

FOREMOST FARMS USA

Richland Center, Wisconsin

Foremost Farms USA (FFUSA) is the eighth largest milk producer among U.S. dairy cooperatives and one of Richland's Center's largest employers, but the company's impact spreads far beyond the city as its 2,400 cooperative members employ over 1,000 individuals at their dairies throughout the Upper Midwest. Approximately 450 of these members, mostly self-employed and retired farmers, live in low-income communities.

The \$45 million New Markets Tax Credit (NMTC) investment in FFUSA serves two primary purposes, (i) to upgrade and refinance the Richland Center dairy processing plant which will increase operational efficiency, allow for greater output, and retain at least 90 jobs and (ii) revolve equity to the past and current members, so that future members will consider the positive treatment of members thereby incenting them to become part of FFUSA. Additionally, the funding allows FFUSA to make an additional investment in its Appleton facility, preserving another 93 jobs.

The NMTC funding also provides for the future contribution of \$5-8 million to the planning and construction of a \$35 million municipal anaerobic digester through a set which will reduce landfill gas emissions and generate methane and carbon dioxide to be used in future renewable energy generation. The facility, while in the planning stages with the local municipality, is a sustainable solution to solving the facility's needs to treat waste differently in the future. Continuing the company's commitment to environmentally-friendly practices, which include the initiation of more than 40 energy conservation projects between 2006-09, and its membership in National Dairy Animal Well-Being Coalition.

Key Benefits

- Helps preserve over 180 high-quality jobs at two facilities, with higher than average hourly wages for their respective counties.
- Provides investment return to the 2,400 cooperative members, many of which are smaller, rural Wisconsin dairy farms with an average herd size of 150.
- FFUSA participates in the voluntary Farmers Assuring Responsible Management program created by the National Milk Producers Federation.

Qualifying Features

- Non-Metropolitan County
- Unemployment Rate 1.4x National Average
- County for which FEMA has issued a Major Disaster Declaration

CCML allocated \$20 million in NMTC capacity to finance the project, with the Wisconsin Community Development Legacy Fund, Inc. providing an additional \$25 million in allocation. U.S. Bancorp CDC provided the equity, while FFUSA provided the debt financing for the transaction, which closed June 2, 2010.

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