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Limehouse Produce QUICK FACTS

CDE

Greenville New Markets Opportunity II,
LLC (GNMO II)

TOTAL DEVELOPMENT COST

\$10,200,000

GNMO II ALLOCATION

\$9,000,000

LOCATION

2650 Carner Avenue
North Charleston, SC 29405

NMTC CONSULTANT

taxadvantagegroup, llc

DEVELOPER

Limehouse Produce

SQUARE FOOTAGE

176,712

LEVERAGED LENDER

Limehouse GEX, LLC

NMTC INVESTOR

Capital One Bank, N.A.

PERMANENT JOBS

115 Direct
46 Induced/Indirect

CONSTRUCTION JOBS

30 Direct
24 Induced/Indirect

LOW INCOME COMMUNITY

Poverty: 47.3%
MFI: 37.06%
Unemployment Rate: 21.96%
Unemployment Ratio: 2.78x
State EZ
FEMA Disaster Area
HFFI-Designated Food Desert

FINANCING COMPLETE

February 2016

Limehouse Produce

NORTH CHARLESTON, SC

Background

The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against federal income taxes for making Qualified Equity Investments (QEIs) in designated Community Development Entities (CDEs). Substantially all of the QEIs must in turn be used by the CDE to provide investments in Low-Income Communities (LICs).

The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over the seven-year credit allowance period. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period. The NMTC program provides financing availability for projects in underserved geographic areas and with extremely favorable terms for businesses and real estate developers or owners. The result of these investments fulfills financing gaps for projects to be completed, and it allows projects to be enhanced with community-oriented components, which generate measurable community impacts.

Project

Charleston, SC is world renowned for its history, culture and Southern charm, but not far from the heart of its thriving tourist district – in an area known locally as “The Neck” – poverty is rampant. For decades, The Neck was home to the Charleston Naval Base, a source of thousands of jobs. The base’s closing in 1996 resulted in a mass exodus of military personnel, shuttering local businesses, and leaving local residents with almost no access to jobs or fresh food.

In 2015, Limehouse Produce purchased the former site of the Charleston Naval Exchange Building on Carner Avenue for the development of a multi-faceted agribusiness program. Limehouse Produce, which provides conventional row crops, local specialties, fresh herbs and dairy products to Charleston area restaurants, will rehabilitate the abandoned 127,156-sq.-ft. Exchange Building into a food hub with additional tenant space for locally owned businesses and non-profits at reduced rental rates. It will also build a new 49,556-sq.-ft. produce distribution and cold storage facility, with the total project encompassing over 175,000 square feet on 14.6 acres. As a “first-mover” in this distressed neighborhood, the economic impact of this project is tremendous.

Community Impact

The GNMO II investment will support 145 direct quality jobs and, to encourage accessibility of jobs to residents, Limehouse will establish an apprenticeship program with Apprenticeship Carolina and Trident Technical College. Beyond its own workforce, Limehouse will strive to provide opportunities to minorities from the farms that supply them as well as restaurants that buy from them. One example is its partnership with Clemson University to streamline and simplify the GAP (Good Agricultural Practices) Certification process for farms through the US Department of Agriculture.

In addition to a supporting quality jobs, Limehouse provides significant support to the local food banks, including One80Place (formerly Crisis Ministries) and the Lowcountry Food Bank. The total contributions to these organizations are in the millions of pounds of food and the overall impact is immeasurable. Amy Kosar, Food Resource Manager for the Lowcountry Food Bank, recently reported that over the past three years, Limehouse has donated 413,136 pounds of food to them alone.

“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.” - *S.C. Department of Agriculture Commissioner Hugh Weathers*

“Limehouse Produce is proud to have accompanied Charleston, and particularly the local restaurants, in the extraordinary success of our beautiful city. We are very excited about the renovation of the Navy Exchange Building and the construction of our new facility, which will not only position us to serve our customer base better, but will also be an asset to our neighborhood. We would like to thank Greenville New Markets Opportunity II and Tax Advantage Group for their assistance in employing the New Markets Tax Credit Program to bring this project to fruition.” - *Andrea Limehouse, Vice President, Limehouse Produce*

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