

# President's Top Advisor On Economy Visits Durham

By Josh Green 5 days, 23 hours ago

Porter Pelphrey didn't realize who was standing in the room with him talking about art with his parents. The 2-year-old just stood behind a beam in his parents' gallery in Durham and peeked around the pole every once in a while, hiding from the media.

"He thinks you all are here to take his picture," said John Pelphrey, Porter's father and owner of LabourLove Gallery in Durham. "It's not every day that you get to meet one of the most powerful financial men in the world."

Little did Porter know that behind him, examining the black-and-white photographs on the wall, was the President's top advisor on the economy. Treasury Secretary Tim Geithner stopped here at Goldenbelt in Durham Thursday to speak about the New Markets Tax Credit. Those credits have played a role in the Obama Administration's attempts for economy recovery in the country's hardest hit communities.

"Distressed communities and their small businesses have a hard time attracting investments even in the best of times," said Secretary Geithner in a statement. "The New Markets Tax Credit helps these communities attract new investors and ensure they stay invested long enough for businesses to overcome obstacles and grow."

**Watch the NBC 17 Video to see Geithner's full remarks to the media after Thursday's roundtable.**

The New Market Tax Credit (NMTC) helped fund the Golden Belt complex, east of downtown in Durham. According to the U.S. Treasury Department, the funds meant an investment of \$12 million in the renovation, including more than \$8 million in the capital it attracted with the help of the NMTC.

Here, Geithner announced the President's proposal to improve, extend and broaden the NMTC in the 2011 budget.

"We benefited, basically, because Goldenbelt was constructed and funded through those new market tax credits," said Pelphrey.

Members of Secretary Geithner's roundtable Thursday said the building sat vacant for 10 years. When the renovations started, the surrounding community was struggling from an unemployment rate three times the national average. It meant 35 percent of the residents in this area were living in poverty, they said. Goldenbelt was the first private investment in east downtown Durham. Now businesses here currently employ about 400 people, according Secretary Geithner.

Pelphrey said it's too early to tell what kind of impact stimulus funds will have on communities like this one across the country.

"The stimulus in general is a difficult thing to gauge a year out," he said. "Short term - it's still scary for lots of people. It's still scary for me, personally. But long-term I think we've got to take a wait-and-see attitude. My attitude has to be hopeful because I'm a small business owner."

Pelphrey quit his job to open his business two weeks before the market crashed. He said he hopes the visit makes Geithner remember what risks entrepreneurs are taking in this economy.

"I really hope he gets a chance to see small businesses," Pelphrey said. "I know when you work in Washington - they're sort of looking at things from a macro level. But when you get a chance to talk to me - the business owner ... you get to really see things on the ground level and see there are people like me who have taken a risk and put our financial future on the line as a small business owner to help grow the economy."