

# New Markets Tax Credit

# GEORGIA



## Meridian Bioplastics, Inc

Meridian Bioplastics, Inc. is an innovative green technology company that manufactures a biomass-based biodegradable polymer coating using polyhydroxyalkanoate (PHA) technology. Meridian is located in a rural, highly distressed, low-income community in Bainbridge, Georgia which has an unemployment rate of 13.3%.

In 2012, Meridian sought to expand its bio-plastics manufacturing facility adjacent to its existing production facility in Bainbridge, but due to the innovative nature of the company's products and their limited operating history, Meridian was unable to secure conventional bank financing for the project. AMCREF Community Capital, Empowerment Reinvestment Fund, and United Fund Advisors worked closely with Meridian to structure flexible NMTC loans with low interest rates to bring the project to life.

The \$27.5 million in NMTC financing will allow Meridian to complete their first commercial-scale facility, increase production capacity, and hire additional employees. Meridian's facility will produce 30 million pounds of their patented bio-plastics to be used as an environmentally friendly substitute for common, existing petroleum-based coatings.

Meridian will target 75% of the jobs that will be created for recruitment to local residents. The biomass feedstock used to create their bio-plastics is sourced from within a 250-mile radius of the project, providing support and an additional revenue stream for the region's agricultural industry.

Without NMTCs, Meridian would not have been able to increase production capacity to fulfill existing supply contracts, or initiate sales to new customers, jeopardizing the viability and success of the company. Additionally, Meridian and its sister company have awarded college tuition to local residents, helping to diversify an economy that has historically relied on agriculture. This project is forecasted to create a financial impact of \$1.3 billion and generate of \$56 million in regional tax revenue. (Source: IMPLAN)

### NMTC ALLOCATEES

**AMCREF Community Capital, LLC**

New Orleans, LA

Clifford Kenwood 504.891.3118

**Empowerment Reinvestment Fund**

New York, NY

Sara Rioff Sorbello 646.843.6516

### COMMUNITY PROFILE

- Bainbridge, GA
- 25.4% poverty rate
- 13.3% unemployment rate
- Median income 58.3% of Area Median Income

### PROJECT HIGHLIGHTS

- Bioplastics manufacturing facility
- NMTC: \$27.5 million
- Co-Allocatee: United Fund Advisors
- Investor: U.S. Bank
- Jobs: 190 construction, 250 new and retained, 239 indirect



Top: Meridian PHA coatings decrease the use of petroleum.

Bottom: Meridian's facility will produce 30 million pounds bioplastics