

# New Markets Tax Credit

# NEW HAMPSHIRE

## NMTC ALLOCATEE

### **CEI Capital Management LLC\***

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\*An affiliate of Coastal Enterprises, Inc.

## COMMUNITY PROFILE

- Berlin, NH
- Unemployment rate 1.8 times national average
- Non-Metropolitan County

## PROJECT HIGHLIGHTS

- Biomass power plant
- Total Project Cost: \$275 million
- NMTC: \$63.9 million
- Co-Allocatees: New Hampshire Business Finance Authority, RBC, Seedco, Capital Trust Agency CDE
- Investor: U.S. Bancorp Community Development Corporation
- Jobs: 400 construction, 40 direct new



## Burgess BioPower

“The City That Trees Built,” is the motto of Berlin community of over 10,000 residents, situated in New Hampshire’s North Country, alongside the Androscoggin River and White Mountain National Forest. Like many cities with a rich background in forest products, Berlin’s founding paper mill suffered the now-usual fate of a slowdown, bankruptcy, and sale. When the struggling Fraser Paper mill shut down in May 2006, 250 jobs were lost.

In 2011, plans for a \$275 million redevelopment project were announced. The project will transform a portion of the old Fraser Mill facilities, including the existing boiler, into Burgess BioPower, a 75-megawatt biomass power plant, which is expected to be online by 2013. The plant will be among the largest in the Northeast and will burn approximately 750,000 tons of biomass each year, supporting several hundred jobs for local foresters, loggers, and chippers.

Financed in part by \$63.9 million in NMTCs provided by CEI Capital Management LLC along with New Hampshire Business Finance Authority, Royal Bank of Canada, Seedco, and Capital Trust Agency CDE, Burgess BioPower promises to not only create 400 construction jobs, but to bring back an estimated 40 direct, full-time positions once in operation.

Economic models project that operation of the plant should bring in an annual \$11.9 million in state and local tax revenue and \$27 million in federal tax and fee revenue, and will generate \$75.3 million in annual power sales.

In addition to the direct benefits of the project, New Markets also helped fund a \$2.3 million community business assistance fund to serve as a resource for business and training assistance to local business. This fund will be co-administered by Coastal Enterprises Inc., CCML’s parent company, along with the New Hampshire Business Finance Authority (NHBFA).



Top: Artist rendering of completed Burgess BioPower

Bottom: Construction is underway on the former site of the Berlin Station