



Mississippi

NMTC Allocatee

Community Hospitality Healthcare Services
Ben Cirka
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Winston Medical Center

In late 2014, an F-4 tornado tracked across northern Mississippi and through the town of Louisville, killing ten people, injuring over 80, and leaving major damage in its wake, including the destruction of the Winston Medical Center ("WMC"). After the tornado, the hospital was forced to operate out of tent-based temporary facilities. In April of 2015 WMC opened a transitional medium-term facility that operated at 70% pre-tornado levels. Although WMC received some FEMA and insurance proceeds, the funds were not sufficient to support the entire development budget of the \$46.5 million long-term replacement facility. But for New Markets Tax Credit funding, Winston County Medical Foundation would not have had the capacity to rebuild the medical center.

The new WMC will include a 24-bed full-service hospital, 120 bed long-term care and rehabilitation facility, and medical office building. The project involved the demolition of existing buildings and the development and construction of the new campus. The new rural hospital and health clinic are expected to serve 28,000 patients at stabilization. It is estimated that 95% of the long-term care patients and 31% of the hospital patients will be low-income persons. The project will retain 220 quality jobs, create at least 60 new, permanent quality jobs, and create over 300 construction jobs in this low-income community with an unemployment rate 1.32 times the national average. It is anticipated that over 50% of the new jobs will be filled by low-income persons or residents of the low-income community.

New Markets Tax Credit Allocation was provided by Community Hospitality Healthcare Services, LLC (\$13,500,000), CityScape Capital Group, LLC (\$10,500,000), Hampton Roads Ventures, LLC (\$6,000,000), Capital One Bank (\$5,000,000). Three Rivers CDE, LLC also provided MS State Tax Credit allocation (\$10,000,000). Dudley Ventures, through its affiliate, DV Advisory Services, LLC, provided structuring, advisory services and closing execution.

Community Profile

Louisville, MS

Poverty Rate 32.2%

Unemployment Rate 10.4%

Project Highlights

- Investor: Capital One Bank
- Co-Allocatees: CityScape Capital Group, LLC, Hampton Roads Ventures, LLC, Capital One Bank, and Three Rivers CDE, LLC
- Total Project Cost: \$46.5M
- NMTC: \$44.5M
- Jobs: Retained 220 quality jobs, created at least 60 permanent and 300 construction jobs

