

Bienville Lumber Sawmill Project



367
Direct Jobs



360,000
Square Feet



100%
Quality Jobs



84%
Accessible Jobs



Project

Hunt Forest Products and Tolko Industries Ltd., two of the nation's leading wood product companies, partnered to remediate a brownfield site for the development of a new sawmill located in the non-metropolitan Bienville Parish, Louisiana. Located in a persistent poverty county, the new site will replace an old mill in the unincorporated community of Taylor that has been closed for 15 years. This project will operate on approximately 225 acres of land that will benefit from both the area's raw materials as well as the site's close proximity to paper and board manufacturers that will off-take the mill's residuals.

This state-of-the-art mill will also include more than \$40 million of specialized equipment that includes high-tech controls, allowing the mill to utilize 99% of the wood fiber it procures. Through this expansion, Bienville Lumber will develop Louisiana's logging, transportation, distribution, logistics, and general commercial

TOTAL PROJECT COST:

\$270,023,876

NMTC ALLOCATION:

\$43,000,000

FINANCING COMPLETE:

April 5, 2023

PROJECT SPONSOR:

Hunt Forest Products and Tolko Industries Ltd.

CDE:

AMCREF Community Capital, LLC
Peoples Bank
National New Markets Fund (NNMF)

NMTC INVESTOR:

Capital One
Regions Financial Corp

LEVERAGED LENDER:

Hunt-Tolko Leverage, L.L.C.

ADDRESS:

1643 US-80 West,
Taylor, Louisiana 71080

CENSUS TRACTS:

22013970200

LOW-INCOME COMMUNITY:

Poverty Rate: 22.70%
Median Family Income: 60.80%
Unemployment Rate: 7.90%
Unemployment Ratio: 0.95x
Non-Metropolitan County
Louisiana State Economic Zone
Opportunity Zone
FEMA Disaster Area
(Winter Storms & COVID)



Cherry Bekaert

Your Guide Forward

and retail industries in a way that is both environmentally sustainable and financially beneficial to the local area. Once complete, this renovation is expected to produce 1.3 million tons of locally sourced timber annually.

Since its original approval, the mill saw a 10.8% increase in project costs and a rising interest rate environment. These developments necessitated the pursuit of more flexible financing options. Bienville Lumber would not be able to operate at planned capacity within the non-metro area except for the much-needed New Markets Tax Credits (NMTC) subsidy. With total project costs of \$270 million, Bienville Lumber received \$14 million in NMTC allocation from Peoples Bank, \$9 million from AMCREF Community Capital, and \$20 million from the National New Markets Fund (NNMF). Once the project costs were obtained, the project was then leveraged by Hunt-Tolko Leverage, L.L.C.

Community Outcomes

Having both overwhelming local and state-wide support, Bienville Lumber emphasized proactive community outreach. Through frequent speaking engagements with residents, Bienville Lumber worked with Louisiana Economic Development (LED) to coordinate a workforce training program through nearby Bossier Parish Community College. This program will equip the local workforce with the skills required to operate the state-of-the-art sawmill and will help prepare the workers for future employment. LED was also instrumental in acquiring grants and incentives necessary for securing the site in the rural Taylor community.

Bienville Lumber will combat the county's growing outmigration by stimulating the local job market through the active forestry industry within the community. Currently, Bienville Parish estimates just under 13,000 residents with a 64% minority population and has seen a steady decrease of 17% over the last two decades. By completion, this project will create an estimated 367 direct quality jobs (187 permanent, 180 construction) and induce an additional 380 indirect jobs. The mill's permanent jobs will have an average wage of \$27.60 per hour, which is 169% higher than the local per capita wage and 81% higher than the area's living wage.

All permanent employees will be eligible to receive a benefits package that includes health, dental, and life insurance, as well as retirement planning and paid time off. These incentives were created to increase the overall standard of living for the residents of the Taylor community.

About Cherry Bekaert

"Cherry Bekaert" is the brand name under which Cherry Bekaert LLP and Cherry Bekaert Advisory LLC, independently owned entities, provide professional services in an alternative practice structure in accordance with applicable professional standards. Cherry Bekaert LLP is a licensed CPA firm that provides attest services, and Cherry Bekaert Advisory LLC and its subsidiary entities provide tax and advisory services. For more details, visit cbh.com/disclosure.

© 2024 Cherry Bekaert. All Rights Reserved. This material has been prepared for general informational purposes only and is not intended to be relied upon as tax, accounting, or other professional advice. Before taking any action, you should consult a professional advisor familiar with your particular facts and circumstances.

v. 021524 Case-Study_NMTC-Bienville-Lumber-Sawmill-Project_1286125201

cbh.com/NMTC

