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NCP receives \$700,000 New board revitalizing AF-AM credit union

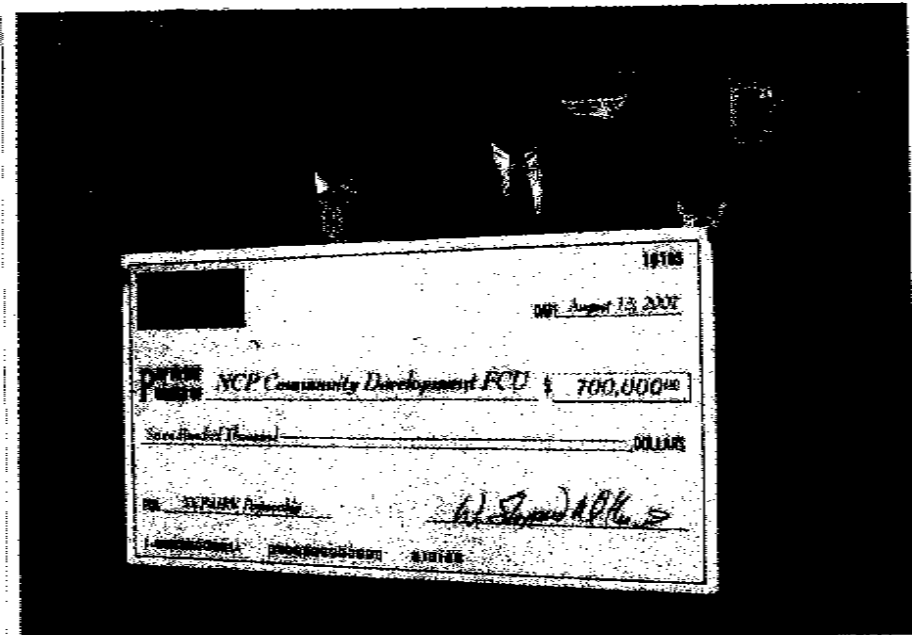
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An ailing credit union with ties to the African-American community is being revived through an equity investment and a high-powered board of directors.

Hampton Roads Ventures, a wholly owned subsidiary of Norfolk Redevelopment and

Housing Authority, has agreed to inject \$100,000 into NCP Federal Credit Union, which serves low-income residents in Norfolk, Portsmouth and Chesapeake, and to buy a \$600,000 certificate of deposit, with which the credit union can supply loans.

The 12-member board of direc-



JERRY E. CHEESON

NCP Federal Credit Union officials celebrate an influx of cash for the ailing thrift. From left to right are Robert Jenkins, managing director and CEO of Hampton Roads Ventures; Gilbert Bland, chair of the board of directors of NCP Federal Credit Union; Sheppard Miller III, chairman of Norfolk Redevelopment and Housing Authority board of commissioners; and Ulysses Turner, NRHA board member and member of HRV board of directors.

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NCP: Credit union has three major goals

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tors is headed by Gilbert Bland, owner of Tymark Enterprises.

Other notable members include Maurice Jones, The Virginian-Pilot's vice president and general manager; Maurice Slaughter, president and owner of four Harley-Davidson shops including Bayside Harley in Portsmouth; Sonya Smith, a founding member of the Greater Hampton Roads Black Chamber of Commerce and member of the Norfolk Economic Development Authority.

"We have been fortunate to attract the best and the brightest in Hampton Roads," Bland said. "They are doing this for one simple reason, to help the community."

The board has guided NCP through a maze of financial stumbling blocks.

"We now have a completely new financial institution," said Bland, who outlined three major goals of the credit union.

The first goal is to provide traditional credit union services, particularly low-cost financial products, to

low-income residents within the territory of the credit union.

A second goal is to educate residents on the value and benefit of savings and to prepare them for home-ownership.

"We want to encourage ownership," Bland said.

A third goal is to join with other non-profits to provide low-interest loans to residents and businesses.

According to the National Credit Union Administration, NCP had assets of \$553,185, cash on hand of \$214,073 and net income of \$37,128 as of March 31, the latest figures available.

NCP, with 762 members, has gone from being a credit union offering only loans and open just three days a week to a full-service financial institution open 6.5 days a week with ATM services and online banking, Bland said.

He said the expanded offerings were possible because of an agreement with ABNB Federal Credit Union in which ABNB does all the back-office work for a fee, leaving NCP more time for community development initiatives.

Within the next few months, Bland said he expects to expand

NCP's field of membership to include other income brackets.

"We will be challenged to keep up with what the community wants," said Bland, who, in partnership with Hampton Roads Ventures, will launch an initiative to rehabilitate run-down homes in the three communities.

Robert Jenkins, managing director and CEO of HRV, said the loans will be geared toward developers, particularly nonprofit developers, to restore homes for workforce-housing families.

Jenkins said the initiative will accomplish two things: provide homes for teachers, firefighters and police - basically middle-income earners who have been priced out of the market - and resuscitate communities through the rehabilitation of houses.

NCP is designated as a community development financial institution and thus eligible for certain federal government programs.

HRV is designated as a community development entity, which entitles it to participate in the new markets tax credits program. The government program, administered by the U.S. Department of Treasury, was established in 2000 as a component of the Community Reinvestment Act of 2000.

Entities like HRV compete for the tax credits each year. HRV has been awarded \$50 million in tax credits since Treasury launched the program and has applied for \$150 million in the next round, which will be awarded later this year or early next year.

HRV sells the tax credits, worth

a tax credit of 39 percent over seven years, to investors in return for stock or a capital investment.

HRV has invested in projects from Florida to Virginia. HRV's ventures in Norfolk include a boatel in East Ocean View, the Crispus Attucks Theatre and the extended-stay hotel under construction at Old Dominion University on Hampton Boulevard.

"We are firmly committed to using 100 percent of our profits in Norfolk," Jenkins said. "All of our net profits come back to Norfolk."

And those profits will be reinvested in NCP.

"They can leverage our investment," said Jenkins, who added that HRV and NCP are both committed to serving low-income communities.

Because of their status with the Treasury Department - one as a CDE and the other as CDFI - NCP and HRV can pool their resources to apply for matching funds.

Jenkins also sees where HRV can partner with the year-old Old Dominion University Community Development Corp. in helping to spur private capital to low-income neighborhoods.

The ODU CDC, headed by Ann Grandy, a former U.S. Department of Housing and Urban Development official, is the first university-sponsored CDC in Hampton Roads.

"Everyone here should be cheering and supporting the CDC," Jenkins said. "The CDC has the ability to attract private-sector investment that otherwise wouldn't come here." ■