

New Markets Tax Credit

MASSACHUSETTS



Cindy's Kitchen

Cindy's Kitchen is the trade name for products produced by Custom Blends, a Brockton, Massachusetts-based producer of all-natural salad dressings, dips, and sauces that are distributed nationally. Brockton, located 20 miles outside of Boston, was once a center of shoe and textile manufacturing, but is now one of the poorest communities in the state.

After years of rapid growth, Cindy's Kitchen's future growth was constrained by its small, leased quarters; in fact, it had to turn away new customers. Finding a new facility was essential to ensuring its future success. However, the company faced a financing gap in trying to make the move to a much bigger facility. In 2007, Massachusetts Housing Investment Corporation stepped in with almost \$2 million in critical NMTC financing, which allowed the company to purchase and rehabilitate a 28,000 square foot building, tripling its industrial space, and enabling Custom Blends to stay in Brockton and grow. As a result, the company's revenues have grown from \$6 million to more than \$10 million, and it has created 54 jobs, now with a total of 94 employees.

From its beginnings in 1996, Cindy's Kitchen's owners have been committed to hiring locally. It has an ethnically diverse, low-income, hard-to-employ workforce, including employees who were formerly homeless or have physical disabilities. Some 99 percent of the company's employees are minority. With a strong commitment to its employees, Custom Blends provides good wages, full benefits, a supportive, congenial workplace, and a practice of promoting from within. As a result, it has a dedicated workforce with minimal turnover and a steady stream of local residents – many referred by local churches and social service agencies – seeking jobs.

MHIC's NMTC investment filled the financing gap that the company faced in trying to make the move to a much bigger facility and made the critical difference in moving this project forward.

NMTC ALLOCATEE
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COMMUNITY PROFILE

- Brockton, MA
- 18.7% unemployment rate
- Median income 64.1% of Area Median Income

PROJECT HIGHLIGHTS

- Rehabilitation of industrial building into facility for food producer
- Total Project Cost: \$2.6 million
- NMTC: \$1.9 million
- Investor: Multi-investor fund
- Jobs: 54 new direct



Top: A "showcase" kitchen at the new Custom Blends facility in Brockton, MA
Bottom: Cindy's Kitchen workers assembled in the company's test kitchen