NMTC Coalition
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Texas

Rich Products

Brownsville, TX (2024)

Rich Products Corporation, a supplier of frozen cakes, confectioneries, desserts, seafood, family meals, appetizers, artisan breads, and other products is expanding their manufacturing and warehouse space, adding 159,000 sq. ft. and doubling the size of their existing facility and equipping new production lines. Rich is a supplier and food solutions provider to the food-service industry, in-store bakeries, and retail marketplaces. This company produces over 2,000 products that are sold in over 112 countries employing more than 12,500 associates worldwide.

Food supplier doubles the size of its manufacturing facility creating much needed quality jobs in Brownsville, Texas.

NMTC financing will allow Rich to create training programs and fund scholarship programs to increase the availability of skilled labor in the area, particularly those with manufacturing skills. These skill sets are necessary to fill the 132 new full-time, quality jobs created. Rich is committed to funding scholarships for residents of the low-income community for manufacturing training with the local community college/technical school. In addition to this, Rich is partnering with Texas Southmost College and Texas Workforce Center for new and incumbent employee technical training. Full-time employees will be offered a generous benefits package that includes medical, dental and vision insurance, 401k, education reimbursement, and disability and life insurance. The project also created 167 construction jobs.

NMTC financing helped offset the over $100 million of upfront capital investment required to successfully undertake the expansion in Brownsville and enhance the competitiveness and long-term viability of the company's operations and employee base. Allocation was provided by DV Community Investment ($8 million) and National New Markets Fund, LLC ($9 million) with an NMTC equity investment from Dudley Ventures/Valley Bank.

"Dudley Ventures is proud to support Rich's expanded production line through our investment in the New Markets Tax Credits of NNMF and DV Community Investment," said Kyle Koupal, Vice President of Investments at Dudley Ventures. "We are committed to supporting projects that create accessible jobs in our nation's most distressed communities."

FINANCING

NMTC Financing: National New Markets Fund, LLC, DV Commnity Investment: $25.5 million
Equity Investor: Dudley Ventures
Total Project Cost: $36 million

IMPACT

- 167 construction jobs
- 508 permanent FTE jobs (132 created, 376 retained)
- $26.92 million in total annual earnings generated within the state and local economies

COMMUNITY

- Poverty Rate: 48.8%
- Median Income: 30.6% of the AMI
- Unemployment Rate: 19.3%
- Persistently Poor County

"The economic and community benefits from Rich's expansion in Brownsville are noteworthy. This is a company that is committed to its associates-not only is it creating more than 130 jobs, but it's offering quality wages and benefits in a community grappling with a 48.8% poverty rate."
-Deborah La Franchi, CEO, National New Markets Fund.