

Texas

NMTC Allocatee

Texas Mezzanine Fund
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Community Profile

Austin, TX

Median Income Compared to AMI 60.9%

Project Highlights

- Investor: Chase
- Co-Allocatee: Chase New Markets Corporation
- NMTC: \$12.5M
- Jobs: 100 construction jobs, 35 permanent full-time equivalent jobs

Central Texas Food Bank

The Central Texas Food Bank (CTFB) is the largest hunger-relief non-profit in central Texas providing food and grocery products, nutrition education and social services outreach to 300,000 clients each year through a network of 300 Partner Agencies in 21 counties. CTFB serves as a clearinghouse, receiving and storing donated food, fresh produce and other groceries and then distributing these items in manageable quantities to their independent partner agencies.

CTFB needed to increase its capacity to continue to meet the growing demand for its services –one in six Central Texans are food insecure, including one in four children. The nearly \$20 million project created a new 135,000 square foot distribution center that can serve the food bank's 19,064 square mile service area in central Texas. The new facility opened in May, 2016.

Texas Mezzanine Fund provided \$11 million in NMTC financing, Urban Action Community Development provided \$6 million in NMTCs and Chase New Markets Corporation provided \$1.5 million in NMTC financing, while Chase Community Equity served as the equity investor, providing more than \$6 million in capital to the project. BBVA Compass Bank provided a \$12.5 million leveraged loan to the project underwritten with Central Texas Food Bank capital campaign proceeds and cash sourced from the sale of land from CTFB's previous food bank site.

Texas Mezzanine Fund learned of the project from TMF NMTC committee member Gary Lindner, President and CEO of PeopleFund, an Austin-based non-profit and CDFI organization.

Its expanded capacity now allows CTFB to distribute more than 60 million pounds of food –twice the amount of food they previously could, and allows them to serve 46,000 people weekly, one-third of them children. The new facility can accommodate 120 volunteers per shift, a dramatic increase from the food bank's previous location.

