

ZEACHEM APPLIED TECHNOLOGY LLC

Boardman, Oregon



The ZeaChem project demonstrates how New Markets Tax Credits (NMTCs) can be utilized as venture-style funding to help advance exciting new ideas and technologies. ZeaChem Inc. (ZeaChem) is an early-stage company specializing in the development of technology for turning cellulosic biomass into several chemicals, including fuel-grade ethanol with a production cost that is competitive with oil at \$50/barrel or greater.

The Boardman-based ZeaChem Applied Technology project will be ZeaChem's first demonstration-scale facility, designed to show the feasibility of the technology on a larger scale. The project will create 75 construction jobs, as well as 20 permanent jobs, paying 1.5 to 3 times the local

hourly average.

This facility creates new demand for locally produced sustainable biomass, primarily from sustainably managed poplar trees, switch grass, and hay. Should the demonstration facility prove successful, ZeaChem will have the opportunity to build a commercial-scale facility in Boardman, bringing additional jobs and revenue to the area.

Boardman is a highly-distressed, non-metropolitan area with a population of just over 3,000 located on the Oregon-Washington Border. The project is strongly supported by the local community and has received letters of support from U.S. Senator Ron Wyden, Oregon State Senator David Nelson, Oregon State Representative Greg Smith, The City of Boardman, The USDA/Umatilla National Forest Service, The Port of Morrow, and West Oregon Wood Products.

Qualifying Features

- Non-Metropolitan County
- Unemployment Rate 2.16x National Average
- Columbia River Enterprise Zone

CCML allocated \$20 million in NMTTC capacity to finance the project, with an additional \$23 million in allocation from other allocatees. This transaction closed September 29, 2010.

Key Benefits

- Creates 75 construction and 20 high paying chemical engineering and research jobs.
- Supports the development of a green energy source.
- Project will have indirect impacts on the local logging, tree farming, lumber, sawmill, and transportation industries as the cellulosic feedstock will come from locally harvested sustainable resources.
- Once proven at demonstration scale, there is the potential for the construction of an adjacent commercial scale facility.

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