

# LOS ANGELES LDC

## LOS ANGELES, CALIFORNIA

The mission of the Los Angeles LDC (LDC), a nonprofit, public benefit corporation and licensed commercial finance lender, is to provide commercial debt and investment capital to develop and grow new, emerging, and long-standing small- and medium-sized businesses. As a certified Community Development Financial Institution (CDFI), LDC is committed to providing capital and services in low-income and distressed communities, with a prominent focus on borrowers and communities of color.

LDC's financial solutions evolve to meet the specific needs of its clients, and the organization takes great pride in its demonstrated ability to provide customized financial solutions, including direct lending, co-lending, mezzanine debt, pre-development financing, construction lending, short-term working capital solutions, and growth capital for business expansion or recapitalization. LDC is Los Angeles' most effective SMART money alternative lender, coupling financial advisory services and capital to deliver innovative financial solutions to complex lending problems. It is a value-added strategy, based on the "3Cs" of community development finance: commitment; competency; and capacity. When these 3Cs are combined with superior execution, the LDC is able to provide both short- and long-term solutions, ranging from \$25,000 to \$50 million. The organization's sweet spot is complex business transactions that require technical assistance and a capital stack between \$1 million and \$5 million.

As a result of the support it has received from the CDFI Fund and its effective model, the LDC has driven \$300 million in financing to its target markets since 1995.



businesses and nonprofit organizations. These bonds pay lower interest rates to bond holders and produces interest rate savings for borrowers.

After five years, the letter of credit reached maturity and AADAP was forced to test the market or refund its low-cost, tax-exempt bonds. The LDC provided AADAP a superior replacement letter of credit from Bank of the West, which will give the organization the ability to save \$1 million of interest expense and maintain the stability of its programs.

## ASIAN AMERICAN DRUG ABUSE PROGRAM

Asian American Drug Abuse Program (AADAP) is a nonprofit organization, dedicated to serving Asian Pacific Islanders and other underserved communities with substance abuse services throughout Los Angeles County. Over the last 40 years, AADAP has evolved into a comprehensive service provider, offering in-residence and outpatient programs through its various units in a variety of communities and languages. In the last five years, AADAP has provided services to 88,900 clients. Its outpatient service unit has been a major contributor to the organization's growth.

AADAP relies on a network of community-based facilities to deliver its critical services. In 2005, the LDC arranged \$3.6 million in financing with a letter of credit to guarantee tax-exempt bond holders repayment for the purchase of two new buildings. Tax-exempt bonds and certificates of participations (COP) are issued by a municipal, county, or state government agency for qualified projects sponsored by private

## CONTACT

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## Los Angeles LDC BY THE NUMBERS

(1995 TO PRESENT)

- TOTAL DOLLAR AMOUNT LOANED: \$50M
- TOTAL DOLLAR AMOUNT LEVERAGED: \$250M
- STRATEGY IS BASED ON THE "3Cs": COMMITMENT, COMPETENCY, AND CAPACITY
- FOUNDED IN 1980
- CERTIFIED AS A CDFI IN 2002

**CDFI**  
COALITION  
WWW.CDFI.ORG