

The
INNOVATEFUND
Transforming Communities



2024 Impact Report

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OUR MISSION

To transform communities by supporting the creation of quality jobs and improving health and wellness for our region's low-income residents.

Dear valued stakeholders,

I am pleased to share with you The Innovate Fund's latest impact report. Our success with the Round 19 New Market Tax Credits Allocation has propelled us to new heights, allowing us to expand our reach and continue making a positive impact in the communities we serve.

We are proud to have used our Round 19 Allocation of \$50M to fund **six projects in five states**, including TIF's first investments in North Carolina and Virginia. Approximately 64% of our allocation went to projects with job creation outcomes, while the remaining 36% went to projects focused on providing community goods and services. Thanks to this round of allocation, our borrowers were able to create or retain over **1,100 jobs** and serve over **265,000 people**.

The Innovate Fund is committed to finding projects that creatively address the region's greatest needs. All the funded projects align with our

mission to transform communities by creating quality jobs and improving the health and wellness of our region's low-income residents. We have deployed allocation in a range of projects this round, including a large peanut processing facility that will employ over 240 people and a youth workforce development hub that provides hands-on career simulation to over 23,000 regional students.

Additionally, over the years, we have provided the **third-highest dollar amount of allocation to projects within the Appalachian Region** through the NMTC program in comparison to other CDEs. This focus on serving Appalachia has led our Board of Managers to make the strategic decision to further expand our service area to include Virginia and West Virginia. This expansion brings our total service area to **six states** in Central Appalachia, allowing us to reach more low-income communities.

We are also thrilled to have launched **The Innovate Impact Fund** this year, which allows us to expand our lending services beyond the NMTC industry. In 2023, The Innovate Impact Fund provided \$25,000 to The Bethlehem Center in Spartanburg, SC, allowing them to renovate their K-4 First Steps program building. This will house the Highland Community Early Learning Center, with the capacity to serve 37 children with education and family support.

We would like to express our sincere gratitude to Michael Panasko for his invaluable contributions and dedication to The Innovate Fund Board of Managers. His service has been greatly appreciated, and we are thankful for the time and effort he invested in our organization. As we bid farewell to Mike, we are excited to welcome Tammy Propst, TIF Founder, to his position from the GLDC Board of Manager's representation. Additionally, we are

pleased to announce that Michelle Thompson, CEO of Cherry Bekaert, will be joining the Board from Cherry Bekaert's representation, effective September 2024. We are confident that Tammy and Michelle will bring their unique perspectives and expertise to our Board and help us continue to achieve our mission.

As we look to the future, The Innovate Fund will continue to be a **regional leader in the NMTC industry** and expand our lending services through The Innovate Impact Fund. We are grateful for your continued support and partnership in transforming communities and creating positive change.

Sincerely,



Emma Wyatt, Program Manager

Community Impact

Community Outreach

The Innovate Fund is dedicated to increasing awareness of the New Markets Tax Credit (NMTC) program in underserved communities. As such, we are continuously expanding our outreach throughout TIF’s service area. In FY24, our staff participated in over 20 community outreach events, which connected them with over 1,920 individuals across our service area.

We recognize that many of these communities lack the resources to plan, fund, and execute large-scale economic and community development projects. In response, we strive to provide these communities with knowledge of flexible and creative financing options that will help them achieve their goals and benefit the community.

Recently, we participated in the Appalachian Downtown Developer's Initiative, a regional, collaborative effort aimed at planning a comprehensive technical assistance strategy for rural downtown development. Our Program Manager, Emma Wyatt, provided technical expertise in the capital products working group. Additionally, Emma has been invited to be a featured presenter at the annual Appalachian Regional Commission conference.

We have a strong commitment to serving Appalachian communities. Compared to all other Community Development Entities (CDEs), TIF has provided the third highest amount of allocation to projects located within the Appalachian Regional Commission. In furtherance of this mission, TIF has expanded our service area to now include Virginia and West Virginia, two key states for Central Appalachian development.

Partnerships

At The Innovate Fund, we believe that partnerships are key to creating sustainable economic development opportunities that transform underserved communities. While our partnerships vary in values and services, we recognize the vital role that each player holds in the community development ecosystem.

Our Advisory Board and Board of Directors are also active participants in this ecosystem and have assumed leadership roles in over 50 community organizations. These leadership roles allow us to contribute to the community development industry while also learning from other industry leaders. By staying involved in these organizations, we are able to better understand the needs of the communities we serve and tailor our investment strategies accordingly.



Investments

When evaluating potential projects for investment, our Advisory Board and Board of Managers focus on creating sustainable economic development opportunities that improve income levels for low-income people and low-income community residents. Additionally, we prioritize projects that improve health and wellness outcomes for vulnerable populations.

The Innovate Fund has deployed \$288 million of NMTC investments to support job creation, provide essential goods and services to low-income communities, and create/rehabilitate over 3 million square feet of real estate in South Carolina, North Carolina, Tennessee, Georgia, and Virginia. We are proud to have made a positive impact on the lives of 407,000 low-income community residents and individuals, while also prioritizing the creation of quality jobs for people with lower levels of formal education and people who face barriers to employment. We also collaborate with workforce development organizations to provide training and advancement opportunities that lead to higher-paying jobs for people who have not had access to job training.

The Innovate Fund's investment portfolio currently serves communities with poverty rates as high as 54.3%, median family incomes as low as 21% of the statewide median family income, and unemployment rates as high as 26%. Despite these challenges, we remain committed to investing in projects that have the potential to transform these communities and create meaningful, lasting change.

\$1.9B
total economic impact

407k
low-income residents served

3rd
highest allocation to projects in Appalachia

\$288M
in NMTC allocation deployed

3M+
sq. ft. developed or rehabilitated

7,263
jobs created

Board Of Managers

- David Barnett, Board Chair**
Former President and CEO, Pinnacle Bank of SC
- Mark Cooter**
Cherry Bekaert LLP, Managing Partner – SC Upstate
- Andrew Kurtz**
CEO of Kopis, LLC and Vigilix, LLC
- Michelle Thompson**
CEO, Cherry Bekaert
- Charles C. Mickel**
President, RSI Holdings
- Laurel Tinsley, Operating Officer**
Managing Director, Cherry Bekaert Strategic Financing Services
- Tammy Propst**
TCPropst Consulting, LLC & TIF Founder



Advisory Board

- Andrew Crosson**
CEO, Invest Appalachia
- Bill Pollard**
COO, BrightBridge Capital
- Brendan Buttimer**
Senior Director, Equitable Food Systems, The Reinvestment Fund
- Brian Oxford**
Manager, Acquisitions & New Markets, CAHEC
- Carl Rees**
Senior Economic Developer, ElectriCities of North Carolina
- Duncan Cheney**
Director of Physical Assets, Metanoia
- LaTorri Geer**
CEO, CommunityWorks
- Merle Johnson**
Executive Director, Orangeburg County Development Commission
- William Turner**
Senior Vice President, Wells Fargo Corporate & Investment Banking

Community Facilities

EO Companies
The Resurgent
Safe Harbor
Second Harvest Food Bank
Clafin University
Grady Ponce De Leon Center
Dr. T.K. Gregg Community Center
The Franklin School



EO Companies

ABINGDON, VA
2024

\$5.5M
allocated

87k
sq. ft.

The Innovate Fund has deployed NMTC allocation in Virginia for the first time, expanding TIF’s community outcomes beyond its historical service area.

The Innovate Fund provided a \$5.5M allocation to EO Companies in order to finance the renovation of a former 87,000 SF shopping center in Abingdon, VA. The facility will then be repurposed into a multi-use childcare and workforce development center that serves the region's youth. While Virginia was not in TIF's service area at the time, the community’s needs were so strongly aligned with TIF’s investment strategy that TIF thought this was the ideal time to undertake their plan to expand the service area.

Southwest Virginia is in the midst of a growing childcare crisis in which a lack of capacity matched with a high demand have increased the cost of childcare far beyond that which low-income parents can afford. As a result, lack of access to affordable childcare has kept parents out of the workforce and families financially constrained. Additionally, businesses across the region are running with a staff deficit and have expressed the urgent need for stronger competency-based career and technical skill development in the emerging workforce. Conversely, 10% of high school graduates have the perception that there are no high-paying jobs in the area and are planning to move away for better career opportunities. To address both issues, EO Companies’ multi-use campus will also house both a rural workforce development facility and childcare center.

Due to strong community support for the regionally transformative project, EO Companies was able to secure substantial grants and donations during its capital campaign. Without \$12.5M in NMTC financing, EO Companies would have had to either divert funds away from its other programmatic needs or reduce the scale and scope of the



project. Either option would have been detrimental to the community and put its integral community-focused outcomes at risk.

Within the renovated facility, the Career Commons will provide over 30,000 K-12 students across SWVA with hands-on career simulation. The activities and curriculum will align with the Virginia Department of Education’s 17 career clusters and help spur interest in manufacturing and STEM jobs. The facility will also host an early childhood education center that will serve 300 children ages 0-5. To provide these community outcomes, the project estimates creating/retaining 121 permanent jobs, of which 70 (60%) are quality jobs with high wages and benefits while 113 (93%) are accessible to LIPs. These outcomes are an integral step in providing economic relief to Southwest Virginia and alleviating the local childcare crisis.

"With their investment into the Hub, TIF has locked arms with our region, and we are grateful for that commitment to community good."

Travis Staton
President & CEO of EO Companies

The Resurgent

GREENSBORO, NC
2024

Big data reveals the need for additional health services in Greensboro, fueling The Innovate Fund’s first North Carolina investment.

"The NMTC subsidy helped to close the widening funding gap, enabling the first phase of this transformative project to move forward."

Kim Cameron
Director of NC A&T Real Estate Foundation

Cone Health, a not-for-profit network of healthcare providers, uses hard data to ensure that their services are conveniently located, easy to schedule, and relevant to their community. By analyzing the Census data within their 5-county service area of NC, Cone Health found that East Greensboro had significant need for primary and urgent care.

East Greensboro is not only a medically underserved area (MUA), but it also suffers from an unemployment rate 3.87x that of the national average. Both of which lead to major health inequities in the community. In response, North Carolina A&T Real Estate Foundation in partnership with Cone Health spearheaded the Resurgent project. This site will house a 5-story office building that will allow Cone Health to deliver primary and urgent care to the MUA. To further benefit the community, NC A&T nursing students will complete their rotations at the clinic to hone their professional skills with on-the-job experience. The building will also provide office space to the East Greensboro Entrepreneurship Hub, the NC A&T Real Estate Foundation, and the University’s HR Department, which will free up valuable office space on campus that will be used to better student life.

However, due to rising costs that quickly exceeded the project’s borrowing capacity, The Resurgent could not have moved forward at this time without additional funding. As such, The Innovate Fund invested \$12MM of CY 2022 NMTC allocation into this life-saving project, which will also be TIF’s first ever investment in North Carolina.

With this new investment, the project began construction of the 54,000 SF facility in April 2024. Once completed, it is expected to serve over 23,000 medical patients a year. The Resurgent is also projected to create 26 new, FTE jobs (85% quality, 27% accessible) and 144 construction jobs at the project site with the retention of 49 employees (96% quality, 6% accessible).

\$12M
allocated

54k
sq. ft.



Safe Harbor

GREENVILLE, SC
2024

Greenville, SC can soon rest at ease thanks to Safe Harbor, Inc, a not-for-profit network of services for victims of domestic violence.

With new allocation from The Innovate Fund, Safe Harbor began the rehabilitation of the historic Gordon Street Mill facility. This facility, originally developed by the Judson Cotton Mill in 1925, was once used to process cotton in the midst of SC’s booming textile industry. One hundred years later, the outdated facility will now be rehabilitated into an innovative emergency shelter in the midst of Greenville’s growing reports of domestic violence. With Greenville County currently ranking highest in SC for reported domestic violence incidents, this investment could not have come at a greater time.

In a community with a Poverty Rate of 33% and a Median Family Income of 55% (\$39,223), many victims lack the financial independence necessary to escape their abusers. In response, Safe Harbor’s new facility will provide victims of domestic violence and their children with emergency shelter in addition to a range of essential services. The facility will provide a safe and secure environment with 50 private beds, behavioral health counseling services, and additional wraparound care. By locating all of Safe Harbor’s services under one roof, this new shelter will not only be more effective than ever but will also be more accessible to those in need.

However, due to federal funding grants recently being slashed by up to 40%, Safe Harbor could not have moved forward at this time without additional capital. Fortunately, The Innovate Fund invested \$6.5MM of its CY 2022 NMTC allocation into the project, showing that TIF is attuned to the needs of its home community.

"Ultimately, NMTCs are what made this project possible. This state-of-the-art facility is the first of its kind in the State of SC; therefore, innovative solutions were needed across the board."

Danny Varat
CEO of Safe Harbor

\$6.5M
allocated

46k
sq. ft.



With this new investment, the project will finish construction of the 46,000 SF facility in February 2025. Once completed, it is expected to provide its services to over 375 victims annually. In addition, Safe Harbor is projected to create or retain 60.5 FTE jobs (80% quality, 45% accessible) and 47 construction jobs at the project site.

Second Harvest Food Bank

of Coastal Georgia

SAVANNAH, GA
2024

The Innovate Fund has a proven track record of supporting food distribution in low-income communities.

Through investments in Limehouse Produce, Highland Baking, and Brown Packing, we have helped increase access to fresh and nutritious food for those in need. Our investment in the Second Harvest Food Bank of Coastal Georgia is TIF’s first non-profit food distribution project that we are proud to add to our portfolio.

With a \$6MM investment of NMTCs, TIF enabled Second Harvest to construct a 148,000 SF distribution hub and warehouse facility in Savannah, GA. The new facility includes a separate warehouse with ample loading docks and storage space, a large partner marketplace, a state-of- the-art commercial kitchen, dedicated volunteer space, and offices and meeting rooms. This new facility will allow Second Harvest to increase their current capacity by 111% to distribute 41.6MM pounds of food to 259,000 low-income people annually. The new facility also relocates operations out of an area susceptible to hurricane impacts into a more centralized location.

The new facility is particularly exciting because it will allow Second Harvest to expand their nationally recognized Kids Cafe program, which originated at Second Harvest of Coastal GA in 1989. The Kids Cafe provides children at-risk for hunger with a nutritious evening meal, along with tutoring, homework assistance, and a safe environment. Currently serving 4,200 kids per day, the new facility will increase capacity to 10,000 kids per day!

\$6M
allocated

148k
sq. ft.



The Innovate Fund is proud to support Second Harvest and their mission to serve as a food safety net for those who are at risk for hunger throughout Coastal Georgia. This project is a great example of how the New Markets Tax Credit program can support important community initiatives and create positive social impact.

"This development will offer countless opportunities for new and improved ways to reach our service area, expanding our capabilities to provide meals and services to those in need, and host even more volunteers."

Mary Jane Crouch
Second Harvest Executive Director

Claflin University

Student Activity and Community Center

ORANGEBURG, SC
2022

Providing the oldest HBCU in the state of South Carolina with a center where the University, the community, and students can blend together.

Claflin University, located in a persistent poverty county with a Poverty rate of 29%, had a desire and vision to blend the University and the Orangeburg community together to move forward in economic development while preserving the integrity and Claflin's academic excellence and achievement. Located in a non-metro community with a lack of access to many social goods and services, Claflin's Student Activity and Community Center (SACC) will provide the community access to flexible meeting space, a community ballroom, food court, educational offices, a movie theatre, and an expanded on-campus food pantry (a collaboration with local grocers to provide healthy food in a food desert to students without access to reliable food sources).

The Innovate Fund was proud to provide \$15 million of NMTC allocation in partnership with one other CDE to facilitate the construction of the 82,500 sq. ft. SACC. The new services at the facility will be provided to 3,000 community members annually in addition to all Claflin students, 80% of which are Pell Grant eligible. Additionally, the facility will hire a total of 275 people for construction and permanent jobs to operate the different functions of the building, which will help alleviate the community's 2.51x the national average unemployment rate.

The SACC will focus on economic inclusion, equity, and racial justice at the core of all activities. Through relationships with the Chamber of Commerce, Minority Business Development Association, and Pathways From Prison program, the SACC will create opportunities for people with barriers to employment and participation.

"Claflin University, the oldest HBCU in the state of South Carolina, has determined that a Student Activity and Community Center within the heart of campus where the community and students meet generates the best opportunity to impact multiple areas of focus and furthers the University's desire to blend the University and community together."

Tijuana Hudson
Claflin University VP for Fiscal Affairs



\$15M
allocated

82k
sq. ft.

Grady Ponce De Leon Center

ATLANTA, GA
2022

As the epicenter of the United States in HIV rates for adults and adolescents, Atlanta, GA became the home to America’s largest, most comprehensive facility dedicated to treating advanced HIV/AIDS in 1986, The Grady Ponce De Leon Center.

Since the early days of the HIV/AIDS crisis in the 1990’s, however, the facility had not been significantly revamped or updated. In the 30+ years that has passed, everything from perception, to treatment, technology to floor plan needs have significantly changed. The Innovate Fund and three CDE partners worked together to provide allocation to assist in the rehabilitation of the facility’s five existing operational floors.

The facility, which treats one out of seven persons living with AIDS in GA, where some neighboring zip codes have rates of HIV/AIDS that are six to eight times higher than the national average, will provide improved treatment facilities for dental, ECHO, infusion, imaging, lab, pharmacy, and social support services. The upgrades will provide for expansion of services in addition to bringing the building into compliance with current ADA regulations, improving security for patients and staff, and providing a dignified facility that does not stigmatize patients.

The expanded services that the Ponce De Leon Center will be able to provide will support 9,000 annual unique patient visits, which is a 50% increase over the existing capacity of 6,000 unique patient visits. In terms of patient outcomes, the Ponce De Leon Center’s goal is to reduce HIV infections by 75% by 2027 and by 90% by 2032.

The expanded and upgraded facilities are a vital part of the strategy for achieving these ambitious goals.

\$12.5M
allocated

74k
sq. ft.

“Grady Health is a leader in the global battle against HIV and needed a facility to match that leadership. The allocation from The Innovate Fund is an important part of our strategy for battling the disease effectively. As a super-safety net hospital, Grady has limited cash resources to fund the required facility overhaul and expansion project without the New Markets Tax Credit.”

Shannon Sale
Chief Strategy Officer at Grady Health System



Dr. T.K. Gregg Community Center

SPARTANBURG, SC
2019

Construction of a new state of the art facility provides a wide range of events, activities, and courses to a thriving, diverse community.



\$10M
allocated

46k
sq. ft.

The Northside neighborhood in Spartanburg, SC is a 400-acre blighted and forgotten area since the Spartan Mill, the long-time foundation of the neighborhood for over a century, closed in 2001. In 2010, the Edward Via College of Osteopathic Medicine chose the Northside Neighborhood as the site of its Carolinas' Campus, prompting the City of Spartanburg to create the Northside Initiative.

The Northside Initiative represents an unprecedented collaboration of public, private, civic, educational, and philanthropic institutions in Spartanburg with a broad vision for the Northside neighborhood: a thriving, diverse community home to mixed-income housing, mixed-use commercial development, an innovative new curriculum and public school model with The Franklin School, and access to health and wellness programming at the new, state-of-the-art Dr. T.K. Gregg Community Center.

The original Dr. T.K. Gregg Center was built in the 1930's and was eventually replaced by the Brotherhood Recreation Center in 1974. In the early 80's its name was changed to honor Dr. T.K. Gregg and the earlier recreation center he had started. With the promise of a new state of the art facility soon to be under construction, the aging facility was closed in 2012.

The City of Spartanburg acquired the project site in 2015 and began construction of the 46,810 sq. ft. community facility in late 2018 to include 2 indoor pools, a gym, a running/walking track, exercise/fitness rooms, and community and classroom space. In total, the project cost \$18.1 million to construct and The Innovate Fund provided \$10 million in financing. Located in an area with Poverty rate of 45.30% and Median Family Income of 45.14%, the project is expected to provide community services to an estimated 3,500 residents annually, with 75% being low-income.

"Since the closing of the last T.K. Gregg Community Center, it has been a priority of the City of Spartanburg to re-open a state of the art community facility in the Northside neighborhood and New Markets Tax Credits have been a key financing tool to help us get there."

Chris Story
City Manager, City of Spartanburg

The Franklin School

SPARTANBURG, SC
2018

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.



\$10M
allocated

175
childcare seats

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 sq. ft. 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.

The Franklin School was TIF's gateway into multiple investments in and around the Northside Community. In addition to The Franklin School, TIF has supported investment in TK Gregg (pg. 12) and Highland Baking (pg. 34), both of which are examples of our strategy to cluster investments in severely distressed geographic pockets to increase our community impact.

Located in an Appalachian Regional Commission Distressed Area with 49.5% Poverty rate 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.

"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 Barnett
Board Member Emeritus, Northside Development Group and former Mayor of Spartanburg

Operating Businesses

- Cooper Steel
- Premium Peanut
- Red Bullet Anderson
- Container Technologies Industries
- Arris Manufacturing
- Ingevity Corp.
- Brown Packing
- Highland Baking
- Restaurant Depot
- Swiss Krono



Cooper Steel

SHELBYVILLE, TN
2024

Thanks to a \$13M allocation from The Innovate Fund, the rural city of Shelbyville, TN will soon experience a major influx in quality, accessible jobs.

Cooper’s Steel Fabricators, Inc. (“Cooper Steel”) is a family-run company that specializes in steel fabrication and erection; and the business will use TIF financing to expand their 280,000 SF Shelbyville facility. As one of the top 5 structural-steel fabricators in the country, Cooper Steel is a major generator of local jobs and is integral to the region’s economic framework.

Once the expansion is complete, Cooper Steel will have created/retained 333 permanent jobs. All the positions will be considered quality jobs with starting salaries that are 50% higher than the local MIT Living Wage. Additionally, all positions will include a full suite of benefits that include healthcare, retirement plans, and PTO. Cooper Steel also goes above and beyond to create quality working conditions such as fully air-conditioned fabrication facilities. Of these positions, 302 (or 91%) will be accessible to low-income residents with minimal education or experience. Instead of requiring a college degree, a vast majority of new employees will only need on-the-job training and are paired with senior-level employees for mentorship and coaching. The new expansion will facilitate this process by including worker-oriented spaces, such as an office designated for employee training. This accessibility further extends to career advancement as well, for Cooper Steel prefers to promote internally based on individual skill and potential.

Despite the demonstrable need for Cooper Steel’s expansion, the project was jeopardized by the nation’s rising interest rates, which quickly inflated construction costs beyond the initial budget. Without TIF’s investment, the project would have been reduced in scope, and the positive impacts that residents and workers would receive through the company’s creation

\$13M
allocated

280k
sq. ft.



of quality, accessible local jobs would have been greatly minimized or delayed. However, with TIF’s \$13MM allocation, Cooper Steel will be able to finance the \$48.9MM project in its entirety.

This new expansion will now provide significant economic relief to Cooper Steel’s non-metro community, in which the lack of local employment opportunities has led to a 14.5% Poverty Rate and a Median Family Income only 78.7% that of the state’s MFI. Once fully operational in May of 2025, Cooper Steel will not only have created/retained 333 permanent, full-time jobs but will have also induced an estimated \$18.5MM of additional earnings throughout the region and catalyze further growth for Shelbyville, TN.

"The NMTC program is connecting Cooper’s goal of community impact with the local need for quality jobs and providing entry-level, low-income workers of this community with opportunities to make above average wages now while training for future advancements in their careers."

Gary Cooper
CEO and Board Chairman,
Cooper Steel

Premium Peanut

SANTEE, SC
2024

Premium Peanut, a new peanut processing facility, will expand into Santee, SC and introduce over 450 peanut growers to the international market.

The Innovate Fund provided the project with a \$7MM QEI, which helped finance the construction of a new 86,139 SF facility with \$72,392,755 in total development costs.

Premium Peanut will bring extensive economic relief to the community by prioritizing the interests of local farmers. By locating the facility in close proximity to peanut farmlands, the company will greatly cut transportation costs and return that value back to the growers. Through its innovative profit-sharing model, Premium Peanut will be able to reward local farmers for the company’s success by providing additional year-end dividends. Lastly, by locating the facility in the SC Gateway Industrial Park, Premium Peanut will utilize Orange County’s Global Logistics Triangle, which will connect the local farmers to the world market. In total, these benefits will generate an estimated \$1.8B of economic impact into the community over the next 20 years of operation.

As a start-up operation in a new state, Premium Peanut had a significant gap in capital that needed to be filled immediately before moving forward. As such, NMTC financing was the only reason the project was able to proceed with the expansion and, therefore, a critical part of the overall capital stack.

Premium Peanut anticipates the new shelling facility to be fully operational in the first quarter of 2026. In addition to the 160 construction jobs needed to build the facility, the company will create 83 permanent positions, of which 68 (82%) will be Quality Jobs and 66 (79%) will be Accessible Jobs targeted towards LIPs. The project’s Quality Jobs will have starting salaries of \$25.36/hr, which is 34% higher



\$7M
allocated

86k
sq. ft.

than the county’s Living Wage and 116% higher than the census tract’s Per Capita Income. These quality positions will also receive additional benefits such as health care, 401k matching, PTO, and bonuses based on the company’s annual profits. By providing quality employment, Premium Peanut is integral to revitalizing the LIC, which currently suffers from a 25% Poverty Rate and 10.7% Unemployment Rate and will catalyze further growth in the local community.

"Premium Peanut is proud of the value we have been able to create for over 400 grower-owners, in addition to providing quality products to customers around the world. We are thrilled to expand our operations and establish our footprint in South Carolina."

Karl Zimmer
CEO, Premium Peanut

Red Bullet Anderson

ANDERSON, SC
2022

Building upon a community’s manufacturing tradition to catalyze new opportunities.

Anderson, South Carolina, an Appalachian community with an unemployment rate of 16.9% (2.04x the national unemployment rate), was prioritized for investment as the community was in desperate need of quality jobs. Despite the population growing by an annual rate of 5.3%, 39% of all residents are commuting out of Anderson County for employment to places like Greenville, Pickens, and Spartanburg. However, Anderson has a competitive advantage in that the county has a strong backbone in the manufacturing industry, with the number of employees working in the manufacturing industry outnumbering the second closest industry by over 5,000 people.

To bring additional quality manufacturing jobs into Anderson County, The Innovate Fund supported the 150,000 SF expansion of an existing 168,000 SF manufacturing, warehouse, and office facility for the purpose of housing Pregis Films, LLC, a high tech, blown film manufacturer, by providing \$10,000,000 of NMTC allocation.

The expanded manufacturing space will support the retention of 36 jobs and the creation of 151 new, permanent full-time jobs. Additionally, the construction activities on site will support another 20 construction jobs. All permanent jobs created by the project will be quality positions with pay double the living wage for Anderson County and benefits such as healthcare, retirement, an employer funded wellness program in partnership with the local YMCA, and job training in partnership with Ready SC.

“With the NMTC subsidy, the initial construction expansion can begin and serve as a catalyst for the completion of the full scope of the project allowing Pregis to maximize the anticipated benefits to the community.”

Jon McClure
President of SC Operations for
Pregis Performance Flexibles

\$10M
allocated

318k
sq. ft.



Container Technologies Industries

HELENWOOD, TN
2022

Funding for key facility expansion that allows for growth and new skilled workers in rural Tennessee community with high rates of unemployment.



"The size of investment required for the capital improvements and purchase of new equipment would not have been feasible without the NMTC financing structure."

Steve Fieldon
President/ COO, Container Technologies Industries, LLC

With CY20 NMTC allocation, The Innovate Fund expanded its service area outside of the State of South Carolina for the first time to also include the states of North Carolina, Tennessee, and Georgia. The Innovate Fund Advisory and Governing Boards strategized that the expanded service area would provide for additional investment opportunities in underserved states, non-metro census tracts, and Appalachian communities. As the first non-South Carolina deal, Container Technologies Industries (CTI), represented a project that was not only in an underserved state, non-metro, Appalachian community, but the project provided an opportunity for The Innovate Fund to create jobs on a regional scale.

CTI worked with The Innovate Fund and Pathway Lending, a first time allocatee of NMTC, to receive necessary financing to construct and equip their expanded 76,000 SF industrial facility. CTI is a fabricator of specialty nuclear waste containers, which are used to hold hazardous waste, materials, and equipment removed through the deactivation of contaminated facilities. The company hires skilled people, such as welders and painters to assist in the fabrication process.

The \$12,500,000 investment from The Innovate Fund will support at least 20 new, permanent, full-time jobs at the Helenwood facility, which will be added to the existing 39 employees retaining positions at the project site. Employees have access to opportunities including in-house training, wage progression, bonuses, and merit-based promotions. TIF's investment into CTI will go to reduce the unemployment rate in Helenwood, TN, which is 16.8%.

\$12.5M
allocated

76k
sq. ft.

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.

This small town was once a thriving hub for agrarian commerce due to the successful cotton industry at the turn of the 20th century. The town’s population has shrunk over the last 100 years, and now over 70% of the population have no more than a high school diploma or GED. Roughly 60% of this non-metro, persistent poverty county’s population is minority, and the unemployment rate remains stubbornly high at 24.30%, or 2.93 times the national average.

Marlboro County, which has a slightly better overall unemployment rate than Clio as a whole, ranks as the 7th worst of 46 counties in South Carolina for employment opportunities. The lack of employment opportunities 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.

The Innovate Fund invested \$15 million for Arris Manufacturing to acquire the former Baldor Electric facility and completely retro fit it to begin building modular housing units for use in multi-family housing. The project created 134 new permanent Quality Jobs in Clio (82% of which are accessible to employees with no more than a high school diploma or GED). The project sponsor also implemented a Skills Incentive Program where employees can earn higher pay for 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, Marlboro County

\$15M
allocated

140
direct jobs



Ingevity Corp.

NORTH CHARLESTON, SC
2019

High-impact corporate headquarters builds upon prior investments in high-poverty area of North Charleston.

The Innovate Fund allocated \$7 million in NMTCs to provide flexible, below market financing to Ingevity Corporation for the build out and upfit of its new 84,283 sq. ft. headquarters in North Charleston, SC. Ingevity provides specialty chemicals, high-performance carbon materials and engineered polymers that purify, protect, and enhance the world around us. Ingevity operates from 25 locations around the world and employs approximately 1,750 people. The new headquarters will allow for employment growth and consolidate employees into one location while also allowing for the current Ingevity Technical Center, also located in North Charleston, to return to its original purpose as a research laboratory.

Located in a Low-Income Community with 36.60% Poverty rate and 43.66% Median Family Income, Ingevity’s new headquarters supports 250 permanent jobs and 43 construction jobs over the NMTC compliance period. Along with The Innovate Fund’s other projects in North Charleston, Ingevity Corp. is an example of our strategy to cluster investments in severely distressed geographic pockets to increase our community impact.

\$7M
allocated

293
direct jobs



"Ingevity has been a longtime supporter of our community and we're happy to see they've chosen to remain headquartered here in North Charleston."

Keith Summey
Mayor of North Charleston

Brown Packing

GAFFNEY, SC
2018

Critical support for a backbone job provider in one of South Carolina’s most economically challenged communities.



\$13.7M
allocated

396
direct jobs

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 1980s, 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 harvests 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 gaps in employment history. 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 reduced monthly cost if they participate in the wellness program.

“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.

Highland Baking

SPARTANBURG, SC
2018

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 sq. ft. 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 rate and 17.4% unemployment.

HBC has begun working with the Northside Development Group, a local nonprofit community development corporation, 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.

Highland Baking is continuing to expand their facility. As a result of the COVID-19 pandemic and the Great Resignation, HBC has struggled to recruit and retain new employees despite significant increases to pay and benefits. Now, HBC has invested in technology that allows the company to automate components of their baking processes, which have resulted in the need for employees with higher skills. HBC supports their employee’s upskilling by partnering with 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.

\$11.5M
allocated

320
direct jobs

Restaurant Depot

NORTH CHARLESTON, SC
2018

New local jobs, community revitalization, and a trusted partner for community markets and corner stores in under-resourced neighborhoods.



“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

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 rate 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 62,000 sq. ft. 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.

\$8.5M
allocated

62k
sq. ft.

Swiss Krono

BANWELL, SC
2018

A major 'Promise Zone' success story in Barnwell County, SC.



\$11.2M
allocated

272
direct jobs

The Promise Zone Initiative was created in 2013 as a plan to create better outcomes 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 its payroll by 105 employees, SWISS KRONO invested heavily in training and re-skilling the residents of Barnwell County. This effort was supported by two impactful programs:

- A youth apprenticeship program that provides qualified high school students the opportunity to learn a specific skill or trade and to gain valuable work experience
- A College Co-Op Program through which the company partners with regional technical schools that provide programs aligned with the skills and trades utilized in SWISS KRONO's 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.

"SWISS KRONO is grateful to receive the benefit of New Markets Tax Credits, allowing us to grow the commitment we made to this area over a decade ago. This investment will set us up to continue that support for decades to come."

Erik Christensen

President and CEO, SWISS KRONO Group's U.S. subsidiary

Real Estate Development

Judson Mill
Poe West



Judson Mill

GREENVILLE, SC
2020

Westervelt Mill opened in 1912 as the first fine goods textile mill in the South. The name only lasted one year before it was changed to Judson Mill, after the mill president’s mentor, D. Charles Judson.

Deering Milliken Co. (now Milliken & Company) bought the mill in 1960 and actively operated and expanded the mill into an eventual 800,000 sq. ft. campus comprised of 6 distinct buildings. The mill ceased operations in 2015 as one of the last two operational mills in Greenville – closing with only 200 employees, substantially less than the thousands once employed working at the mill during its heyday. Located in the severely distressed Judson community, the mill would only remain vacant for a couple of years until it was purchased in 2017 by a joint venture between Taft Family Ventures of Greenville, NC and Belmont Sayre Holdings of Chapel Hill, NC who immediately began planning to redevelop the site including the first commercial phase which is the renovation of a 107,269 sq. ft. warehouse building into a mixed-use building to include non-profit, health and wellness, and retail uses.

The Innovate Fund’s largest NMTC investment at \$16.5 million, Judson Mill supports 197 direct jobs with 64% being Quality Jobs and 58% being Accessible Jobs to people with a high school diploma or less in an Appalachian Regional Commission (ARC) Distressed Area with Poverty rate of 44.2%. The project sponsor also committed to offering space to non-profit and locally owned tenants of at least 20% below market rates and at closing the average percent below market was 51.48%.

Feed & Seed, a local non-profit with a mission to increase food security for all South Carolinians, will occupy over 18,000 sq. ft. of space, providing them a permanent home for the first time in an HFFI designated food desert. The YMCA of Greenville will operate an almost 13,000 sq. ft. fitness center, providing the

"The financial benefit to the project from the NMTC allocation not only helped the project's overall feasibility, but it allowed us to offer commercial space to several local and non-profit tenants at significantly reduced rental rates which helped us bring in the right tenant mix for this historic neighborhood."

Thomas F. Taft, Jr.
Principal of Taft Family Ventures

\$16.5M
allocated

197
direct jobs



neighborhood with its only wellness facility open to the public. Tenants of the project have committed to providing reduced rates for low-income residents, free demonstration and training programs for area residents, and community gardens and produce stands at below market rates.

Poe West

GREENVILLE, SC
2019

Dating back to April 12, 1946, the property located at 556 Perry Avenue in the heart of West Greenville originally served as the office, yard, and warehouse for Poe Hardware & Supply Company – one of Greenville’s first incorporated businesses.

\$11.5M
allocated

156
direct jobs



Poe Hardware relocated to the site from their downtown Greenville Main Street location in pursuit of affordable space to support expansion. Decades later with the cost of business once again rising in downtown Greenville, many businesses are again in search of more affordable options. The Furman Co., Development LLC in conjunction with a real estate partnership, Perry Avenue Investors, LLC, spearheaded the renovation of 57,277 sq. ft., split between two mid-century buildings, into a thoughtfully planned mixed-use community where existing West Greenville residents together with both existing and new businesses can flourish.

Through an \$11.5 million investment from The Innovate Fund, the \$12.6 million project supports 25 construction jobs and 131 direct permanent jobs in an Appalachian Regional Commission (ARC) Distressed Area that demonstrates Poverty rate of 54.30% and an unemployment rate that is 2.07 times the national average.

Poe West is anchored by Greenville Technical College’s Center for Culinary and Hospitality Innovation (CHI). CHI is a collaborative approach that includes private sector, government, and education partners working together to bring inclusive economic mobility and workforce development to one of Greenville’s most distressed neighborhoods. CHI provides a neighborhood-based venue at Poe West to deliver education, job training, and small business and start-up incubator space. CHI’s goals include developing a skilled workforce for Greenville’s rapidly expanding restaurant and hospitality industry and creating pathways for economic mobility for the residents of West Greenville.

Poe West also has a variety of other tenants supporting the space such as Brains On Fire (a marketing company), 6M City (a fast growing news organization), and ShineOM (a yoga studio).

"When we acquired the property, Poe West was imagined to offer unique and creative space to some of Greenville’s innovative non-profit and locally owned businesses at affordable, below market rental rates. We also wanted to carefully plan for a healthy mix of user types, trying to be sensitive to the unique ecosystem of the Village and surrounding community. The New Markets Tax Credit program was instrumental in our ability to meet that goal."

Steve Navarro
President of The Furman Co. Inc (Developer) and Manager of Perry Avenue Investors, LLC (Owner)

Unwound Projects

NMTC projects have a seven-year compliance period. After the compliance period is completed, the projects no longer have an active relationship with The Innovate Fund. TIF is proud to continue to highlight all of our past NMTC projects though, and we strive to continue to help them meet their community development goals.

Sweet Street Desserts
GREENVILLE, SC

\$10M

150

allocated

direct jobs



Greenco Beverage
GREENVILLE, SC

\$8M

330

allocated

direct jobs



Claussen Bakery
GREENVILLE, SC

\$5M

223

allocated

direct jobs



Limehouse Produce
NORTH CHARLESTON, SC

\$9M

145

allocated

direct jobs



TDC Cutting Tools
GREENVILLE, SC

\$17M

337

allocated

direct jobs



Legacy Early College
GREENVILLE, SC

\$13M

1,430

allocated

student seats



Upward Star Center
SPARTANBURG, SC

\$10M

120

allocated

sq. ft.



AC Hotel
SPARTANBURG, SC

\$10M

130

allocated

direct jobs



The Innovate Fund Affiliates

The Children's Museum of the Upstate	\$19M
Project ONE	\$18.5M
Main @ Broad	\$17M
Riverwalk	\$16.8M
Next Innovation Center	\$8M
Daughters of Charity	\$9M



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