



New Markets Tax Credit Financing & The Story of Pipeline Plastics

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Agenda

- Quick overview of MoFi
- The key takeaway
- NMTC overview
- NMTC eligibility
- How the financing works
- Pipeline Plastics & success stories



Marimn Wellness Center – Worley, ID



MoFi - what do we do?

Nonprofit Helping Low-Income People and Communities

- Small Business Lending
- New Markets Tax Credit Enhanced Loans

Mission: MoFi provides financing and consulting that transforms lives and communities.



Western States – Pocatello, ID



New Markets Tax Credits – Key Takeaway



WyoTech – Laramie, WY

New Markets Tax Credit funding is a scarce but powerful tool that leverages private investment to create a public subsidy for projects in distressed communities.

It provides a **18-22%** subsidy to eligible projects to fill a funding gap, add back elements that were removed, or enhance a project.

NMTC catalyzes job growth/development and the expansion of community services.

MoFi recently received \$85 million of NMTC allocation.



The NMTC Program

- Federal program designed to incentivize business and economic development in high-poverty and low-income areas
- Under the U.S. Treasury
- Helps fund high-impact projects that are community priorities
- MoFi has been involved since 2009 and has helped finance ~70 projects
- Program is now permanent (\$5 billion/year)



Desert Sage Clinic – Mountain Home, ID

Project Types

- Manufacturing
- Hospitality
- Office
- Healthcare
- Education



Premier Technology – Blackfoot, ID



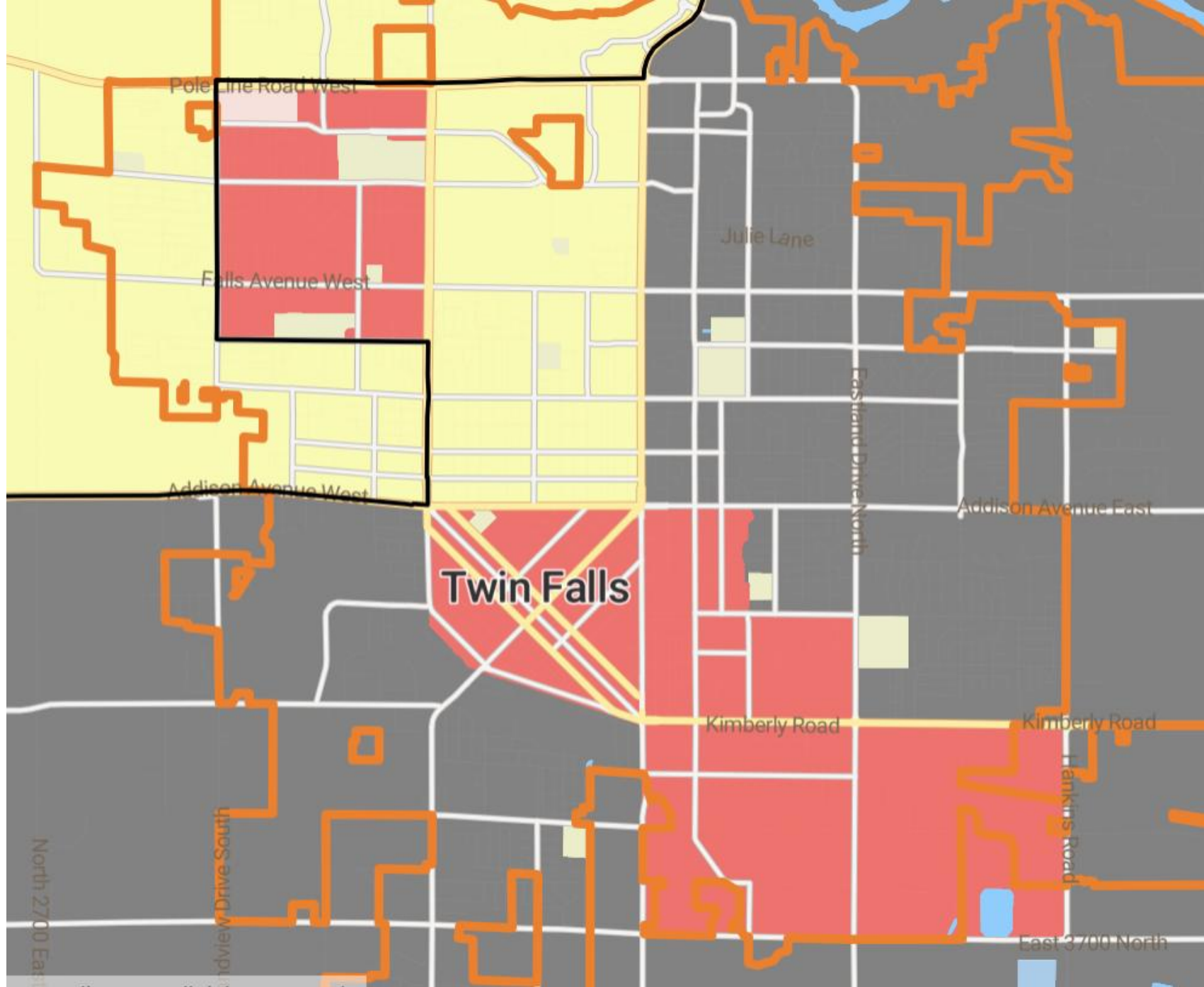
How Projects Qualify

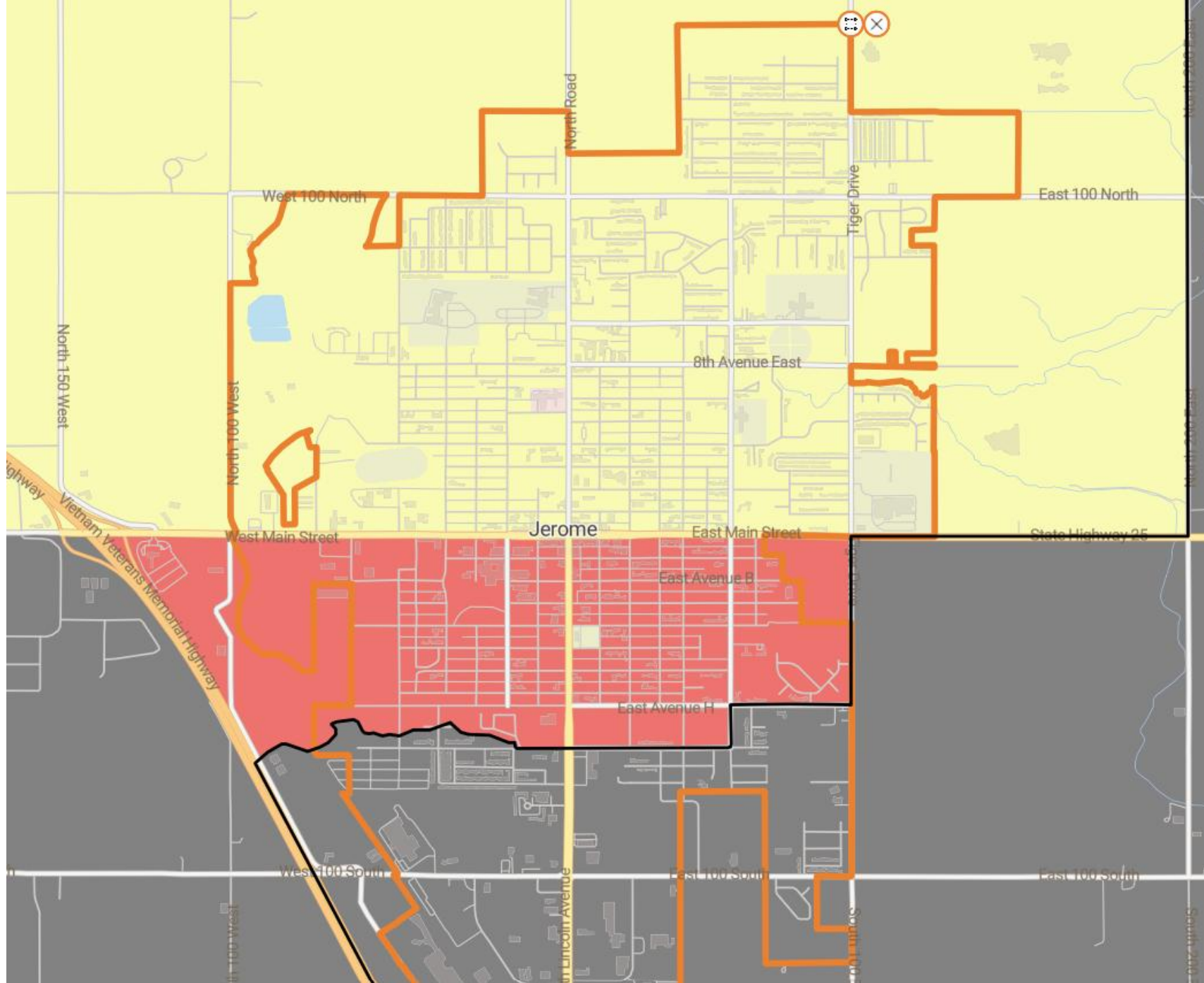
- Located in an eligible area – high poverty or low income
- Greater than \$5 million (projects can be combined)
- Quality job creation or essential services for low-income people
- The project needs the money to complete the full project
- The project has secured the other 80-83% of the funding
- Timing of construction fits our deployment window

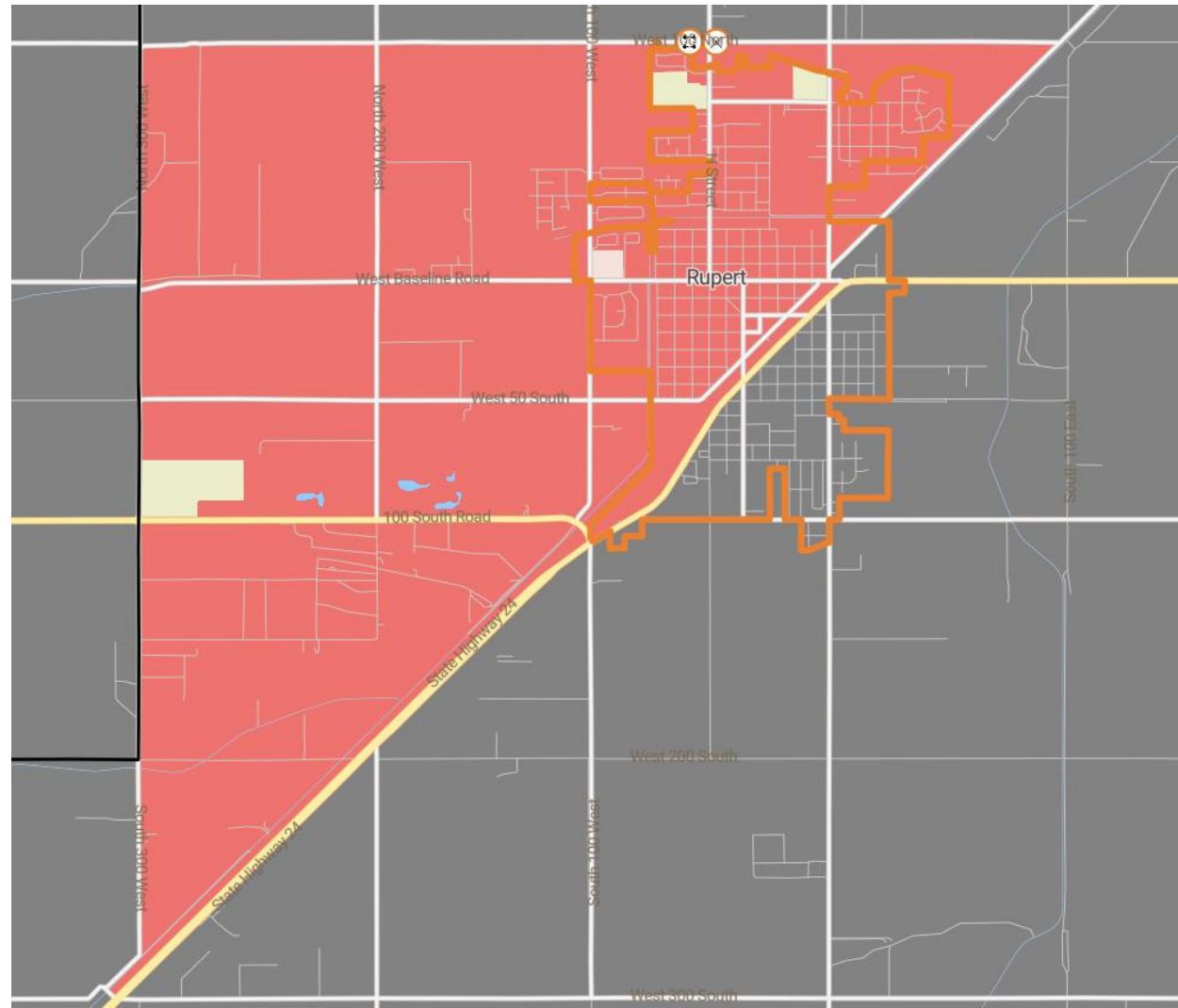
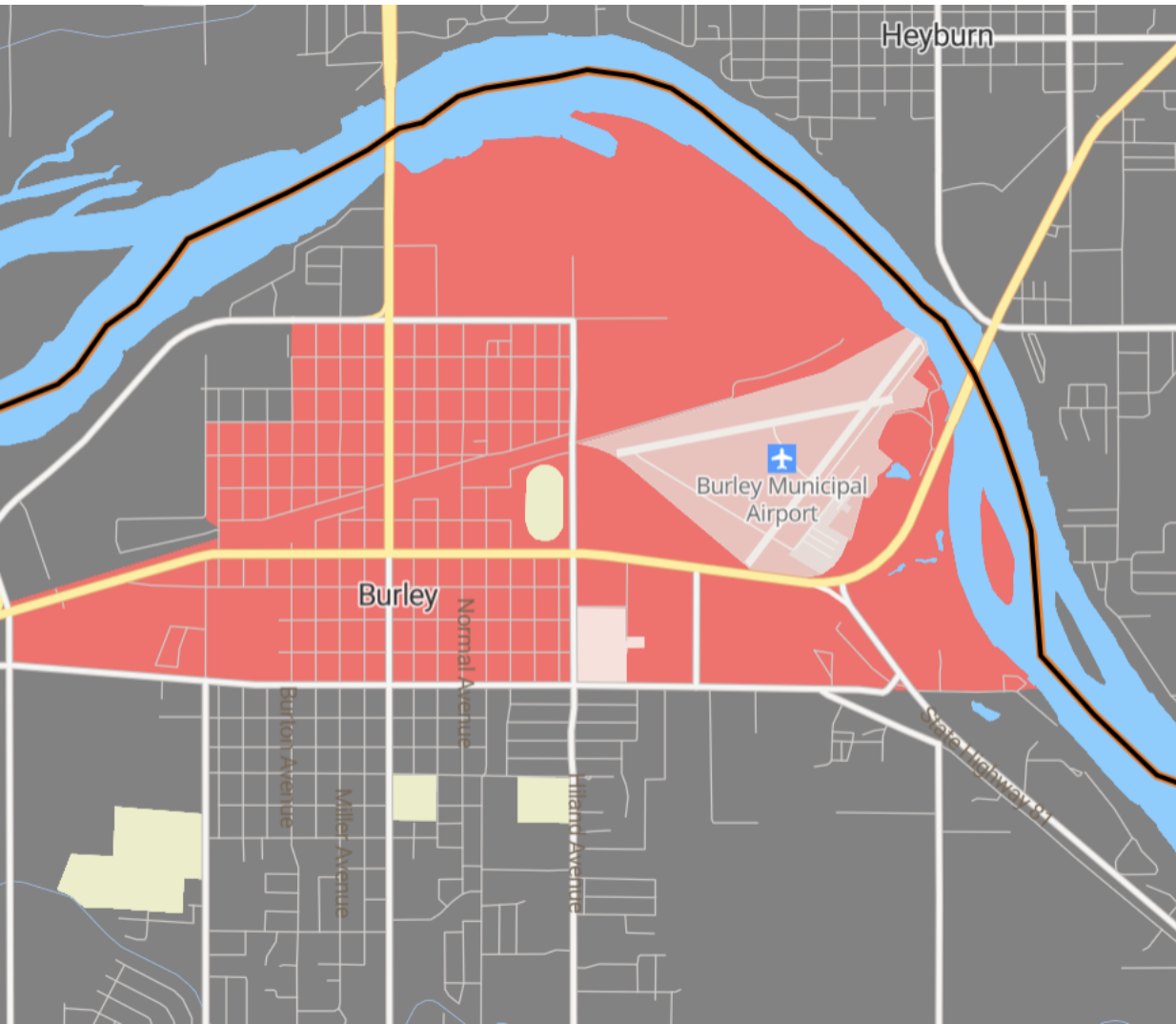


Ivinson Memorial Hospital – Laramie, WY

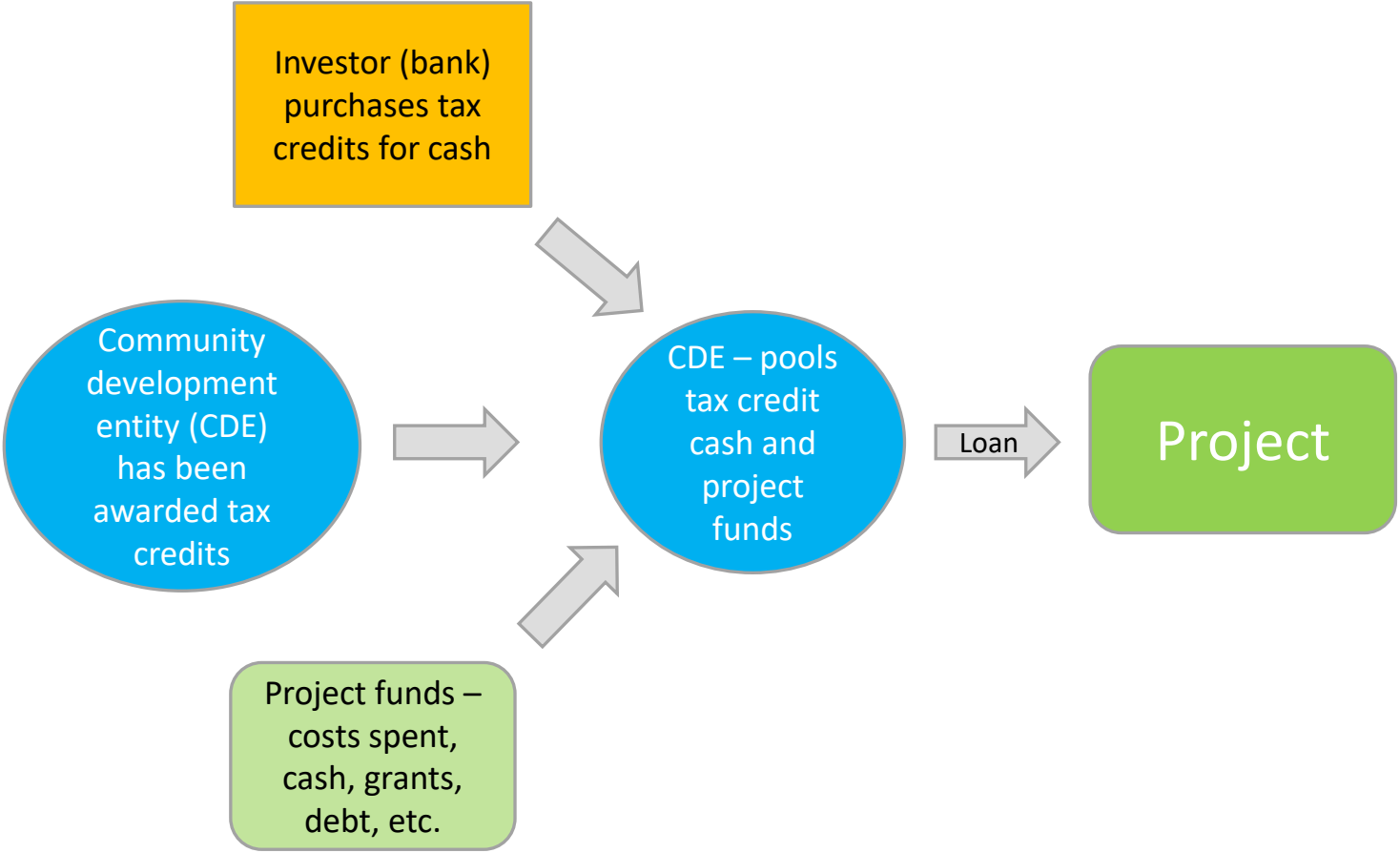








How the Financing Works



Manufacturing: Pipeline Plastics

- **Location:** Rupert, ID, rural, >30% poverty, MFI <60%
- **Size:** \$13.5 million industrial manufacturing facility; 70,000 SF
- **Community Benefits:** 41 quality and accessible jobs
- **Need:** NMTCs were needed to fill the gap in construction sources
- **Other Sources:** Developer equity & bank debt

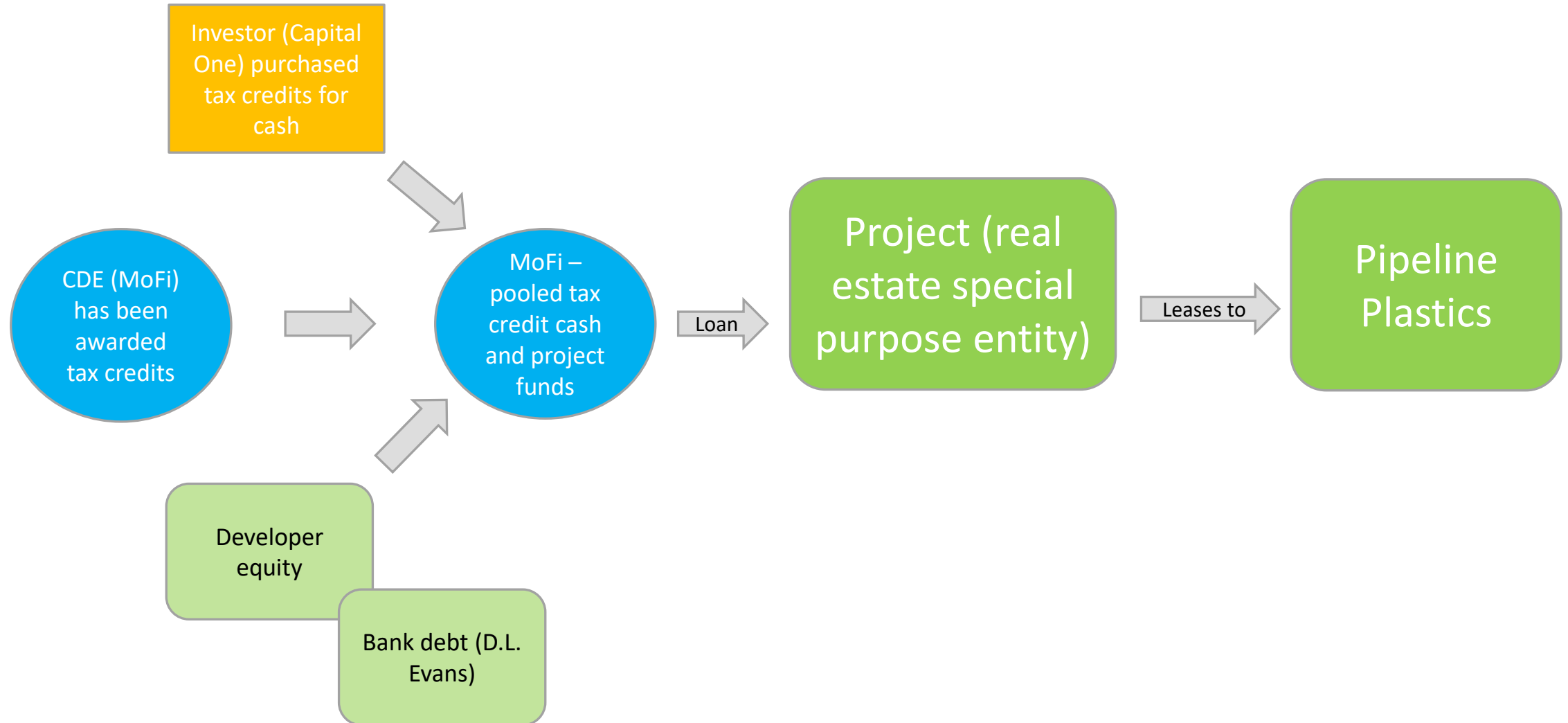


Pipeline Plastics – The Story

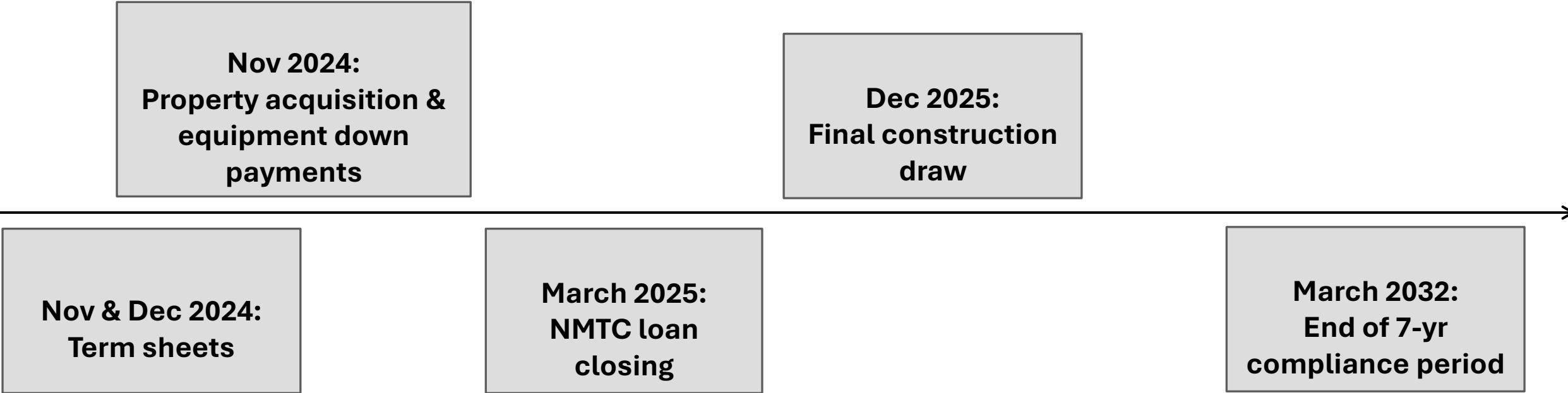
- Strategic planning by the City
- Community benefits
 - Jobs with growth opportunities
 - Quality and accessible
 - Non-metro community



How the Financing Works



Pipeline Plastics – The Timeline



Hospitality: The Avery Hotel



- **Location:** Boise, ID, metro, 39.9% poverty, 38.96 AMI, 13% unemployment
- **Size:** \$13 million renovation of building into hotel and two restaurants
- **Community Benefits:** 120+ jobs, most quality and accessible
- **Need:** The historic building required significant renovations to restore it to use; NMTCs bridged the gap in sources.
- **Other Sources:** Cash, bank debt, historic tax credits



Healthcare & Education: Wind River Cares Clinic + Red Wolf Child Care Center



- **Location:** Wind River Reservation, Riverton, WY, rural, >20% poverty, <70% MFI
- **Size:** \$4 million childcare center (13,000 SF) and \$4 million healthcare clinic (21,000 SF) remodel – combined into one package
- **Community Benefits:** Added back preschool at childcare center and dental operatories at healthcare clinic; job creation
 - Two tribal entities (housing and healthcare) worked together
- **Need:** Each project was scaled back to due budget issues; each was already under construction
- **Other Sources:** Cash, bank debt, grants



Commercial Office: The Independent Building

- **Location:** Helena, MT, rural, 22.8% poverty
- **Size:** \$6.5 million renovation of 21,556 SF building into office space (plus restaurant/brewery)
- **Community Benefits:** Retained 15 jobs and created 60, most quality and accessible
- **Need:** The building required environmental abatement and system upgrades; NMTCs bridged the gap in available resources
- **Other Sources:** Cash, bank debt





Thank you!

