

The  
**INNOVATEFUND**  
*Transforming Communities*

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# 2019 IMPACT REPORT



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## MESSAGE FROM THE INNOVATE FUND

Dear Friends,

2018 was an exciting albeit extremely busy year for The Innovate Fund! We were awarded a \$55 million New Markets Tax Credit (NMTC) Allocation from the CDFI Fund in February 2018 (our first allocation since we expanded our service area to the entire State of South Carolina) and with a lot of planning and hard work, as well as some truly amazing projects, we were able to deploy all of it to five projects within 8 months. This brought The Innovate Fund and its affiliates' NMTC investment total to \$217 million invested in projects from the Upstate to the Lowcountry of South Carolina.

In keeping with our mission to help low-income residents in South Carolina's hardest hit areas we had 2 firsts in 2018 - we closed on our first project located in the federally-designated rural S.C. Lowcountry Promise Zone as well as our first project in Non-Metropolitan Cherokee County. We also continued to concentrate investments in Spartanburg County and the city of North Charleston. Of the 5 total projects that we closed in 2018: 4 were operating businesses with 1 being a community facility, 2 were in Appalachian Regional Commission Distressed Areas, and 2 were in Non-Metropolitan Counties.

As we look forward to our future, the needs in South Carolina are as great as ever. Although the state of South Carolina has seen continued economic growth over the past several years, a growing number of residents have not benefited from that growing economy. South Carolina remains 44th in the nation in per capita income and consistently falls to the bottom of almost every health related statistic. Our mission of attracting capital to the hardest hit communities in the state remains at the center of our focus. We are thankful to our collaborative partners for helping us get to where we are, and we look forward to deepening and broadening our relationships to further expand the impact of this program throughout the state.

Sincerely,



Whitney Ferguson, Program Manager  
Board of Directors

# COMMUNITY IMPACT

## INVESTMENTS

The Innovate Fund, a Community Development Entity, has deployed \$217 million of New Markets Tax Credit investments to transactions that support 4,453 jobs, provide community goods and services to almost 67,000 Low-Income Community residents and Low-Income People, and created or rehabilitated over 2 million square feet of real estate in South Carolina. The community demographics of The Innovate Fund's current investment portfolio consist of Poverty rates as high as 67%, Median Family Income as low as 14% of the statewide Median Family Income, and unemployment rates as high as 26%.

**\$217  
million**

invested in  
communities

**\$9.1  
million**

in rent  
reduction

**66,703**

low-income  
people served

**4,453  
jobs created**



= 100 PEOPLE



**2,060,908**

square feet developed  
or rehabilitated



## TRAINING

We know that funding can often be a hurdle when meeting community development goals. By working closely with local leaders and economic developers, we ensure they are knowledgeable about all forms of flexible and creative financing in order to find the best way to both meet their goals and benefit the community. We do this by offering New Markets Tax Credit workshops, participating in economic development forums, and continuing to help educate all stakeholders about community development finance. Through our workshops and training sessions, we have provided education and empowerment to thousands of people across the state.

## PARTNERSHIPS

The Innovate Fund is committed to partnering with community and workforce development organizations that are accomplishing amazing things each and every day. We actively engage with these groups to both understand and help them accomplish their mission. We have worked closely with groups including South Carolina Community Capital Alliance, an organization dedicated to facilitating investment of capital into underserved neighborhoods; and CommunityWorks, Inc., a certified Community Development Financial Institution.

Maintaining active involvement in the communities we serve is of the utmost importance to our staff and board members. Our team has assumed leadership roles in over 60 community organizations. We believe involvement is paramount to growth, understanding, and revitalization.





# COMMUNITY FACILITIES



# THE FRANKLIN SCHOOL

The Franklin School is part of the Northside Initiative, a comprehensive effort to fundamentally transform a 400-acre, once blighted and forgotten neighborhood into a community of choice. The Initiative represents an unprecedented collaboration of public, private, civic, educational, and philanthropic institutions in Spartanburg, led by the Northside Development Group, a Network Member of Purpose Built Communities, a national initiative designed to break inter-generational Poverty through holistic community revitalization. As part of the Northside Choice Neighborhood Transformation Plan, the \$10 million, 28,000 square foot educational facility will catalyze over \$50 million of additional follow-on private sector investments to create a community center, mixed-income housing and additional health care services in the neighborhood.

Located in an Appalachian Regional Commission Distressed Area with 49.5% Poverty and 32.1% Median Family Income (\$21,742), The Franklin School believes the enrollment of the learning center should reflect the diversity of the community and has committed to ensure that at least 60% of the children enrolled, ages 6 weeks through 5 years, will be from low-income families who will receive tuition support from SC's child care voucher program, Early Head Start, Head Start, and SC's CDEP 4K program. In addition, enrollment priority will be given to Northside residents and children zoned for Cleveland Academy, the local Elementary school, of which 100% of students are eligible for the National School Lunch Program.

## COMMUNITY IMPACT

Located in a Federal Medically Underserved Area, The Franklin School will provide an office for health providers to visit with students for dental, vision and hearing screenings.

**175** childcare seats

The curriculum is centered around the STEAM (Science, Technology, Engineering, Art, and Math) approach.



“NDG and its many community partners have and continue to work towards a shared vision – to create a vibrant cradle to career education pipeline, affordable housing options, and a healthy environment that supports all stages of life, regardless of income.”

**Bill Barnet**

CEO and Board Chair, Northside Development Group and former mayor of Spartanburg





“Changing the trajectory for underserved kids won’t be simple or fast, and it will take a coordinated community effort like the funding from The Innovate Fund. The opportunity to build our school’s first library is tremendous, not only for our students but the entire neighborhood.”

**William W. Brown**  
*Founder and Chairman, Legacy Early College*

# LEGACY EARLY COLLEGE

At the turn of the twentieth century, West Greenville was a thriving commercial district. However, as commercial activity shifted away from cotton, mills along the Reedy River struggled financially and many residents left the city. West Greenville became increasingly abandoned or blighted, with derelict manufacturing buildings, textile facilities, and vacant and abandoned service stations. It is home to the Sterling Community; a community that, historically, has seen only a 50% graduation rate, with 7% of students going on to attend college. It is here that William W. Brown founded Legacy Early College, a public K–12 charter school open to all students in Greenville County, with the notion that “all students deserve the chance to receive a world-class education, one where they are taught how to lead a healthy life.”

After several years in operation, it became clear that the school would need to expand and enhance to continue its mission and further its community impact. The Innovate Fund was proud to provide over \$13 million in financing to facilitate the construction and renovation of 210,445 square feet of non-profit educational facilities to include the school’s first formal library, additional classroom space, a new gymnasium, and a renovated kitchen. These enhancements allowed the school to increase its capacity from 1,200 to 1,430 student seats, of which 94% are minorities and 100% participate in the National School Lunch Program, and brought nearly 250 new jobs to the area, as well as provided incredible resources to an Appalachian Regional Commission Distressed Area with 50.5% Poverty and an unemployment rate 2.8 times the national average, as all community residents have access to the new library, where resources geared at helping individuals find gainful employment are available.

## COMMUNITY IMPACT

Legacy Early College is the only school in SC to implement a Wellness Policy that includes 45 minutes of physical activity and 3 healthy meals per day in a Federally Designated Food Desert.

**1,430** student seats



# UPWARD STAR CENTER

Established in 1995, Upward Unlimited is the world’s largest Christian youth sports provider with approximately 500,000 athletes at more than 2,000 churches in 47 states who participate in camps, clinics, and leagues through Upward Sports’ Recreation Division.

Located in Spartanburg County, The Innovate Fund provided \$10 million in financing for the 120,000-square-foot Upward Star Center that features six full-size basketball courts, 12 regulation indoor volleyball courts, four batting cages, a running track, a fully equipped gym, meeting rooms, a café, and retail shop. The space is shared between Upward Sports and Spartanburg Regional Health Services, a regional non-profit hospital system, which offers strength training, rehabilitation, and orthopedic services to the community.

Serving over 20,000 youth annually, including 4,700 low-income youths, Upward Unlimited has the capability to truly effect change in the Spartanburg community. In addition to its existing faith-based partnerships, the non-profit organization provides support for at-risk youth through participation in sports programs and leadership training. For example, Upward Unlimited offers its facilities free of charge to the Boys and Girls Club of the Upstate and other non-profits for activities like field trips and after school programs. By reaching deeper into the community, these preventative health measures can lead to healthier lifestyles.

“Upward Sports seeks to develop young athletes on and off the field. To accomplish this, we invest in the young athletes and those who are investing in them. The Upward Star Center will provide a home base for Upward Sports to train and equip coaches and leaders, and serve as a testing facility for sports development and technique improvement.”

Caz McCaslin  
*Founder and President,  
Upward Sports*

## COMMUNITY IMPACT

Spartanburg Regional Health Services projects a patient volume of 3,800 in its first year at the Center, increasing to more than 5,000 upon stabilization.

4,700 LIPs served





# OPERATING BUSINESSES



# BROWN PACKING

Gaffney, South Carolina, located in Appalachia, has long been home to low or no skill manual labor jobs associated with the textile and farming industry but in the 1980's this rural area began to suffer from the overall offshoring of those jobs. As the automotive industry has back-filled with mid/high skill level jobs, the working poor of Gaffney have not had the skills necessary to rejoin the workforce. From 2010 to 2015, Poverty in the community jumped by 20% and Median Family Income dropped from 105% of the statewide average to only 81% of average.

Brown Packing Co., Inc. is a third-generation beef packer that harvest cows and bulls, buying cattle from stockyards and producers throughout the southeast. It has operated out of the same facilities in Non-Metropolitan Cherokee County for the last 60 years without any significant upgrades to their building or equipment. The Innovate Fund provided a \$13.75 million investment to the locally-owned operating business, for new cooling systems, a new wastewater treatment system, and updated locker rooms and employee wellness facilities for both genders - upgrading the company's facility to meet evolving industry standards, with best in class equipment and technology.

Brown Packing provides one of the few entry level job opportunities in the area for low-skilled workers to obtain full-time employment without basic reading or English language skills. These entry level jobs have effectively no barriers to entry allowing Brown Packing to serve as a rehabilitation employer for ex-offenders or those with long unemployment backgrounds. Brown Packing provides 3-days (20 hours) a week of on-site nurse practitioner and wellness staff for employees. These services are at no cost to employees and provide everything up to biometric screening. Almost all the employees at Brown Packing are using the employee health plan and receive employee coverage for a low monthly cost if they participate in the wellness program.

## COMMUNITY IMPACT

|                 |  |  |
|-----------------|--|--|
| 396 direct jobs | Brown Packing is the largest private employer in Non-Metropolitan Cherokee County. | 80% of full-time employees are minorities. |
|-----------------|--|--|



“We believe running a business requires a delicate balance of stability and flexibility and the new markets tax credit allocation from The Innovate Fund has provided us the flexible capital necessary to complete this project. As a family-owned business, we pride ourselves on the relationships we have developed over the past 40 years, and this project will allow us to continue to offer fulfilling jobs to our loyal employees, remain actively involved in the Cherokee County community, and provide excellent service and safe, quality products to our customers and end-consumers.”

Jim Brown  
President, Brown Packing Co., Inc.



# GREENCO BEVERAGE

Once a bustling economic hub for the Upstate, the Poinsett Corridor, a major thoroughway between downtown Greenville and Travelers Rest, has long been comprised of abandoned buildings and impoverished neighborhoods. The need for someone to take a chance on revitalizing this area has been dire to the many proud residents who have built their lives there.

Established over 100 years ago, Greenco Beverage Company is one of the largest beverage distributors in Upstate South Carolina. Faced with an outdated and inefficient space, the company purchased 12 acres of property along the Poinsett Corridor to build a new 120,794-square-foot distribution center. This state-of-the-art, energy-efficient facility is the first major industrial project to occur along the Corridor in nearly 40 years, and is a catalyst for changing the surrounding community, which demonstrates 56.2% Poverty and 20.71% MFI (\$11,602). The new facility, located on the site of a long vacant thrift store, features beautifully manicured landscaping, a far cry from the chain link and barbed wire fencing residents looked upon for decades.

As we continue to focus on our disadvantaged businesses and communities, The Innovate Fund provided \$8.3 million in below-market financing to this project located in an Appalachian Regional Commission Distressed Area. While the nearly 330 jobs created have had a profound impact on the region’s economic growth, the revitalization efforts will have lasting benefits for an impoverished community. By taking a chance on making something old and dilapidated into something new and beautiful, a once thriving community has the chance to regain its glory.

## COMMUNITY IMPACT

|                 |  |
|-----------------|--|
| 330 direct jobs | Permanent jobs will be provided with the following employment benefits: health insurance, dental insurance, vision insurance, AD&D insurance, disability insurance, and an employer-matched 401K plan. |
| 120,794 sq. ft. |  |



“The Greenco Beverage team is excited to partner with The Innovate Fund in the redevelopment of the Poinsett Corridor and make it a dynamic business location.”

Russell Farr  
*President, Greenco Beverage*





# HIGHLAND BAKING

Jim and Gail Rosen opened Highland Baking Co. (HBC) in Highland Park, Illinois in 1984 with only 5 employees. Jim was a third-generation bread baker and his vision of providing a quality product and exceptional service while treating customers and team members like family has continued under the next generation, Stu and Cheryl Rosen. HBC produces a wide variety of bread products – hamburger buns, pan breads, rolls, and subs – and provides them to companies in the food service industry, large and small.

In 2012 HBC purchased an unused baking facility in Spartanburg, SC, vacant since 2008, and turned it into the company’s second location. Since 2012 the HBC production facility in Spartanburg grew to employ 210 full-time workers who operated two production lines for three shifts each day, maxing out the facility’s available cold storage space. The Innovate Fund’s \$11.5 million investment provided for a 35,000 square foot expansion of HBC’s cold storage space and the machinery and equipment necessary to add a third production line, allowing the company to continue its fast-paced growth and create an additional 110 full-time employees in an Appalachian Regional Commission Distressed Area that demonstrates 47% Poverty, and 17.4% unemployment.

HBC has begun working with the Northside Development Group, a local nonprofit community development corporation and a Network Member of Purpose Built Communities, to recruit and hire residents from the Northside community, located less than 5 minutes away, which has an unemployment ratio 3.3 times greater than the national average. Employees of HBC will also have access to opportunities for job training and advancement including professional development programs at Lanier Tech and the American Institute of Baking.

“We are excited about The Innovate Fund’s investment in this project, which will afford us the continued ability to grow and further solidify our commitment to the community of Spartanburg.”

**Stu Rosen**  
*Chief Executive Officer,  
Highland Baking Co.*

## COMMUNITY IMPACT

320  
direct jobs

35,000  
sq. ft.

91% of the permanent jobs created are estimated to be accessible to people with a high school diploma or less.



# LIMEHOUSE PRODUCE

Charleston is the epitome of a bustling Southern town—with plenty of charm to boot. Unfortunately, beyond the picturesque window displays on King Street and the wonderful restaurants dotting the historic district, Poverty is a reality for many of the city’s lifelong residents. In the mid-1990s, North Charleston suffered an economic blow when the Charleston Naval Base shut down. Not long after that, the area’s only grocery store went out of business, leaving a food shortage in its wake.

In 2015, Limehouse Produce, which provides conventional row crops, local specialties, fresh herbs, and dairy products to Charleston-area restaurants, purchased and renovated the former site of the Charleston Naval Exchange building. In addition, they constructed a new 32,000 square foot produce distribution and cold storage facility and created a food hub where locally-owned businesses and non-profits can have additional tenant space at reduced rental rates, to further extend their community impact in a federally designated Food Desert.

Through our partnership with Limehouse Produce, a \$9 million investment has brought jobs to 145 local residents in an area that demonstrates nearly 22% unemployment—enabling these individuals to provide for their families in ways they weren’t able to imagine even a year ago. Additionally, because of Limehouse’s commitment to community, millions of pounds of food have been donated to area food banks, restoring access to fresh, healthy food for so many. By purchasing the old Naval building, which had been out of use for almost two decades, Limehouse Produce has brought jobs and hope to one of the city’s most impoverished areas.



“Limehouse Produce is another outstanding example of how important agribusiness is to South Carolina’s economy. Businesses like this support local farmers and increase market access for certified S.C. grown fruits and vegetables.”

Hugh Weathers  
S.C. Department of Agriculture Commissioner

## COMMUNITY IMPACT

145 direct jobs

Over 90% of the permanent jobs will be Quality Jobs with full-time hours and access to employee benefits.



# RESTAURANT DEPOT

Since the closing of the Charleston Naval Yard in 1996, jobs have been hard to come by in North Charleston and the area has seen a steady decline until recent years. Located in a Low-Income Community with 44.8% Poverty and 29.4% Median Family Income (\$19,271), the North Charleston Restaurant Depot created 135 direct jobs, providing much needed relief to the neighborhood, which has an unemployment rate almost 2 times the national average.

With locations in 33 states, Restaurant Depot is a business-to-business grocery and food service distributor. The majority of its customers are independent restaurant owners, small retailers, caterers, and non-profit organizations which benefit from a full range of quality foods sold at prices significantly lower than traditional delivery wholesalers. Additionally, Restaurant Depot’s willingness to sell without minimum quantities allows small grocers and operators of corner stores and bodegas to opt for fresh, healthy foods rather than long shelf-life products.

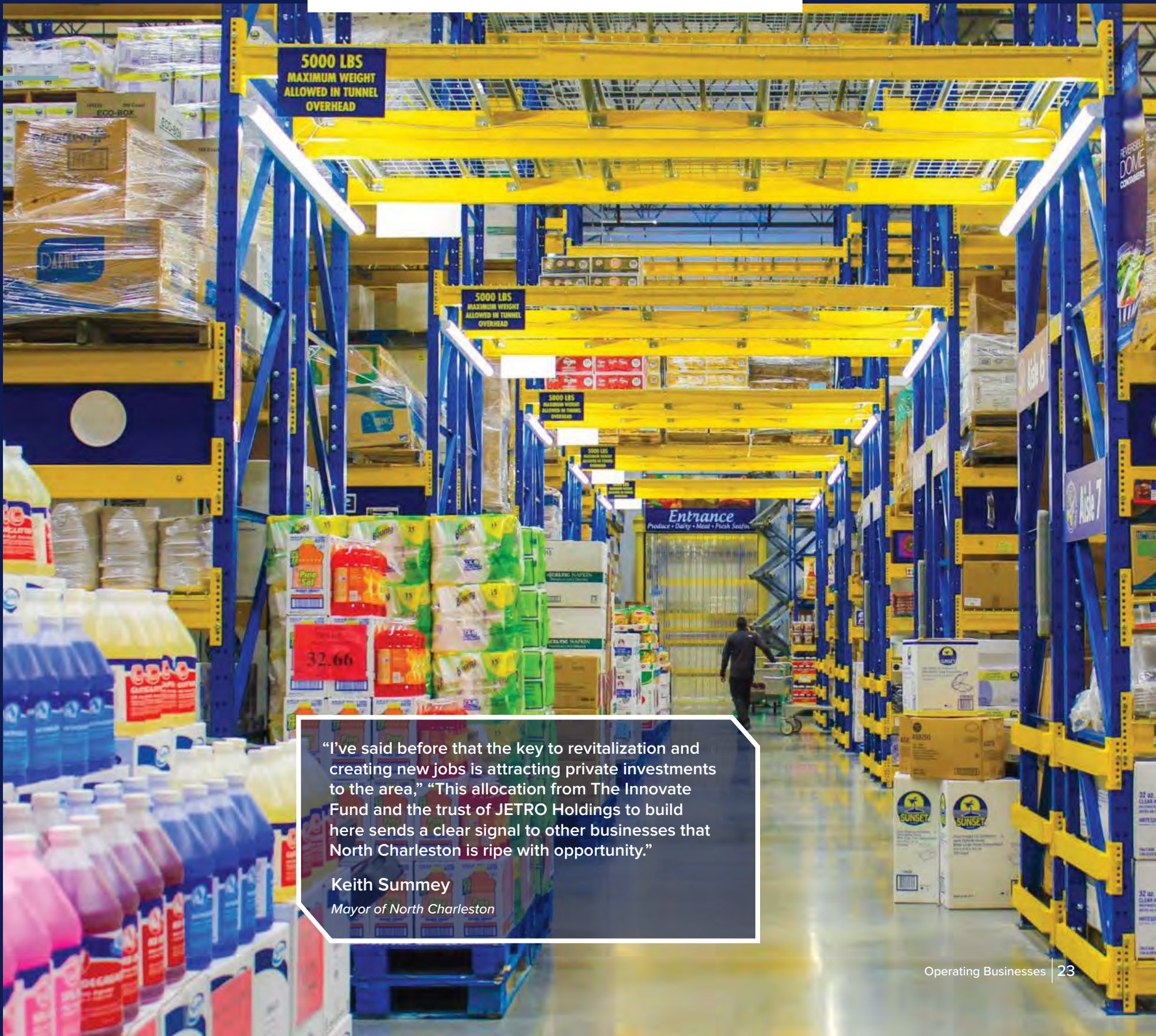
The Innovate Fund’s \$8.5 million investment funded a 55,027 square foot healthy food wholesale distribution facility, located in a federally designated Food Desert. The New York Times has identified the Company as being vital to providing daily access to a full range of dry and perishable goods, including fresh fruits and vegetables. This access is most valuable to independent food businesses and non-profit providers of meals and food to at-risk citizens.

## COMMUNITY IMPACT

Over 80% of the permanent jobs will be accessible to residents with no more than a high school diploma.

135  
direct jobs

62,333  
sq. ft.



“I’ve said before that the key to revitalization and creating new jobs is attracting private investments to the area,” “This allocation from The Innovate Fund and the trust of JETRO Holdings to build here sends a clear signal to other businesses that North Charleston is ripe with opportunity.”

Keith Summey  
Mayor of North Charleston



# SWEET STREET DESSERTS

In 2009, when a local Greenville Sara Lee Corporation bakery closed its doors, approximately 200 employees found themselves without a job. The bakery remained vacant for many years until Sweet Street Desserts, considered the premier gourmet dessert manufacturer in the world and a certified Woman Owned Business (WBE), purchased the facility and transformed it into a state-of-the-art manufacturing plant capable of handling multiple baking processes.

Our investment of \$10 million was used to renovate the vacant bakery, located in an Appalachian Regional Commission Distressed Area, and purchase new machinery and equipment. While 150 jobs have been created through this project, it is noteworthy that Sweet Street sought to hire many of the former Sara Lee employees. The true community impact exists in not only the refurbishment and transformation of the space, but also in the transformation of the lives of the people who were affected by the plant closure in the first place, resulting in Poverty of nearly 30% and an unemployment rate in the community that is 2.5 times the national average. To further encourage opportunities for advancement, Sweet Street created nine U.S. Department of Labor registered apprenticeship programs with Apprenticeship Carolina™ and local Greenville Technical College. Registered apprenticeship programs are an “earn while you learn” training model that enable employees to receive increased wages through structured on-the-job-training and job-related education.

## COMMUNITY IMPACT

Employees will have access to opportunities for job training and advancement, including financial assistance for educational courses that are closely related to the employee’s present job or that allow for advancement within the company.

150 direct jobs

120,049 sq. ft.

“We are extremely pleased to establish new operations in Greenville, and very appreciate of the New Markets Tax Credit funding from The Innovate Fund. It allows our company to maintain industry leadership while bringing new jobs to South Carolina - a win/win for all.”

Sandy Solmon

Founder and CEO, Sweet Street Desserts, Inc.







“The SC Lowcountry Promise Zone is an area of rural South Carolina that has not seen the recent economic gains the rest of the state has and helping this area’s existing employers like SWISS KRONO expand and grow is an important part of turning that around.”

**Danny Black**

*President and CEO of the Southern Carolina Regional Development Alliance, the lead organization of the SC Promise Zone*

# SWISS KRONO

The Promise Zone Initiative was created in 2013 as a plan to create a better bargain for the middle-class by partnering with local communities and businesses to create jobs, increase economic security, and expand educational opportunities among other things. There are only 22 federally designated Promise Zones across the U.S. including a cluster of six rural counties in the southern tip of South Carolina - home to 90,000 people, almost 30% of whom live in Poverty – known as the SC Lowcountry Promise Zone.

SWISS KRONO Group is one of the world’s leading manufacturers of wood-based materials. The company’s U.S. subsidiary established operations in Non-Metropolitan Barnwell County, the county with the largest population located within the SC Lowcountry Promise Zone and a Persistent Poverty County, in 2005 and quickly became one of the county’s largest employers with 167 employees. Our \$11.25 million investment allowed the undertaking of a 250,000 sq. ft. expansion of SWISS KRONO’s existing facility to include the construction of a new multi-density fiberboard manufacturing line, ancillary wood yard, energy plant and waste treatment facilities, and the installation of a fourth laminate flooring line.

In addition to growing their payroll by 105 employees, SWISS KRONO has invested heavily in training and re-skilling the residents of Barnwell County through a youth apprenticeship program which allows SWISS KRONO to offer qualified high school students the opportunity to learn a specific skill or trade and to gain valuable work experience and a College Co-Op Program that allows them to partner with local and surrounding technical schools which provide programs that align with the skills and trades utilized in their operations. The College Co-Op Program allows an active student to fulfill his or her academic requirement for on the job training (OJT) while working with SWISS KRONO as a temporary employee.

## COMMUNITY IMPACT

SWISS KRONO will now be able to source it's wood products locally, providing a boost to the lagging forestry industry that has been devastated by the move away from paper products.

**272** direct jobs



# TDC CUTTING TOOLS

Located in rural Oconee County, Seneca is a historic town that thrived during the first half of the twentieth century when textile mills were the main industry. As the textile industry has moved overseas due to globalization, this area has struggled to replace those jobs. TDC Cutting Tools, Inc., one of the world’s leading manufacturers of cutting tools, established its overseas headquarters in Seneca at the same site as its subsidiary, Greenfield Industries, creating quality jobs in an area with almost 33% Poverty. In addition to office space, the company built its first high-speed metals recycling facility with the purpose of providing sustainable solutions to the metal recycling industry and reducing solid materials waste.

The \$7 million investment provided by The Innovate Fund to this operating business supports over 300 jobs, which pay an average wage 121% greater than the low-income community’s per capita income. Employees have access to opportunities for job training and advancement, including participation in the company’s U.S. Management Trainee Program. The company has also established two registered apprenticeship programs for CNC Operators and Maintenance Technicians and a Youth Apprentice Program with Apprenticeship Carolina™ in conjunction with local Tri-County Technical College— the first apprenticeship programs to be established in Oconee County. Being registered with the U.S. Department of Labor shows TDC’s visible commitment to developing a high-quality workforce that meets nationally recognized training standards. TDC Cutting Tools is a true innovator in the cutting tool industry, as it is the only manufacturer worldwide with the capability of utilizing recycled scrap metal.

## COMMUNITY IMPACT

|                    |                   |  |
|--------------------|-------------------|--|
| 348<br>direct jobs | 47,000<br>sq. ft. | 88% of permanent jobs will be accessible to residents with no more than a high school diploma. |
|--------------------|-------------------|--|



“The apprenticeship program we have with Greenfield Industries allows us to provide quality education and training for their employees so they can focus time and resources on their expansion in Oconee County. It’s a great partnership.”

**Rick Cothran**  
*Dean of Corporate and Community Education,  
Tri-County Technical College*





# REAL ESTATE DEVELOPMENT



# AC HOTEL

While Spartanburg has had good success in economic development, its downtown struggled for many years to attract a hotel which many believe is key to “Feel the City.” In 2016, OTO Development finalized financing on the construction of a full-service AC Hotel in downtown Spartanburg. The AC Hotel, a 97,668 square foot, 114-room Marriott property, features a signature AC Kitchen restaurant, fitness center, business center, and 2,500 square feet of meeting space. This project by OTO Development has served as the catalyst for the community, supporting over \$44.5 million of additional private sector activity in the immediate area, and acts as an anchor to the west end of downtown Spartanburg.

The Innovate Fund is proud to have provided a \$10 million investment that supports not only the revival of this historic community, but also provides more than 130 jobs for low-income individuals and families in an area with 24% unemployment, 66% Poverty, and a Median Family Income of 14.24% of the statewide Median Family Income, or \$7,723. To ensure accessibility of these jobs to low-income community residents, OTO Development works with state and local workforce development organizations, such as the South Carolina Technical College System and local Spartanburg Community College, to target neighborhood residents for job openings.

“For several years, the city has been working toward a vision based on the idea that a vibrant, walkable, livable, entrepreneurial, fun, and economically diverse central business district is both achievable and essential. This project is further confirmation that these collaborative efforts are working.”

Ed Memmott  
*Former Spartanburg City Manager*

## COMMUNITY IMPACT

130  
direct jobs

OTO Development will establish an apprenticeship program with a goal of 10 enrollees in the program throughout the 7-year NMTC compliance period.



# CLAUSSEN BAKERY

The Claussen Bakery, founded by German immigrant Johann Claussen, opened its first steam bakery location in Charleston in 1841. By 1930, the company had expanded its business and located a bakery facility near Greenville’s Greater Sullivan neighborhood. The bakery has a very special place in the community because of its role in the civil rights movement in the 1960s. In 1967, the late Reverend Dr. Martin Luther King, Jr. spoke in Greenville in support of 22 African-American employees who were on strike for fair wages and better working conditions. For decades, the bakery, though changing hands several times, contributed to the industrial and commercial success of Greenville’s west side. It is situated on a stretch of Augusta Street that is on the precipice of revitalization and has the opportunity to have lasting benefit on reshaping several of Greenville’s “Special Emphasis” neighborhoods. In 2014, a local real estate firm purchased the property and began renovating the building, as it was found to have significant structural issues. Today, the space houses commercial tenants, with locally-owned small businesses receiving reduced rental rates. The overhaul and update of this historic building serves as a catalyst to stimulate redevelopment and revitalization to the surrounding neighborhoods.

A \$5 million investment that supports almost 220 jobs in an Appalachian Regional Commission Distressed Area with 36.8% Poverty, the reuse of the Claussen Bakery building has had a positive impact on the continued economic viability of Greenville’s maturing city and surrounding communities. In early 2017, part of the bakery’s history was honored with an event hosted by the Greenville NAACP, the Greater Sullivan Neighborhood Association, and the Greenville African-American Genealogical & Historical Society with the unveiling of a historical marker.

## COMMUNITY IMPACT

|   |                 |
|---|-----------------|
| Throughout the 7-year NMTC compliance period, the project will provide favorable lease terms to its 1st floor tenants, including below market rents. These tenants are projected to be small and/or locally-owned businesses. | 217 direct jobs |
|   | 38,530 sq. ft.  |



“This is a historic building that has been vacant far too long. It’s in a strategic location connecting 5 local neighborhoods to the newly revitalized West End. The Innovate Fund Advisory Board is excited to see this building reintroduced and connected to the community.”

**Deborah McKetty**  
*The Innovate Fund Advisory Board member & Executive Director of Community Works Carolina*



# THE INNOVATE FUND AFFILIATES

## THE CHILDREN'S MUSEUM OF THE UPSTATE

\$19,163,860 INVESTED



## MAIN @ BROAD

\$17,325,103 INVESTED

## NEXT INNOVATION CENTER

\$8,100,000 INVESTED



## PROJECT ONE

\$18,594,630 INVESTED

## RIVERWALK

\$16,816,407 INVESTED



## DAUGHTERS OF CHARITY

\$9,000,000 INVESTED





# UNMATCHED PASSION FOR THE COMMUNITIES WE SERVE

## BOARD OF DIRECTORS

**David Barnett, Board Chair**

*Carolina Alliance Bank Division of  
The Park National Bank, President  
SC Western Region*

**Tammy Propst, Operating Officer**

*TaxAdvantageGroup, President*

**Nancy Whitworth**

*City of Greenville, Interim City  
Manager*

**Caroline Van Hook**

*Elliott Davis, LLC, Shareholder*

**Charles C. Mickel**

*Capital Deployment, LLC, Manager*

**Brian Barker**

*South State Wealth, Director of  
Asset Management*

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*United Way of Greenville County,  
Vice President of Community Impact*

**Ginny Stroud**

*City of Greenville, Community  
Development Manager*

**J. Russ Davis**

*Homes Urban, LLC, Chief Executive  
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**Duncan Cheney**

*Metanoia CDC, Director of Physical  
Asset Development*

**Tammie Hoy Hawkins**

*Together Consulting, President*

**Anthony Tosti**

*Greenfield Industries, Inc., Chief  
Financial Officer*

**Brendan Buttimer**

*South Carolina Community  
Loan Fund, Upstate Community  
Development Loan Officer*

**Bill Pollard**

*River Gorge Capital, President*



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**[theinnovatefund.com](http://theinnovatefund.com)**

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