

Project Description

LEGF's NMTC allocation financed acquisition, rehabilitation, and equipping of a 650,000 square foot manufacturing facility in Effingham, IL. The Project's primary manufacturing operations consist of the production of advanced automotive lighting components. As a result of LEGF's NMTC allocation, the project supported purchase, installation, and configuration of equipment and the recruitment, hiring, and training of 311 full-time equivalent (FTE) jobs, 75% quality, 66% to low-income persons, and 89% low-income community residents. The Project rehabilitated a former printing press that at one point was an economic backbone of the community, employing generations of families, before being left to stand underutilized and deteriorating for years, most recently serving as a warehouse, hampering the economic potential of the site.

Permanent Job Creation

The Flex-N-Gate project created 311 new full-time employment opportunities. The weighted average wage of these newly created positions is \$30.53 per hour, and all positions will pay a wage in excess of the living wage threshold in Effingham County.

Quality Jobs: 233 / 75%

Benefits/Training Opportunities: Each position is eligible for a comprehensive benefits package, including health insurance (dental and vision coverage), group life and short-term disability insurance, an Employee Assistance Program, a 401k retirement plan, and technical training. FNG is an organization that supports second chances, with a record of hiring employees who have a history of long-term unemployment. FNG also actively recruits and hires veterans.

Total NMTC allocation	\$53,500,000
LEGF NMTC allocation	\$8,000,000
Closing date	December 16, 2021

Census Tract: 17049950800

Distress Criteria:

- Poverty rate of 19.40%
- Median Family Income of 72.35% AMI
- Non-Metropolitan
- Qualified Opportunity Zone

Without the NMTC financing, the Sponsor would locate the Project at a different site with more competitive economics and a larger labor pool. The NMTC financing is critical in offsetting the increased labor and operating costs associated with locating the Project in the distressed Effingham community. The NMTC financing will enable the Sponsor to finance the significant outlays for the hiring and training needed to prepare residents for high-quality advanced manufacturing jobs. Given the increased cost profile of the Project site, but for NMTC financing the Sponsor would have pursued an expansion at a different location.

Community Alignment

In order to ensure the Project's alignment with community objectives, the South Central Illinois FY2020 – 2022 Comprehensive Economic Development Strategy (the "Strategy") was reviewed by the CDEs. The Strategy covers a five-county service area, which includes Effingham County, IL, and was developed based on input from public officials, community and private sector leaders, higher education institutions, and non-profit organizations to align its goals with the priorities of the community's stakeholders. The Project supported the economic development goals of the community, region, and state. The Project strengthened the region's manufacturing industrial cluster, increased workforce participation and development opportunities, and offers advanced manufacturing training to its workforce. The region has seen its population stagnate over the previous 10 years, coinciding with the loss of manufacturing and other employment opportunities following the great recession. The Project improved the region's ability to attract and retain additional manufacturing jobs, improve the quality of its workforce, and accelerate its transition from an agricultural community to a manufacturing community. The Project will provide over 300 jobs and offer comprehensive training to its employees, making the workforce more competitive and attractive. Furthermore, the Project will increase the community's ability to reinvest in infrastructure and market itself to other potential manufacturing companies.