neighborhoods receiving funding under the program. The briefs are as follows:

1. How Has the NMTC Program Been Funded over Time?
2. Which Types of Projects Receive NMTC Funding?
3. Where Do NMTC Projects Go?
4. Which Community Development Entities Receive NMTC Funding?
5. What Are the NMTC Program’s Impacts on Local Economic Conditions?
6. How Does the NMTC Program Affect Local Housing Markets?

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## Census Eligibility Criteria for New Markets Tax Credits

Approximately half of US census designated neighborhoods (census tracts) have been eligible for NMTC funding at some point since the program’s inception in 2000. To be eligible for NMTCs, census tracts must be located in “low-income communities” that meet one of the following criteria:<sup>1</sup>

- The tract has a poverty rate of at least 20 percent.
- If the tract is located within a metropolitan area, the median family income for such tract does not exceed 80 percent of statewide median family income.
- If the tract is located within a metropolitan area, the median family income for the tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income.
- The tract has a population under 2,000, is contiguous to one or more low-income communities, and is within an empowerment zone.

- A tract is in a “high-migration county” (i.e., a county with net out-migration of at least 10 percent when comparing the latest census to two decades before), and it does not exceed 85 (rather than 80) percent of statewide median family income.

The CDFI Fund also designates a subset of tracts and investment purposes as having greater investment needs. CDEs score higher in their applications (and thus are more likely to receive NMTC tax credit authority) if they pledge that at least 75 percent of their NMTCs are allocated to one of the following targets (CDFI Fund 2019):

- “Severely distressed” tracts. These are tracts that (1) have a poverty rate of at least 30 percent, (2) have an unemployment rate of at least 1.5 times the national average, or (3) have a median family income that is at or below 60 percent of the statewide median family income (for nonmetropolitan-area projects) or the greater of the statewide or metro area median family income (for metropolitan-area projects).
- Census tracts in a nonmetropolitan area that meet the regular eligibility criteria.
- Projects that serve “targeted populations.” This is a project where (1) it is 60 percent owned by “low-income persons,” (2) at least 60 percent of employees are low-income persons, or (3) at least 60 percent of the qualified active low-income community business’s gross income comes from customers who are low-income persons.

Alternatively, CDEs may also score higher if they pledge that at least 75 percent of their NMTCs are allocated to at least two other criteria (CDFI Fund 2019). These relate to several dimensions, including poverty rates and median family income; Small Business Administration HUB zones; brownfield sites; areas encompassed by a HOPE VI redevelopment plan; Indian reservations, off-reservation trust lands or Alaskan native village statistical areas, or Hawaiian home lands; Appalachian Regional Commission or Delta Regional Authority designated areas; Colonias areas; medically underserved areas; Opportunity Zones, Promise Zones, Base Realignment and Closure areas, State Enterprise zone programs, or other similar state/local programs targeted toward particularly economically distressed communities; Federal Emergency Management Agency disaster areas; and Healthy Food Financing Initiative Food Deserts.

Congress also enacted the Gulf Opportunity Zone Act in 2005, which allocated funding, including NMTCs, to counties and parishes in Alabama, Louisiana, and Mississippi that were deemed eligible by the Federal Emergency Management Agency for assistance after Hurricanes Katrina, Rita, and Wilma. NMTCs were awarded to CDEs to support projects in the Gulf Opportunity Zone in 2006 and 2007.

# Characteristics of Neighborhoods That Are Eligible for New Markets Tax Credits

Given the eligibility criteria, we would expect eligible tracts to be located in areas of higher economic distress. To assess this, we compare the characteristics of neighborhoods that have ever been eligible for NMTC funding to those that have not.

As expected, tracts that are eligible for NMTC funding are substantially more economically distressed than tracts that have never been eligible (table 1). Neighborhoods that are eligible have 13 percent more residents with incomes below the federal poverty level, and their residents earn, on average, over \$38,000 less than residents in ineligible tracts. Eligible tracts contain larger shares of people of color, larger shares that spend less on rent, and smaller shares of people who have a bachelor's degree, and they are less likely to be rural than ineligible tracts. Eligible tracts also have more jobs on average inside of the tract but fewer residents with jobs, which indicates that more people may be commuting to eligible areas than to ineligible areas.

**TABLE 1**  
**Preprogram Descriptive Statistics by Eligibility**  
*Program years 2001 to 2017*

Variable	Ever eligible	Ineligible	Difference (ever eligible minus ineligible)
Population of tract	3,823	3,922	-99***
Percent Asian	4%	4%	0%
Percent Black	20%	5%	15%***
Percent Hispanic	17%	7%	10%***
Percent white	57%	83%	-26%***
Percent with a bachelor's degree	16%	32%	-16%***
Number of residents with jobs	1,475	1,827	-351***
Median household income	\$49,284	\$87,519	-\$38,236***
Percent in poverty	19%	6%	13%***
Percent homeowners	50%	72%	-22%***
Median gross rent	\$806	\$1,131	-\$325***
Number of jobs in tract	1,746	1,545	202***

**Sources:** We use 2004 Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics data for the number of jobs in the tract. We source all other variables from the 2000 decennial census.

**Notes:** All amounts are adjusted for inflation to 2019 dollars. The Black, Asian, and white racial categories consist of people who are not Hispanic. There are 36,268 tracts that were never eligible for NMTC investment and 38,063 tracts that were ever eligible for NMTC investment. The share of people with a bachelor's degree is out of all people who are age 25 and older.

\*\*\* p < 0.01.

## Distribution of New Markets Tax Credit Projects

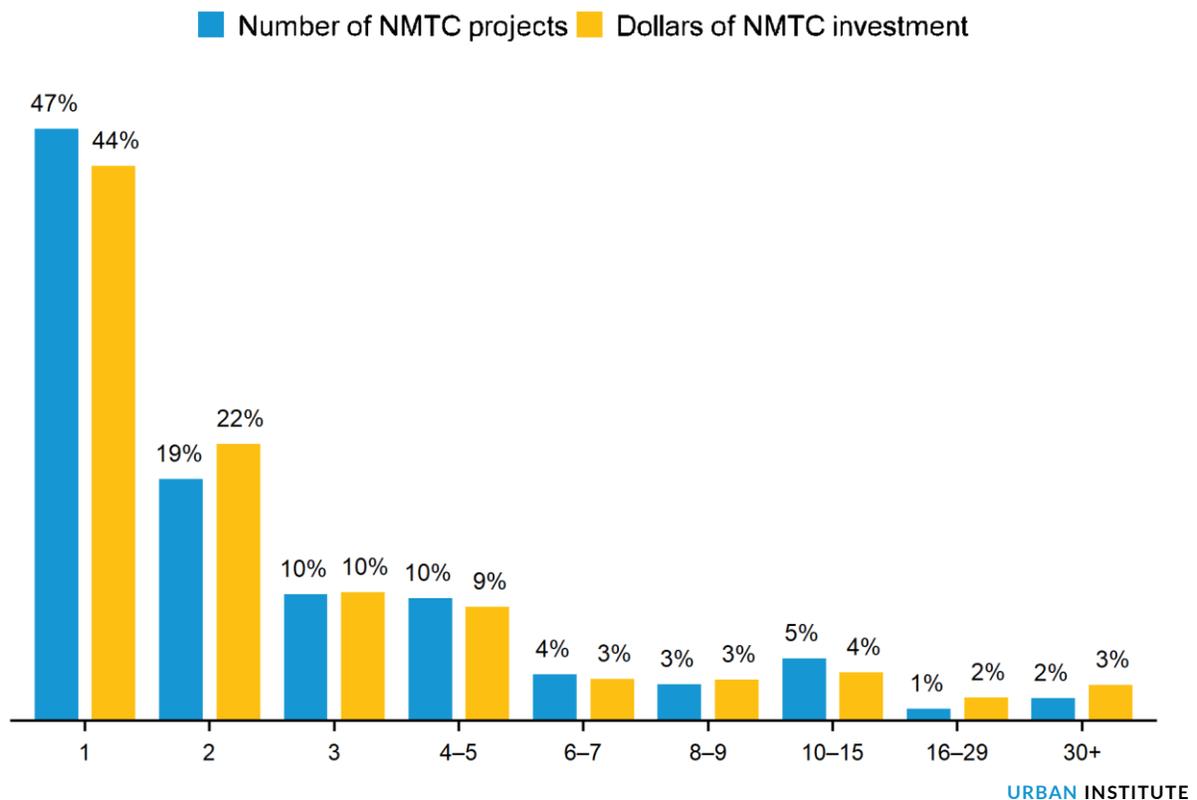
Not all low-income communities receive NMTC investments. In fact, relatively few have received them. Several factors determine whether an NMTC investment is made in a low-income community,

including whether CDEs, investors, and project sponsors believe an investible project exists in the tract (Abravanel et al. 2013).

Of the 74,321 neighborhoods (defined as census tracts) in the US and its territories, more than half (38,063) were ever eligible for funding. However, a small portion of eligible tracts had NMTC projects located within their boundaries. Through the most recent year data are available (2017), there were 5,746 NMTC projects in 3,654 census tracts. Five percent of all US tracts and 10 percent of eligible tracts had projects through 2017.

Almost half of the NMTC projects went to census tracts that only had one NMTC project over the course of the program (figure 1). These trends were similar in terms of NMTC dollars invested. Conversely, 15 percent of projects and dollars went to tracts that had six or more projects. These findings suggest that although exceptions exist, NMTC projects are not typically clustered in neighborhoods.

**FIGURE 1**  
**New Markets Tax Credit Projects and Dollar Amount by Number of Projects in Tract**  
*Program years 2001 to 2017*



Source: New Markets Tax Credit Program Data

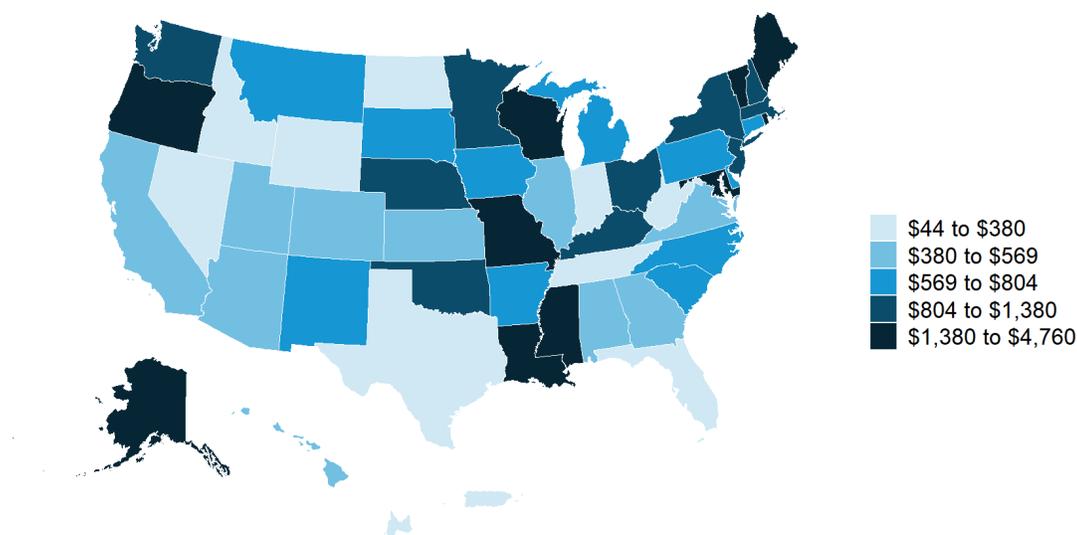
Note: NMTC = New Markets Tax Credits. NMTC investment represents the total project cost associated with projects in the NMTC program. All amounts are adjusted for inflation to 2019 dollars.

## Location of New Markets Tax Credit Projects

To calculate coverage of NMTC financing, we divide project dollars by the total number of people in eligible tracts for a measure of a dollars per capita for low-income communities. We find that NMTC projects across the US, in terms of dollars per capita for low-income communities, are located most densely in the Northeast, Northwest, and some states in the northern Midwest and South (figure 2). Of all US jurisdictions, the District of Columbia received the highest level of total project cost per person in eligible communities, followed by Rhode Island, Louisiana, Maine, and Wisconsin (table A.1 in appendix A).

Puerto Rico received the smallest amount of NMTC total project costs per capita, followed by Guam, Nevada, Kansas, Wyoming, and Texas. The differences are sizable. For example, Nevada received just \$184 per person in low-income communities in NMTC project financing over the life of the program, while Rhode Island received \$2,755.

**FIGURE 2**  
**Total New Markets Tax Credit Project Cost Per Population in Eligible Tracts**  
*Program years 2001 to 2017*



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**Source:** 2010 decennial census data and New Markets Tax Credit Program Data

**Note:** NMTC investment represents the total project cost associated with projects in the NMTC program. All amounts are adjusted for inflation to 2019 dollars.

At a more local level, the top 50 largest cities have done well under the program. They have 20 percent of the eligible population but 41 percent of total investment and 33 percent of projects. Among big cities, Baltimore has received the most NMTC investment in terms of total project cost per eligible population (table A.2 in appendix A). Baltimore is followed by Cleveland, OH; Louisville, KY; Washington, DC; and Seattle, WA, as the most invested cities according to this metric.

Of the top 50 cities by total population in the country, one has no eligible tracts (Virginia Beach, VA). Among large cities with eligible tracts, the least invested per eligible population were Mesa, AZ; Colorado Springs, CO; San Juan, PR; Wichita, KS; and Raleigh, NC. Again, the gap between high- and low-investment places is sizable. For example, Raleigh, NC, has received \$172 per eligible person over the life of the program while Louisville, KY, has received \$5,134 per eligible person.

The program provides preferential treatment during the application stage for projects not located in metropolitan areas. Therefore, we might expect higher shares of projects to be located outside of metropolitan areas relative to all areas eligible for funding. Conversely, we also know that placing community development investment is more challenging in smaller cities and rural areas (Theodos, González, and Hariharan 2020). We find a modest preference for metropolitan areas under the program (table 2). Whereas 80 percent of eligible people live in metropolitan areas, 82 percent of projects are in metropolitan areas, and 84 percent of total investment is in metropolitan areas. We found little variation from year to year in relation to the share of projects in metropolitan and nonmetropolitan areas.

Given these findings, it appears that areas with higher populations receive somewhat more NMTC funding per capita than places that have smaller populations. The relationship between population size and NMTC funding is not strictly linear, however. We find that total project cost per eligible population is highest in the largest counties—nearly twice that of the next-highest group, the smallest counties—and yet is smallest in midsize counties (table 3).

TABLE 2

**NMTC Projects and Funding by Metropolitan Designation**

Program years 2001 to 2017

Variable	Eligible pop.	Total # of proj.	Total # of proj. per eligible pop. / 100,000	QLICI investment (millions)	QLICI investment per eligible pop.	Total proj. cost (millions)	Total proj. cost per eligible pop.
In MSA	120,136,227(80%)	4,721 (82%)	3.93	\$45,915 (83%)	\$382	\$90,113 (84%)	\$750
Outside of MSA	29,936,554 (20%)	1,025 (18%)	3.42	\$9,170 (17%)	\$306	\$17,157 (16%)	\$573

Sources: 2010 decennial census and New Markets Tax Credit project data.

Note: MSA = metropolitan statistical area; pop. = population; proj. = projects. All amounts are adjusted for inflation to 2019 dollars.

TABLE 3

**NMTC Projects and Funding by Size of County**

Program years 2001 to 2017

Population of county	Eligible pop.	Total # of proj.	Total # of proj. per eligible pop. / 100,000	QLICI investment (millions)	QLICI investment per eligible pop.	Total proj. cost (millions)	Total proj. cost per eligible pop.
0 to 49,999	27,747,176 (18%)	809 (14%)	2.92	\$7,371 (13%)	\$266	\$13,583 (13%)	\$490
50,000 to 99,999	15,022,388 (10%)	418 (7%)	2.78	\$3,216 (6%)	\$214	\$5,769 (5%)	\$384
100,000 to 299,999	26,636,589 (18%)	707 (12%)	2.65	\$6,501 (12%)	\$244	\$12,050 (11%)	\$452
300,000+	80,666,628 (54%)	3,812 (67%)	4.73	\$37,996 (69%)	\$471	\$75,868 (71%)	\$941

Sources: 2010 Decennial Census and New Markets Tax Credit project data.

Note: Pop. = population; proj. = projects. All amounts are adjusted for inflation to 2019 dollars.

# Characteristics of Neighborhoods That Received New Markets Tax Credits Projects

To what extent did CDEs locate projects in eligible tracts that are economically strongest versus those most economically vulnerable? To what extent were projects located in areas that would benefit people of color, areas that tend to have more renters than owners, areas that are more rural, or areas where less of the population has bachelor’s degrees? Understanding the neighborhood characteristics of where projects were located and why can help policymakers further target the program’s impact.

We compare the characteristics of tracts that are eligible for NMTC funding but have not received projects with those tracts that have received projects (table 4). Census tracts with NMTC projects are more economically distressed, on average, than eligible tracts that have never received a project. On average, tracts with NMTC projects have a poverty rate of 26 percent, compared with 19 percent for eligible tracts that do not receive the credits. The average income for tracts with projects was \$41,000 versus \$50,000 for eligible tracts lacking NMTC investment. Tracts with NMTC projects also have lower shares of people with a college degree, lower homeownership rates, lower median rents, and fewer home sales (though similar total sales volume).

**TABLE 4**  
**Preprogram Baseline Descriptive Statistics by Eligibility and NMTC Status**  
*Program years 2001 to 2016*

Variable	Received NMTC Project	Eligible, but no NMTC project	Difference
Population in tract	3,737	3,832	-95***
Percent Black	29%	19%	10%***
Percent Hispanic	18%	17%	1%***
Percent Asian	5%	4%	1%***
Percent white	45%	58%	-13%***
Percent with a bachelor’s degree	15%	16%	-1%***
Number of residents with jobs	1,341	1,489	-158***
Median household income	\$41,001	\$50,139	-\$9,138***
Percent in poverty	26%	19%	7%***
Percent homeowners	39%	51%	-12%***
Median gross rent	\$746	\$813	-67\$***
Number of jobs in tract	3,890	1,525	2,365***

**Sources:** 2000 decennial census; 2004 Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics; 2006 Zillow Sales Transactions; and New Markets Tax Credit project data.

**Notes:** Percent Black, percent Asian, and percent white variables represent people of those racial categories who are not Hispanic. We use 2004 Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics data for the number of jobs in the tract. All other variables are sourced from the 2000 decennial census. All amounts are adjusted for inflation to 2019 dollars. Percent with a bachelor’s degree is out of all people who are age 25 and over.

\*\*\* p < 0.01.

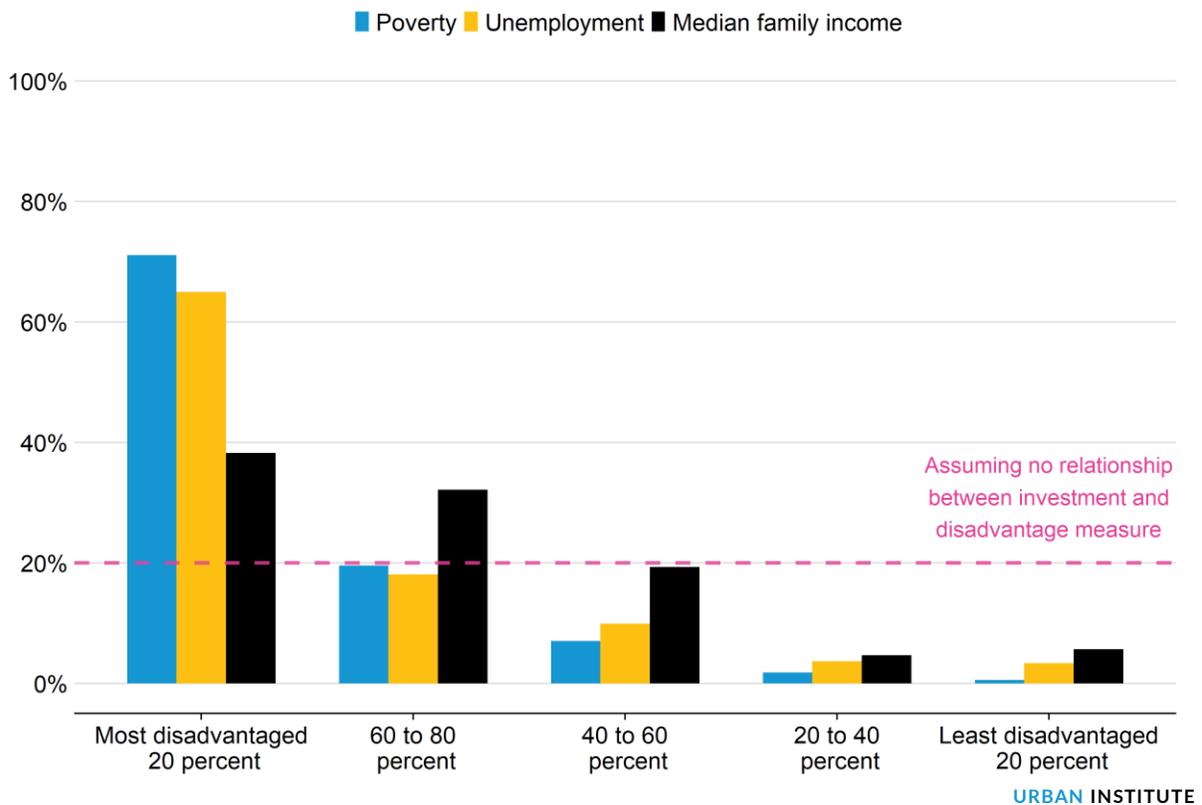
NMTC projects do not appear to be located in tracts with higher shares of Hispanic or Asian residents relative to eligible tracts without projects. NMTC projects do appear to be more represented

in neighborhoods with more Black residents and fewer white residents relative to eligible tracts without projects. For example, in the average neighborhood receiving an NMTC project, 29 percent of the population was Black, compared with 19 percent in the average neighborhood eligible for and not receiving a NMTC project.

Although the residential characteristics of tracts are interesting, so too are the patterns for jobs located within tracts. NMTC projects also tend to be in areas that have a much higher number of jobs: tracts with projects have more than twice the average number of jobs as eligible tracts that lack projects. This indicates that NMTC projects tend to be disproportionately located in commercial areas that people travel to from outside of the neighborhood for work.

The majority of NMTCs go to the most economically disadvantaged neighborhoods in the country. More than 70 percent of NMTC investments (measured by total project cost) go into tracts in the most disadvantaged quintiles of poverty and unemployment (figure 3). A lower share of projects, 38 percent, are located in the lowest quintile of median family income.

**FIGURE 3**  
**Percent of NMTC Total Project Cost in Quintile of Economic Distress Measure**  
*Program years 2001 to 2017*



Sources: 2000 Decennial Census and NMTC program data

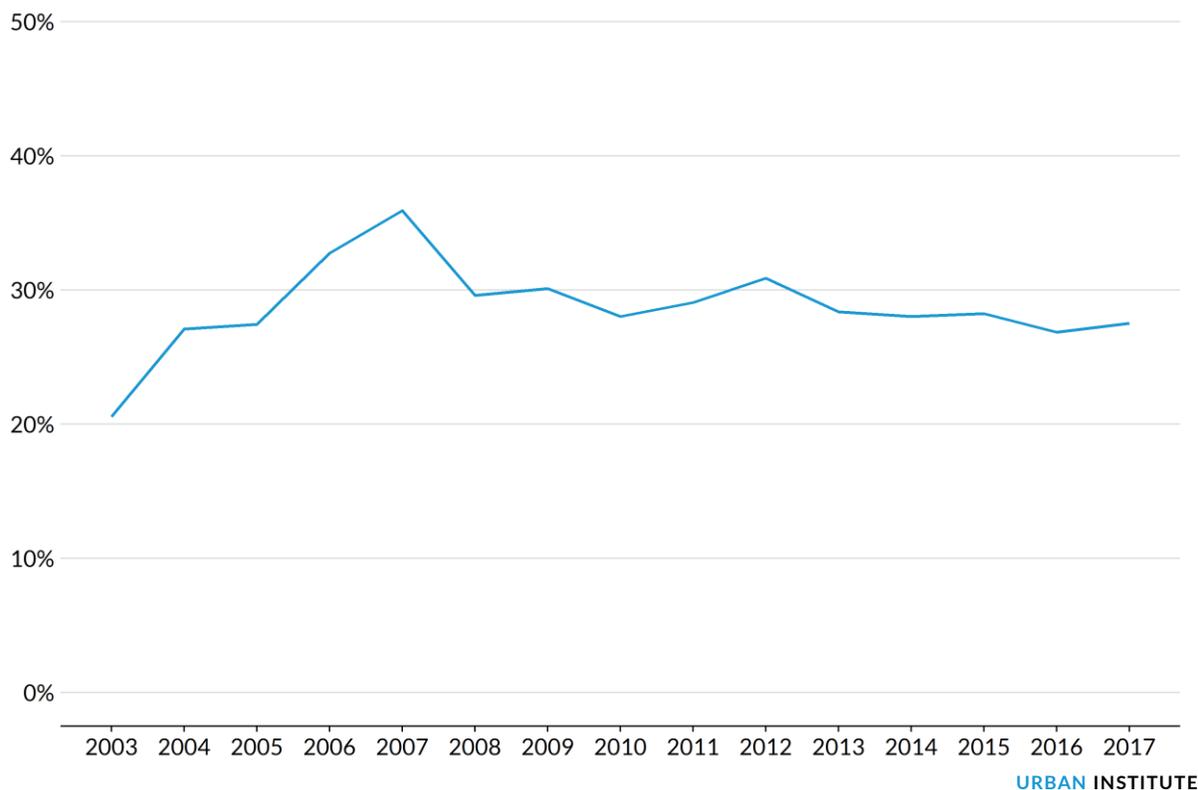
Notes: Tract boundaries are approximated at the 2010 level. All amounts are adjusted for inflation to 2019 dollars.

These findings suggest that overall, NMTC projects are more targeted to distressed neighborhoods than the eligibility criteria alone would convey. Although there is a range, projects on average go into neighborhoods that rank higher on levels of economic distress. For reference, if there was no correlation between total project investment and quantile of distress measure, percent investment would hover around 20 percent across the quantiles.

## Targeting of NMTC Projects Over Time

To examine the economic distress levels over time where NMTC projects are located, we analyze the average poverty rate and median family income of tracts that received NMTC funding each year. To better reflect the total investment spent, we weight this average by the total project cost in each tract. We find that although there is an increase in average poverty rate for tracts that received projects between 2003 and 2007, the average subsequently drops and remains stable over time (figure 4).

**FIGURE 4**  
**Average Poverty Level in Neighborhoods That Received NMTC Projects over Time**  
*Program years 2003 to 2017*



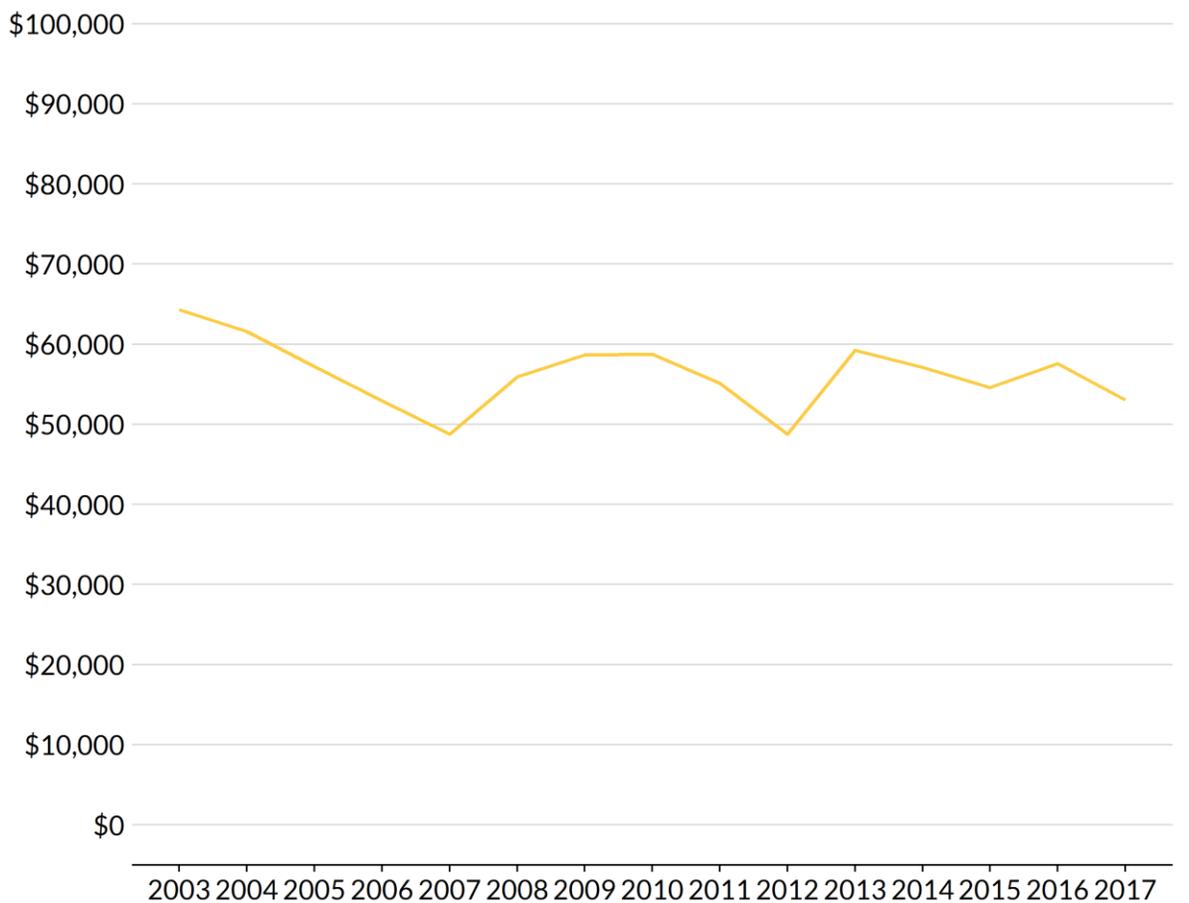
**Sources:** 2000 decennial census, American Community Survey 2005–09 to 2014–18, NMTC program data.

**Notes:** For NMTC project years from 2003 to 2007, 2000 decennial census data are used to measure poverty. For project years 2008 to 2016, the project year is associated with the midyear of each five-year American Community Survey. Projects that occurred in 2017 are associated with the 2014–18 American Community Survey. Tract boundaries are approximated at the

2010 level. Average median family income weighted by total project cost. Projects in 2001 and 2002 are not visualized because of small numbers of projects in those years.

We also examine median family income in areas that received NMTC investment over time (figure 5). We find that average median family income does not vary appreciably over time for areas that received NMTC projects. These results indicate that in general, apart from the first few years, NMTC funding is not increasingly being targeted to areas of higher distress.

**FIGURE 5**  
**Average Median Family Income in Neighborhoods That Received NMTC Projects**  
*Program years 2003 to 2019*



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**Source:** 2000 decennial census, American Community Survey 2005-09 to 2014-18, NMTC program data.

**Notes:** NMTC = New Markets Tax Credit. For NMTC project years from 2003 to 2007, 2000 decennial census data are used to measure median family income. For project years 2008 to 2016, the project year is associated with the midyear of each five-year American Community Survey. Projects that occurred in 2017 are associated with the 2014-18 American Community Survey. Tract boundaries are approximated at the 2010 level. Average median family income weighted by total project cost. Projects in 2001 and 2002 are not visualized because of small numbers of projects in those years. All amounts are adjusted for inflation to 2019 dollars.

## Conclusion

By design, tracts that are eligible for the NMTC program are, on average, more economically disadvantaged than tracts that are not eligible. Not all eligible tracts get NMTC projects. Most eligible tracts do not have a project; of those that do, the modal number of projects is one.

Tracts that have NMTC projects are, on average, more economically distressed than eligible tracts that do not. This means the program is targeted further than eligibility criteria alone would imply. This is the case across a range of economic and housing attributes. Indeed, most tracts that have NMTC projects are in areas with high levels of economic distress. Among eligible places, projects are overrepresented in neighborhoods with more Black residents (but not more Asian or Hispanic residents) and underrepresented in neighborhoods with more white residents. Targeting of economic distress for areas that received NMTC projects has not varied much over time.

# Appendix: Supplemental Tables

TABLE A.1

## NMTC Projects and Funding by State

Project years 2001 to 2017

State	Eligible pop. (2010)	Total # of proj.	Total # of proj. / eligible pop. / 100,000	QLICI investment (millions)	QLICI investment per eligible pop.	Total proj. cost (millions)	Total proj. cost per eligible pop.
District of Columbia	442,613	69	15.59	\$1,144	\$2,585	\$2,108	\$4,763
Rhode Island	372,069	66	17.74	\$521	\$1,400	\$1,025	\$2,755
Louisiana	2,524,620	244	9.66	\$3,095	\$1,226	\$6,253	\$2,477
Maine	518,687	34	6.56	\$532	\$1,025	\$1,038	\$2,001
Wisconsin	2,100,052	304	14.48	\$2,263	\$1,077	\$4,028	\$1,918
Vermont	197,770	20	10.11	\$278	\$1,408	\$322	\$1,631
Maryland	2,570,477	83	3.23	\$1,215	\$473	\$4,077	\$1,586
Alaska	249,661	31	12.42	\$322	\$1,290	\$380	\$1,522
Missouri	2,955,939	351	11.87	\$2,352	\$796	\$4,422	\$1,496
Mississippi	1,883,681	120	6.37	\$1,199	\$637	\$2,660	\$1,412
Oregon	1,830,533	136	7.43	\$1,179	\$644	\$2,531	\$1,383
Massachusetts	2,622,021	279	10.64	\$2,371	\$904	\$3,604	\$1,375
New Hampshire	514,898	18	3.50	\$283	\$549	\$604	\$1,173
Ohio	4,891,140	476	9.73	\$2,897	\$592	\$5,600	\$1,145
Minnesota	2,284,120	192	8.41	\$1,482	\$649	\$2,353	\$1,030
New York	9,677,256	240	2.48	\$3,818	\$394	\$9,884	\$1,021
Oklahoma	1,875,921	93	4.96	\$965	\$514	\$1,779	\$948
New Jersey	3,350,931	106	3.16	\$1,445	\$431	\$3,174	\$947
Washington	3,004,995	128	4.26	\$1,556	\$518	\$2,792	\$929
Kentucky	2,416,644	146	6.04	\$1,017	\$421	\$2,242	\$928
Nebraska	753,787	34	4.51	\$314	\$417	\$621	\$824
Connecticut	1,348,233	31	2.30	\$467	\$346	\$1,078	\$799
Pennsylvania	5,300,150	174	3.28	\$2,046	\$386	\$4,233	\$799
Montana	412,514	28	6.79	\$290	\$702	\$317	\$768
Iowa	1,076,159	44	4.09	\$473	\$440	\$793	\$737
Delaware	433,750	12	2.77	\$141	\$324	\$303	\$698
South Carolina	2,468,843	74	3.00	\$882	\$357	\$1,648	\$668
Michigan	4,364,154	109	2.50	\$1,463	\$335	\$2,785	\$638
New Mexico	1,231,886	23	1.87	\$287	\$233	\$776	\$630
Arkansas	1,601,585	57	3.56	\$514	\$321	\$996	\$622
South Dakota	314,663	10	3.18	\$159	\$504	\$188	\$597
North Carolina	4,997,734	118	2.36	\$1,225	\$245	\$2,884	\$577

Illinois	5,719,031	263	4.60	\$1,823	\$319	\$3,074	\$538
Utah	1,055,383	74	7.01	\$398	\$377	\$559	\$530
Arizona	3,155,083	84	2.66	\$847	\$268	\$1,657	\$525
California	18,925,901	514	2.72	\$4,876	\$258	\$8,833	\$467
Virginia	3,963,084	70	1.77	\$904	\$228	\$1,809	\$456
Colorado	2,342,564	98	4.18	\$606	\$259	\$1,066	\$455
Alabama	2,619,842	70	2.67	\$663	\$253	\$1,163	\$444
Hawaii	529,570	11	2.08	\$121	\$228	\$224	\$422
Georgia	5,342,455	79	1.48	\$1,136	\$213	\$2,224	\$416
Kansas	1,193,268	27	2.26	\$210	\$176	\$474	\$397
North Dakota	254,580	8	3.14	\$80	\$312	\$94	\$369
Tennessee	3,242,050	98	3.02	\$676	\$208	\$1,174	\$362
Idaho	596,447	32	5.37	\$142	\$238	\$188	\$316
Indiana	2,652,166	60	2.26	\$617	\$233	\$813	\$306
Florida	8,654,297	155	1.79	\$1,428	\$165	\$2,431	\$281
West Virginia	1,134,170	19	1.68	\$92	\$81	\$297	\$262
Texas	13,172,355	199	1.51	\$2,015	\$153	\$3,294	\$250
Wyoming	173,062	4	2.31	\$19	\$109	\$34	\$194
Nevada	1,089,677	20	1.84	\$175	\$161	\$201	\$184
Guam	95,553	1	1.05	\$5	\$55	\$6	\$61
Puerto Rico	3,574,757	10	0.279739	\$58	\$16	\$157	\$44

Source: 2010 Decennial Census and New Markets Tax Credit project data

Notes: Rows are sorted by total project cost per eligible population. All amounts are adjusted for inflation to 2019 dollars.

TABLE A2

**NMTC Projects and Funding in the Top 50 Cities by Population**

Project years 2001 to 2017

City	Eligible pop. (2010)	Total # of proj.	Total # of proj. / eligible pop. / 100,000	QLICI investment (millions)	QLICI investment per eligible pop.	Total proj. cost (millions)	Total proj. cost per eligible pop.
Baltimore, Maryland	561,970	68	121	\$1,012	\$1,801	\$3,860	\$6,868
Cleveland, Ohio	375,136	99	264	\$1,008	\$2,687	\$2,188	\$5,833
Louisville, Kentucky	282,090	45	160	\$486	\$1,723	\$1,448	\$5,134
Washington, District of Columbia	442,613	69	156	\$1,144	\$2,585	\$2,108	\$4,763
Seattle, Washington	251,221	40	159	\$589	\$2,343	\$1,088	\$4,329
Boston, Massachusetts	482,879	73	151	\$1,108	\$2,294	\$1,638	\$3,391
Portland, Oregon	336,547	78	232	\$549	\$1,631	\$1,139	\$3,384
Atlanta, Georgia	284,571	32	112	\$498	\$1,749	\$954	\$3,352
Minneapolis, Minnesota	264,973	52	196	\$423	\$1,596	\$749	\$2,828
Milwaukee, Wisconsin	499,055	178	357	\$964	\$1,932	\$1,368	\$2,742

Kansas City, Missouri	277,612	77	277	\$361	\$1,299	\$718	\$2,586
Detroit, Michigan	694,942	46	66	\$707	\$1,017	\$1,506	\$2,167
San Francisco, California	411,153	34	83	\$446	\$1,085	\$763	\$1,856
San Diego, California	622,662	41	66	\$610	\$980	\$1,104	\$1,773
Columbus, Ohio	517,164	41	79	\$221	\$427	\$871	\$1,684
Miami, Florida	347,511	19	55	\$234	\$672	\$582	\$1,675
Oklahoma City, Oklahoma	310,768	34	109	\$297	\$954	\$499	\$1,605
Phoenix, Arizona	833,548	57	68	\$633	\$760	\$1,320	\$1,584
Omaha, Nebraska	232,132	14	60	\$146	\$629	\$356	\$1,533
Oakland, California	306,806	38	124	\$309	\$1,008	\$425	\$1,384
New York, New York	5,638,564	154	27	\$2,900	\$514	\$7,759	\$1,376
Albuquerque, New Mexico	264,095	9	34	\$100	\$377	\$352	\$1,332
Philadelphia, Pennsylvania	1,279,003	65	51	\$974	\$761	\$1,662	\$1,299
Memphis, Tennessee	475,990	21	44	\$316	\$664	\$614	\$1,290
Denver, Colorado	418,804	43	103	\$383	\$916	\$539	\$1,288
Tulsa, Oklahoma	239,151	15	63	\$202	\$846	\$298	\$1,247
Chicago, Illinois	2,030,159	130	64	\$1,238	\$610	\$1,953	\$962
San Antonio, Texas	803,402	29	36	\$398	\$496	\$721	\$898
Los Angeles, California	2,536,542	101	40	\$1,258	\$496	\$2,210	\$871
Fort Worth, Texas	416,702	20	48	\$177	\$425	\$288	\$691
Austin, Texas	451,436	13	29	\$123	\$273	\$256	\$566
Indianapolis, Indiana	520,134	19	37	\$204	\$391	\$256	\$492
Dallas, Texas	899,467	36	40	\$279	\$310	\$421	\$468
Jacksonville, Florida	410,389	9	22	\$130	\$317	\$180	\$438
Fresno, California	374,998	12	32	\$117	\$313	\$142	\$378
Houston, Texas	1,504,025	26	17	\$321	\$214	\$520	\$346
San Jose, California	496,845	15	30	\$100	\$201	\$142	\$285
Nashville-Davidson, Tennessee	338,455	18	53	\$42	\$124	\$94	\$279
Sacramento, California	306,367	7	23	\$20	\$64	\$84	\$273
Las Vegas, Nevada	273,195	5	18	\$56	\$204	\$72	\$263
Charlotte, North Carolina	350,487	6	17	\$57	\$164	\$79	\$227
Long Beach, California	285,548	4	14	\$16	\$56	\$57	\$199
El Paso, Texas	479,761	4	8	\$42	\$87	\$86	\$180
Raleigh, North Carolina	216,387	6	28	\$28	\$127	\$37	\$172
Tucson, Arizona	375,858	9	24	\$32	\$86	\$61	\$164
Wichita, Kansas	202,316	2	10	\$20	\$98	\$26	\$127
Colorado Springs, Colorado	180,867	8	44	\$16	\$87	\$21	\$116
San Juan, Puerto Rico	335,820	2	6	\$19	\$56	\$38	\$113
Mesa, Arizona	194,048	1	5	\$1	\$6	\$1	\$6
Virginia Beach, Virginia	0	0	0	\$0	\$0	\$0	\$0

Source: 2010 Decennial Census and New Markets Tax Credit project data

Notes: Rows are sorted by Total Project Cost Per Eligible Population. All amounts are adjusted for inflation to 2019 dollars.

# Notes

<sup>1</sup> 26 U.S.C. § 45D “New Markets Tax Credit.”

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**Brett Theodos** is a senior fellow and director of the Community Economic Development Hub at the Urban Institute. His work focuses on economic and community development, neighborhood change, affordable homeownership, consumer finance, and program evaluation and learning. His research includes evaluations of the Economic Development Administration, New Markets Tax Credit, Small Business Administration loan and investment programs, Opportunity Zones, and the US Department of Housing and Urban Development’s Choice Neighborhoods, Community Development Block Grant, and Section 108 programs. He is studying how capital flows (or fails to flow) into communities, including the role of mission finance actors like community development financial institutions. He leads projects researching how entrepreneurs can access capital.

Theodos is working to grow nonprofit capacity in performance measurement. He directs Measure4Change, which provides technical assistance and facilitates a community of practice for nonprofits and has led randomized controlled trial evaluations of youth workforce and education preparedness programs. He received his BA from Northwestern University, MPP from Georgetown University, and PhD in public policy from George Washington University.

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Stacy is currently studying whether and how local zoning reforms can increase the supply of affordable housing, and she is helping the City of Alexandria, Virginia, develop an accessory dwelling unit regulation. She is also coleading an evaluation of the New Markets Tax Credit Program, and she is part of a team evaluating the Economic Development Administration. Finally, she is leading a randomized controlled trial of an unconditional and conditional cash transfer program coupled with job training aimed at reducing youth violence. She serves on the board of the Alexandria Housing Development Corporation.

Before joining the Urban Institute, Stacy earned her bachelor's degree from Boston College, her master's degree from the University of Pittsburgh's Graduate School of Public and International Affairs, and her PhD from Michigan State University in agricultural, food, and resource economics.

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# Acknowledgments

This brief was funded by Arnold Ventures. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission.

The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at [urban.org/fundingprinciples](http://urban.org/fundingprinciples).

A special thanks to Matthew Cook for shepherding this study at the Arnold Foundation. Thanks also to our reviewers for this brief: Nancy Pindus and Ellen Seidman.



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