NMTC Coalition
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GEORGIA

FINANCING

NMTC Financing: AMCREF Community Capital, LLC: $7.7 million
Equity Investor: U.S. Bancorp Community Development Corporation

IMPACT

- 218 construction jobs
- 209 permanent jobs

COMMUNITY

- Poverty rate: 36.3%
- Unemployment rate: 15.3%

"RWDC is just the type of business AMCREF looks to support with NMTCs. RWDC is a high-growth company in an innovative new industry providing skilled, well-paying jobs via partnerships with local technical colleges and workforce groups. They're also renovating a vacant facility in an economic development priority area. Finally, their biodegradable plastics address a pressing worldwide environmental problem."

Susan Seagren, managing director at AMCREF Community Capital.

RWDC INDUSTRIES, LLC

Athens, GA (2020)

RWDC is an early stage company manufacturing biodegradable plastic polymers based on Polyhydroxyalkanoate (PHA) technology utilizing renewable feedstock such as waste cooking oil. Founded in 2017, RWDC achieved initial success with a 250 ton R&D facility on the University of Georgia campus.

In order to further expand capacity and co-development with their large consumer brand customers, RWDC needed to construct a $35 million 4,000 ton commercial demonstration plant (4KT Plant). The company decided to renovate a vacant yarn factory which closed in 2018 and is located in a tier 1 priority area for economic development in Georgia. The plant is in a severely distressed area suffering from high poverty and unemployment.

STARTUP MANUFACTURES NEW BIODEGRADABLE PLASTICS AND REJUVENATES THE LOCAL ECONOMY

The new facility repurposes single-use polyethlene (PE) coated petrochemical plastic products commonly found in paper packaging, food packaging and food service materials. PE, derived from petroleum, provides a barrier to liquids and grease. Paper coated with PE takes a long time to decompose, releases micro-plastic beads into the environment and inhibits recycling, as the PE is difficult to remove from the paper. By comparison, RWDC's PHA product can replace PE and it is biodegradable, disintegrating in about 16 weeks. In addition, RWD uses waste cooking oil sourced from within the nearby Atlanta/Athens metro areas to manufacture its PHA. After proof of concept of the 4KT Plant, RWDC plans to expand capacity in Athens to 29,000 tons and build a second facility in a low-income area of nearby Monroe, GA.

Prior to AMCREF's NMTC investment, RWDC had earned less than $700,000 in revenue through the production of samples. In addition, the company had not secured any larger scale or long-term sales contracts that would be necessary to support traditional financing. As a result, RWDC was not eligible for traditional financing. AMCREF provided $7.7 million in NMTC-financing to make the project possible, creating 209 permanent jobs. Construction of the facility generated 218 construction jobs.