



Indiana

NMTC Allocatee

Cinnaire New Markets
 Peter Giles
 pgiles@cinaire.com
 517-482-8555

ARC of Indiana's Erskine Green Training Center

The Erskine Green Training Institute (EGTI) at the Courtyard by Marriott is a teaching hotel designed to bridge the employment gap among Indiana's disabled population by providing vocational training opportunities to improve their skills and increase employability. In the absence of gainful employment, individuals with disabilities are often forced to seek public assistance to survive. Many possess a strong desire to work but have little access to training and long-term employment opportunities. The primary goal of the project is to provide postsecondary educational opportunities that successfully train disabled individuals in the hospitality, food service, and healthcare industries, equipping them with transferrable skills that will prepare them for employment. Students live in the hotel for the duration of their training, and upon completion of the program, apply their skills through an internship with one of the hotels' partner organizations.

Cinnaire first heard about the project from Fred Hash, a Senior Vice President with Cinnaire, who knew the Executive Director of the Arc of Indiana and Joe DeHaven, an Indiana-based advisory board member. Once Cinnaire's New Markets Tax Credit (NMTC) team connected, they provided a basic NMTC 101, to describe how the tool works and ways it could be applied to the EGTI.

The State of Indiana, acting through the Indiana Economic Development Corporation, awarded the ARC of Indiana with a \$5 million grant to construct and equip the Training Institute. Cinnaire invested \$11 million in NMTC investments, which was combined with \$7.6 million of fundraising and \$20.8 million in proceeds from a bank line of credit to make up the \$31.8 million needed to fund development costs. The line of credit was secured by a commitment from the City of Muncie to issue up to \$30 million of general obligation bonds as a take-out source for construction financing. Projections estimate an additional \$17.6 million in donations, which will be used to reduce the City Bond balance to a level which can be serviced through operations of the hotel, restaurant, and training facility, or refinanced based on projected operating cash flow.

The hotel is projected to save Indiana \$4.5 million in public assistance for every 200 individuals that become employed over 4.5 years. It sets the standard for future development of similar projects, and generates new revenue through property taxes and an increase in convention and tourism. EGTI is a model that demonstrates the benefits of leveraging private and public investments.

Community Profile

Muncie, IN

Poverty Rate	34.4%
Median Income Compared to AMI	59.51%
Unemployment Rate	29.1%, 70.5% among persons with disabilities

Project Highlights

- Investor: Chase
- NMTC: \$11M
- Jobs: created 360 permanent jobs
- The training program will train an estimated 200 people each year

