



ATLANTIC HEALTHY FOODS - ATLANTA, GA.

Developer/Sponsor

Castellini Group of Companies

Project Type

New construction; light industrial



Investment

\$51.4 million

Description

The Castellini Group of Companies is building a new construction 177,297 square-foot refrigerated produce processing and distribution facility with 14,620 square feet of office space just south of downtown Atlanta in Clayton County, Georgia. The facility will serve as the Southeastern U.S. operations base for Castellini, which will process and distribute produce to the triangle area of Washington D.C., Atlanta and Miami. This facility, and the recently acquired General Produce Company, represents Castellini's first expansion into the southeastern U.S. market. The office space will be LEED Certified and the processing facility will employ many green features to increase efficiency and reduce energy usage.

Financing

The \$51.4 million project was funded using a combination of public and private sources, including \$40.7 million in New Markets Tax Credit (NMTC) allocation from several Community Development Entities, \$8 million of which was provided by Enterprise Community Investment, Inc. Other NMTC partners include: American Communities Trust, Black Business Investment Fund, Carver State Bank, Cross Street Partners,

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Consortium America, United Fund Advisors and Valued Advisor Fund. A \$27.5 million leverage loan, as well as NMTC investment, was provided by U.S. Bank and \$5 million was funded by incentives from the state of Georgia and Clayton County including job creation tax credits, infrastructure contribution and/or fee waivers.

Market

The facility is being built in an underutilized industrial corridor in Clayton County. Due to a lack of public transportation workers who are otherwise qualified have been unable to take jobs in the community which has been a deterrent to other businesses. Castellini will provide shuttle service to bring employees to and from work. The facility is about 25 minutes south of downtown Atlanta and has excellent access to major interstates, making it an attractive location for distributors.

Community Impact

The facility is projected to provide 300 permanent jobs, with health and retirement benefits to the area, which has an unemployment rate 1.98 times the national average. Forty percent of the permanent jobs will be held by low-income people. In addition, 360 construction jobs are expected to be created.

Sponsor

Founded in 1896 on the original Cincinnati produce terminal market, Castellini is one of the oldest establishments in the produce industry. Castellini Group of Companies combines to form one of the largest distributors of fresh produce in the United States, with more than 3,000 fruits, vegetables and floral items including a complete line of fresh-cut value added, organic, specialty and locally grown products for the retail and foodservice markets. Castellini operates nearly 15 million cubic feet of state-of-the-art refrigerated facilities to ensure total cold chain integrity which preserves the quality and safety of produce.

Investor

U.S. Bancorp Community Development Corporation, with assets of nearly \$1.4 billion, is one of the largest New Markets Tax Credit investors in the country. It also makes equity investments in low-income housing and historic tax credits through U.S. Bank. Both are subsidiaries of U.S. Bancorp, which is the sixth largest financial services holding company in the United States, providing a comprehensive line of banking,

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brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions.

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