

New Markets Tax Credit

SOUTH CAROLINA

NMTC ALLOCATEE

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COMMUNITY PROFILE

- Sumter, SC
- 17.3% poverty rate
- Unemployment 1.5 times national average

PROJECT HIGHLIGHTS

- Manufacturing facility
- Total Project Cost: \$324 million
- NMTC: \$58.9 million
- Co-Allocatees: Chase New Markets Corporation, Community Reinvestment Fund, People Incorporated, National Development Council
- Investor: Chase
- Jobs: 854 construction, 1,700 permanent



Continental Tire

Continental Tire the Americas, LLC is an international automotive supplier and tire producer. In 2011, the company decided to locate a new one-million square foot state-of-the-art plant in Sumter County, South Carolina.

Sumter County is a severely distressed community with a 17.3 percent poverty rate and an unemployment rate of 12.1 percent. Continental's new facility will provide much needed job creation and economic stimulus to the area. The project will create an estimated 1,700 permanent new positions over two phases of development. The first phase of the project, of which construction and hiring are underway, will allow the plant to increase production capacity to approximately five million tires per year by 2017. The second phase is expected to bring the plant's full production capacity to approximately eight million tires per year by 2021. Phase 1 project costs total \$324 million and altogether, Continental will invest more than \$500 million into the Sumter plant.

In 2012, Urban America LLC provided \$10 million in NMTC financing which bolstered NMTC commitments from four other Community Development Entities: Chase New Markets Corporation, Community Reinvestment Fund, People Incorporated, and the National Development Council/HEDC, which combined, totaled \$58.9 million, providing the funding necessary for Phase I of the Continental plant to move forward.

Construction of the new facility, expected to become operational in 2013, will generate approximately 854 full-time construction jobs, and once operational, Continental will offer full-time, high entry-level and managerial wages and comprehensive benefits. Entry-level wages begin at \$14.66 per hour, over 25% higher than the area's median wage. The company also intends to offer job training through ReadySC, a division of the South Carolina Technical College System. Through an agreement with Sumter County, an RFP process will identify local construction companies and will utilize qualified WMBE vendors.



Top: Artist rendering of the Continental Tire Plant in Sumter, SC

Bottom: South Carolina Governor Nikki Haley joins Continental executives and Sumter city officials for the Phase I groundbreaking