



CASE STUDY:

Prairie Dog Pet Products, Abilene, Texas

The City of Abilene, Texas was looking to repurpose an unused 100,000 square-foot industrial building in Abilene’s city-owned Five Points Business Park, an area suffering from persistent poverty and incomes below 60 percent of the area median.

In January of 2016, Los Angeles-based National New Markets Fund, LLC, stepped in and provided \$24 million in New Markets Tax Credit financing to transform the vacant building into a state-of-the-art facility supporting 215 full-time employees for Prairie Dog Pet Products in their new manufacturing plant and corporate headquarters.

Founded in 2007, Prairie Dog Pet Products uses naturally shed North American antlers to make chew toys for dogs. The company contracts with farmers across the continent to gather antlers.

“We are investing in this project because it will create high-quality jobs that put more than 215 paychecks in the hands of Abilene area residents,” said Deborah La Franchi, co-founder and president of National New Markets Fund.

The new jobs include manufacturing positions, corporate finance, and customer support services, and they pay anywhere from \$12 to \$50 an hour.

The Prairie Dog project has received overwhelming support from the State of Texas, the City of Abilene, the Development Corporation of Abilene and the Abilene Industrial Foundation.

Without assistance from the NMTC program, Prairie Dog’s growth would have been hindered – leaving Abilene without these much-needed jobs,” said Development Corporation of Abilene CEO Kent Sharp. Prairie Dog used the \$24 million in NMTC financing to acquire property, expand the existing facility and purchase equipment needed to manufacture high-quality “Made in USA” specialty pet treats, as well as conduct headquarters activities including corporate finance, customer support, and sales.

FACTS & FIGURES

CDE:
National New Markets Fund, LLC

Investor:
Chase

NMTC Allocation:
\$24 million

Jobs:
215 full-time jobs and 112 local construction jobs

Median income:
52.87 percent of AMI

Poverty rate:
27.2 percent

Texas Enterprise Zone



“The \$24 million NMTC allocation from National New Markets Fund is critical to finance our expansion, which we believe will be a very good thing for the City of Abilene,” explained Prairie Dog CEO Ira Goldfarb. “We believe in creating jobs, and the NMTC program is enabling us to create quality pet products sourced and made in the USA.”

JP Morgan Chase is investing more than \$8 million in equity for the NMTC portion of the project.



“We are proud to help Prairie Dog Pet Products expand its operations in Abilene,” said Benjamin Glispie, vice president for Chase’s Community Development Banking business. “This is a great example of how the New Markets Tax Credit program can help a growing company with its capital needs and generate quality jobs.”

The project is projected to generate \$4.4 million in new local tax revenue for surrounding community in its first ten years.

“The new Prairie Dog manufacturing plant and headquarters will become an important anchor to grow employment and opportunity,” added Abilene Mayor Norm Archibald. “This project is a huge win for our community.” The project is projected to generate \$4.4 million in new local tax revenue for surrounding community in its first 10 years.

“The new Prairie Dog manufacturing plant and headquarters will become an important anchor to grow employment and opportunity,” added Abilene Mayor Norm Archibald. “This project is a huge win for our community.”