



Community Development Financial Institution

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Highly Anticipated Pier South Resort Opens in Imperial Beach

New Resort is a Major Milestone in Effort to Revitalize Local Community

1-15-14 - IMPERIAL BEACH, CA – Pier South Resort officially opened its doors to the public today in Imperial Beach, CA. Deemed the “cornerstone of local revitalization”, the highly anticipated Pier South opening is expected to attract additional tourism and stimulate local economic growth.

Two years in development, Pier South Resort is the result of the combined efforts of Pacifica Companies, The City of Imperial Beach, and Marriot Hotels. It is uniquely located on the sand in Imperial Beach and steps away from the surf of the Pacific Ocean. A Marriott-Autograph Collection Hotel, Pier South is also the only full-service hotel in Imperial Beach.

Hotel development was made possible by New Markets Tax Credit (NMTC) financing. Clearinghouse Community Development Financial Institution (CDFI), a local, mission-based community development lender, provided one-half of the total \$20 million in NMTCs allocated to the project.

"The City of Imperial Beach was fortunate to receive Clearinghouse CDFI financing for the Pier South Resort Hotel project on our oceanfront. It adds to our city's health and vitality, and will benefit not only city residents, but the entire region. We hope this will be a signal to other quality investors and community oriented business owners to come to Imperial Beach and we are grateful for the confidence expressed by Clearinghouse CDFI," said Mayor Jim Janney of Imperial Beach.

Clearinghouse CDFI received its first NMTC allocation in the program's 2002 inaugural round, and has since received awards in seven of the ten allocation rounds. In total, Clearinghouse CDFI has allocated a total of \$452.4 million for 47 NMTC projects, such as the Pier South Resort, which spark growth and revitalization in underserved areas.

"New Markets Tax Credit financing makes large-scale development like Pier South possible", says Doug Bystry, Clearinghouse CDFI President/CEO. "The unique financing structure also ensures that the new Pier South Resort will provide long-term community benefit in Imperial Beach."





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Chelsea Investment Corporation, a Carlsbad-based real estate company who finances and develops affordable housing, also allocated \$10 million in NMTCs to the project.

Wells Fargo, the NMTC Investor, also provided \$12 million in construction financing.

“We are pleased to see Pier South open its doors to the community and we congratulate the many parties involved in bringing it to life,” said Estelle Bartholow, Wells Fargo Community Lending & Investment. “Working with organizations like Clearinghouse CDFI helps bring strength and jobs to the communities where we live and work.”

Pier South features 78 oversized guestrooms with ocean and beach views, luxury amenities, floor to ceiling windows and private balconies. It includes a pool and Jacuzzi located on the first floor Pier View Terrace of the hotel with panoramic ocean views and direct beach access. The resort also boasts a 1,710 sf ballroom for meeting and event space, a 324 sf boardroom, and a 2,000 sf roof top deck which features a breathtaking 360° view. In addition to these amenities, Pier South Resort also features a fitness facility, D’ames Day Spa, and the Cohn Restaurant Group’s new coastal dining venue, SEA180°.

Pier South Resort is applying to be a Silver LEED Certified building and features many sustainable design components and environmentally friendly elements. These include solar heating and cooling and water conservation techniques. In total, Pier South Resort, D’ames Day Spa, and SEA180° will employ a total of 180 staff.

Now open, Pier South Resort is expected to generate at least \$500,000 annually for the City of Imperial Beach. Additional tourism will benefit area businesses and spur new business growth. The resulting job opportunities for local residents and increased tax revenues will significantly further ongoing efforts to revitalize this low-income Imperial Beach community.

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About New Markets Tax Credits

New Markets Tax Credits (NMTC) were established by Congress in 2000 to encourage the investment of private capital in designated low-income communities in order to create jobs, generate economic activity and improve the quality of services in low-income communities and to low-income persons. NMTCs attract investment capital to low-income communities by permitting individual and corporate investors to receive a 39 percent tax credit against their federal income tax return over a period of seven years in exchange for making qualified equity investments in specialized financial institutions called Community Development Entities (CDEs). In turn, CDEs provide below-market financing to transformative development projects in low-income communities across the country. For more information, visit www.cdfifund.gov.

About Clearinghouse CDFI

Clearinghouse Community Development Financial Institution (CDFI) addresses unmet credit needs in California and Nevada by bridging the financing gap between conventional lending standards and the needs of low-income families and communities. To date, the Clearinghouse CDFI has funded a total of \$959 million in loans for 1,510 projects in distressed communities, benefiting over 764,000 individuals each year. Clearinghouse CDFI loans have created or retained over 9,850 permanent and construction jobs and developed or rehabilitated 9 million square feet. More information is available at: www.clearinghousecdfi.com.

About Pacifica Companies

Pacifica Companies is a privately held, vertically integrated real estate developer, owner, investor and investment manager. Pacifica's vast real estate portfolio includes hotels, mixed use projects, development projects, master planned communities, office, industrial buildings, retail shopping centers, senior housing assets, single tenant leases, multifamily for rent and sale projects and single-family communities throughout the United States, Mexico and India. The company was founded in 1978 by the current Chairman Ash Israni and has since grown at an exponential rate.

About Wells Fargo

Wells Fargo & Company (NYSE: WFC) is a nationwide, diversified, community-based financial services company with \$1.5 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores, 12,000 ATMs, and the Internet (wellsfargo.com), and has offices in more than 35 countries to support the bank's customers who conduct business in the global economy. With more than 270,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 25 on Fortune's 2013 rankings of America's largest



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corporations. Wells Fargo's vision is to satisfy all our customers' financial needs and help them succeed financially. Wells Fargo perspectives are also available at blogs.wellsfargo.com.

About Border Communities Capital Company

Border Communities Capital Company (BCCC) was created in 2002 with the goal of providing financial products through the New Markets Tax Credit Program to benefit underserved distressed communities and improve the living standards of low-income persons. BCCC's parent company, Chelsea Investment Corporation (CIC), is a real estate company focused on the financing and development of affordable housing. To date, BCCC and its parent, CIC, have developed and/or financed \$1.3 billion of affordable housing and commercial projects which directly benefit low-income persons and residents of low-income communities. Please visit BCCC and CIC at <http://www.chelseainvestco.com/> for more information.

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