



MICHIGAN | MAGNETFUND

## **PRESS RELEASE**

**For immediate release**

### **MMF Invests in Renewable Energy Project**

**To Preserve & Expand UP Jobs**

The Michigan Magnet Fund announced its \$10 million investment in a \$50.2 million Verso Paper Renewable Energy Project in its Quinnesec Plant in the Upper Peninsula. The project will meet 95% of its energy needs using renewable biomass sources. The project will make the plant cost competitive in an ever increasing competitive commodity market and keep 475 people working in the facility. An additional 50 persons are projected to be hired by local small businesses that will supply the biomass to the plant.

MMF is a certified community development entity who won a \$60 million in new market tax credit investment allocation from the CDFI Fund. MMF has invested \$82 million in 12 projects in low income distressed neighborhoods in 8 cities in Michigan. MMF was joined by the Local Initiative Support Corporation and CapFund New Markets LLC who invested \$17 million and \$5 million respectively to provide a total Qualified Equity Investment of \$32 million. JP Morgan Chase through its subsidiary purchased the new market tax credits from the three community development entities for \$8,984,700 to permit them to make investments that are more flexible than market.

“The implementation of the Quinnesec Renewable Energy Project is in alignment with Verso’s three-pronged energy strategy, which is to reduce overall energy consumption, generate more green energy from renewable biomass and reduce our carbon footprint, all while reducing costs,” said Mike Jackson, Verso’s President and Chief Executive Officer.

“This investment is an important part of Michigan’s commitment to its rural areas. It not only makes our basic industry more competitive but does so by developing and using renewable resources and reducing Michigan’s dependence on fossil fuels. MMF can only invest in projects that could not obtain the financing from any other source.” Said Ted Rozeboom, President of MMF

“Verso is fortunate to have active partners in the Michigan Economic Development Corporation, Dickinson County and Breitung Township, who worked diligently to help make our Renewable Energy Project a reality,” said Mike Sussman, Quinnesec Mill Manager. A direct result of the state-wide partnership is the designation of a Forest Products Processing Renaissance Zone, which allows a company within the zone to operate virtually free of all state and local taxes over the life of the designation.

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