



NMTC CASE STUDY

Wholestone Farms

Fremont, Nebraska

WHOLESTONE FARMS DELIVERS MASSIVE JOB CREATION IN
FREMONT, NEBRASKA

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Wholestone Farms is a farmer-owned, 200-member pork processing co-op facility in rural Fremont, Nebraska (population 27,000). Its vision is to create a unique and authentic pork supply chain. Its vertical integration ensures quality in every step of the process, from farm to kitchen.

Wholestone was founded in 2017. The company purchased a 119,000 sq. ft. pork processing plant in Fremont, Nebraska, to provide its farmer-owners with a "way of selling meat instead of selling hogs," as CEO Luke Minion described it to the Fremont Tribune in 2018.

Built in 1946, with few upgrades made since then, the existing facility could not keep up with product demand and was therefore forgoing business to competitors. As a result, Wholestone made significant capital investments toward the renovation of the plant, and by 2021, it employed nearly 1,400 workers.

Due to the COVID-19 pandemic and the ensuing inflationary macroeconomic environment, Wholestone has seen significant cost increases and supply chain constraints. Those rising costs severely impacted the co-op's planned Phase 2 expansion. The project faced a funding gap that put its viability in doubt.

NMTC financing from DV Community Investment (\$8 million), Greenline Community Ventures LLC (\$12 million), and

Stonehenge Capital Funding Company LLC (\$10 million) filled the project's financing gap. In addition, it helped the expansion move forward, allowing the co-op to update its outdated processing machines and cut floors, and it helped add modern robotic equipment.

The upgraded plant allows Wholestone to add a second shift (operating 16 hours a day) and create at least 800 additional permanent jobs in a community with an unemployment rate of 11.6 percent. In addition, the facility will increase its pig processing from 2.8 million pigs a year to 5.6 million.

Wholestone Farms will be "one of the most modern, efficient pork plants, not only in the U.S., but the world," said Minion.

Before the plant upgrades, Wholestone mostly sold its products to other pork



FINANCING

- NMTC allocation: NMTC financing from Greenline Community Ventures LLC (\$12 million), Stonehenge Capital Funding Company LLC (\$10 million), and DV Community Investment (\$8 million).
- NMTC equity investor: U.S. Bancorp Community Development Corporation.
- USDA Meat and Poultry Processing Expansion Program grant.

companies, including Hormel. However, starting in January of 2023, Wholestone produces products with "Wholestone Farms" on the retail label for the first time.

ACCESSIBLE, QUALITY JOB CREATION

Wholestone Farms recruits from various underserved groups and immigrant populations, including Omaha's large Burmese community. Wholestone works with local schools, community leaders, and healthcare facilities to help local workers overcome barriers to employment, including previous incarceration and limited language proficiency. The company will utilize local economic development groups such as the National Urban League, Goodwill Industries, Nebraska Works, and local job boards to find local workers. On average, 70 percent of employees have a high school diploma or lower level of education. Additionally, approximately 80 percent of employees have limited English language proficiency.

All jobs created will be quality jobs that are accessible to residents. All positions will include:

- Wages that exceed the Living Wage;
- Employer-sponsored health insurance;
- An employer-sponsored retirement plan that matches 100 percent of the first 5 percent an employee contributes;
- A discretionary contribution equal to 1 percent of compensation to all active employees with 1,000 hours of service within the year; and
- Access to training, career advancement, and advanced educational opportunities through local colleges.

IMPACT

Created over 800 jobs and retained nearly 1,400 jobs.

Created 300 construction jobs.

All jobs created will be quality and accessible jobs.

Community with an unemployment rate of 11.6 percent (1.4 times the national average).



EXTERIOR VIEW A

Wholestone Farms, Fremont NE - August 2, 2019

EDBEN

"This facility has been in this town for a very long time. And so there's a lot of people familiar with this work, familiar with this workforce, and now the facility is really all new and so it's a great place to work."

-Wholestone Farms CEO Luke Minion