

SOUTH CAROLINA



ARRIS MANUFACTURING

Clio, SC (2020)

On the northern border of South Carolina, deep in the heart of cotton country, Clio, is home to some 900 people. The town was once a thriving hub for agrarian commerce due to the successful cotton industry at the turn of the 20th century, but its population has shrunk over the last 100 years, and today, over 70 percent of its residents have no more than a high school diploma or GED. People of color make up roughly 60 percent the surrounding persistent poverty county's population, and unemployment rate remains stubbornly high (24.30 percent as of the 2015 census). Marlboro County, which has a slightly better overall unemployment rate than Clio as a whole, ranks as the 7th worst of

FINANCING

NMTC Financing: The Innovate Fund, Capital One Community Reinvestment Fund: \$18 million
Equity Investor: Capital One

IMPACT

- 6 construction jobs
- 134 permanent jobs

COMMUNITY

- Poverty: 30.9%
- Median income: 64.71% of the AMI
- Unemployment rate: 24.3%
- Unemployment ratio: 2.93x
- Non-Metropolitan
- State Enterprise Zone

A NEW MANUFACTURING FACILITY BRINGS A HALT TO MORE THAN A CENTURY OF ECONOMIC DECLINE

46 counties in South Carolina for employment opportunities. The lack of employment was exacerbated in 2016 when Baldor Electric, one of the largest employers in the area shuttered its mining equipment component manufacturing facility, laying off the remaining 65 people employed at the site.

Fortunately, the town's luck changed when Arris Manufacturing, multi-family housing developer in the Southeast, acquired the former Baker Electric building for its new manufacturing facility. To make the approximately \$19 million dollar project possible, The Innovate Fund and Capital One Community Reinvestment Fund provided \$18 million in NMTC financing with NMTC equity from Capital One, N.A. Funds supported \$6.4 million in land acquisition and construction, \$2.2 million in equipment, and \$9 million for working capital, raw materials and inventory.

The complete retrofit of the Baldor Electric facility allowed Arris to begin producing modular housing units for use in multi-family housing projects and to vertically integrate their modular unit manufacturing with their multi-family housing developments.

The project created 134 new permanent quality jobs in Clio (82 percent of which are accessible to employees with no more than a high school diploma or GED). The company also implemented a Skills Incentive Program where employees can earn higher pay by learning new skills regardless of the ability to immediately progress to a higher position.

"Marlboro County Government is committed to assisting Arris Manufacturing in every way possible so that the company and our workforce will prosper. We're excited to see this innovative company get its start here with the help of the New Markets Tax Credit program."

Ron Munnerlyn, County Administrator and Economic Developer for Marlboro County