

BERLIN STATION, LLC

Berlin New Hampshire



“The City That Trees Built,” is the motto of Berlin, New Hampshire, a community of a little over 10,000 residents situated in New Hampshire’s North Country alongside the Androscoggin River and White Mountain National Forest. Like many cities with a rich background in forest products, Berlin’s founding paper mill suffered the now-usual fate of a slow down, bankruptcy, and sale. When the struggling Fraser Paper mill was shut down in May 2006, it took 250 jobs with it.

The \$275 million Berlin Station project, partially funded by New Markets Tax Credits (NMTCs), hopes to not only create 1,100 construction jobs, but bring back an estimated 230 direct full-time positions once in operation.

The project will transform a portion of the old Fraser Mill facilities, including the existing boiler, into a 75-megawatt biomass power plant, which is expected to be generating power by 2013. The plant, which will be among the largest in the Northeast, will burn approximately 750,000 tons of biomass each year, supporting several hundred jobs for local foresters, loggers, and chippers.

IMPLAN Economic modeling projects that the operation of the plant will bring in an annual \$14.6 million in state and local tax revenue, as well \$64 million in annual power sales.

In addition to the direct benefits of the project, the New Markets subsidy also helped fund a \$2.25 million community business assistance fund as a resource for business and training assistance to local business. This fund will be co-administered by Coastal Enterprises Inc., CCML’s parent company, and the New Hampshire Business Finance Authority (NHBFA).

Key Benefits

- Creates an estimated 1,100 construction jobs, and 230 full-time positions.
- Transforms a defunct paper mill into a green-power generator.
- Funds a \$2.25 million community business assistance fund to support the local economic through, loans, grants, and training assistance.
- Provides a significant source of tax revenue to the local community.

Qualifying Features

- Non-Metropolitan County
- Unemployment Rate 1.76x National Average

This transaction closed September 2, 2011. CCML allocated \$20.7 Million in NMTC capacity to finance the project, with NHBFA, RBC, Seedco, and CTA CDE providing an additional \$43.2 million in allocation. U.S. Bancorp CDC provided the equity, while Berlin Biopower Finance Co. provided the debt financing for the transaction using an innovative mix of private issuance bonds.

CEI CAPITAL MANAGEMENT LLC

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