



# Idaho

## NMTC Allocatee

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## Hemming Cedars

Rexburg, Idaho has seen explosive growth since 2001, when Brigham Young University-Idaho (BYU-Idaho) transitioned to a four year college. The 56 percent increase in growth over the last fifteen years coupled with a pre-existing high poverty rate has made affordable housing difficult to find, particularly for the young married couples that comprise a large portion of the student body. This much needed family housing is the focus of the Hemmings Cedar project. In addition to 136 total housing units, the project will provide office and retail space, which will include a start-up business incubator providing below-market rate rents to local entrepreneurs.

The Hemming Corporation was familiar with Montana and Idaho Community Development Corporation (MICDC) after having completed a previous New Markets Tax Credit (NMTC) project to provide professional office space in the area. Hemming approached MICDC after failing to obtain traditional bank financing since the anticipated income generated by the Project would not meet a bank's criteria for debt service coverage rates. With unanimous approval from its advisory board and in partnership with Wells Fargo Bank, MICDC committed to using \$32.3 million of NMTC allocation for the Project.

The project meets one of the top community priorities to provide high-quality, mixed-use buildings in Rexburg's downtown core, where 75 percent of the residents live in poverty. In addition to providing 50 family housing units for low-income married couples, the project will include 86 housing units for single students. A minimum 20 percent of the total housing units will be affordable based on the HUD income limits for Madison County, though Hemming anticipates making up to 47 percent of units affordable.

The development is also expected to create approximately 80 permanent full-time jobs, the majority of which are expected to be available to low-income people, including BYU-Idaho students. With a local unemployment rate of 32.4 percent and a median income less than half the national average, jobs and catalyst projects such as this are highly valued by the community. The Project will also create an estimated 287 construction jobs. Construction is expected to last 24 months and be completed in January 2018.

## Community Profile

### Rexburg, ID

<b>Poverty Rate</b>	75.4%
<b>Median Income Compared to AMI</b>	32%
<b>Unemployment Rate</b>	15.6%

## Project Highlights

- Investor: Wells Fargo Bank
- NMTC: \$32.3M
- Jobs: 287 construction jobs, 80 full-time permanent jobs
- State/Local Economic Zone (Rexburg Urban Renewal Agency TIF District)

