

SOURCE: Stonehenge Community Development

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73 New Jobs Created at a Forest Grove Company With the Help of New Markets Tax Credit Financing



FOREST GROVE, OR--(Marketwired - Mar 17, 2014) - Chaucer Foods, Inc. ("Chaucer"), an Oregon-based supplier to major food producers around the world, announced today its intention to open a new freeze-dried food processing facility in Forest Grove that will create up to 73 jobs. The facility will occupy an 85,000-square-foot space in Forest Grove where the unemployment rate is currently 14.8 percent.

Senator Bruce Starr, whose district includes Forest Grove, said, "The expansion of Chaucer Foods in Forest Grove is an example of what happens when the Legislature makes laws that help the economy grow." Starr continued, "Forest Grove needs the jobs and I am glad that my support of the Low Income Communities Jobs Initiative Tax Credit has had a part in 73 people being able to provide economic security for their families."

Chaucer has 35 years of manufacturing experience and chose Forest Grove, Oregon, for the location of its new freeze-dried food processing facility because of the maritime climate. The company grows some of its own raw materials and imports the rest from its international growing locations. Therefore, the new facility had to be in a location convenient for shipping and receiving product. The company will initially focus on the production of freeze-dried fruit.

Andy Ducker, President of Chaucer Foods, said, "We look forward to growing our business in Oregon, which we would not be able to do without access to the affordable financing provided through the federal and Oregon NMTC programs." Ducker continued, "These programs enabled our expansion by filling a critical gap in the project's financing and encouraged us to grow here in Oregon."

Chaucer has an unparalleled record for product development and innovation. The new facility will allow for batch flexibility and, therefore, a broader level of capability than its current International facilities. Additionally, the facility will include new technology reducing the time to freeze-dry fruit. "Wells Fargo is pleased to be a part of this transformational project," explained William Turner with Wells Fargo Community Lending & Investment. "We are committed to providing capital that stimulates economic development in distressed communities."

To help finance the facility, Chaucer took advantage of the New Markets Tax Credits ("NMTCs") program to fill a critical gap in the financing that was required to renovate and purchase equipment for the company's first U.S.-based production facility and to create jobs.

Congress created the NMTC program in 2000 to encourage job creation and private sector capital investment in economically distressed communities. Congress has reauthorized the NMTC program multiple times since its enactment; however, year-over-year demand for NMTC allocation has continuously exceeded supply. President Obama signed the American Taxpayer Relief Act of 2012 that extended the program for 2012 and 2013. To attract NMTC investments to this state, the Oregon Legislature passed the Low Income Community Jobs Initiative in 2011 that created a matching tax credit to the NMTC to promote more investment in Oregon. Oregon is now one of 13 states with a state NMTC program.

Stonehenge Community Development, LLC, in partnership with Wells Fargo Community Lending & Investment, provided affordable financing with the help of \$6 million of federal NMTC allocation along with \$4 million of Oregon NMTC allocation. The affordable NMTC financing will continue to provide additional benefit to Chaucer in the form of a below-market interest rate and a non-amortizing loan for the next seven years.

Peter Skei and Brent Hedberg, Project Managers of Oregon-based Specht Development, worked closely with Chaucer to bring together the various parties to assemble the federal and state NMTC financing. Specht has extensive experience in the commercial real estate industry and will also assist Chaucer with the development of the new facility.

"The affordable financing enabled by the New Markets Tax Credits was integral to this project, which is bringing jobs back to the Willamette Valley from abroad. You don't see that very often," said Peter Skei, Project Manager at Specht Development.

Chaucer is part of Kellogg's diversity supplier program and received a "Supplier Diversity Recognition" award in 2013. The program is focused on nurturing great relationships and strengthening the diversity of its supplier base.

"Oregon policymakers have been leaders in encouraging private capital investment in job-creating businesses," said L'Quentus Thomas, Director of Stonehenge Community Development. Thomas continued, "This investment is proof-positive the Oregon New Markets incentive is delivering real results."

Chaucer's new location will be 2238 Yew St., Forest Grove, OR. The renovation is expected to be completed by September 2014 and will enable Chaucer to maintain a strong global market position in freeze-dried ingredients.

About Wells Fargo

Wells Fargo & Company (NYSE: [WFC](#)) is a nationwide, diversified, community-based financial services company with \$1.5 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores, 12,000 ATMs, and the Internet ([wellsfargo.com](#)), and has offices in more than 35 countries to support the bank's customers who conduct business in the global economy. With more than 270,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 25 on *Fortune's* 2013 rankings of America's largest corporations. Wells Fargo's vision is to satisfy all its customers' financial needs and help them succeed financially.

About Stonehenge Capital Company

Stonehenge Capital Company is a national leader in making affordable capital available to business owners and developers working to create jobs and opportunities in economically distressed communities across the United States. Through Stonehenge's leadership in fulfilling the mission of New Markets Tax Credits at the federal and state levels, the firm has helped create and retain thousands of jobs for Americans in communities most in need of economic opportunity. Stonehenge's expertise in tax credit assisted finance extends from community development, to venture capital, historic rehabilitation, renewable energy and other industries in need of private capital investment. Visit Stonehenge on the web at [www.stonehengecapital.com](#).

About Specht Development, Inc.

Specht Development has extensive experience in the commercial real estate industry including development, property management, project and construction management, New Markets Tax Credits, and consulting services. The objective of Specht Development is to provide quality, customized real estate advice to its partners, tenants, and clients. Specht Development has been involved in all aspects of real estate transactions, as advisor, buyer, seller, partner, consultant, and developer. Visit Specht Development, Inc. on the web at [www.spechtprop.com](#).