Charter Manufacturing Company, Inc., a leading North American manufacturer and supplier of carbon and alloy steel bar, rod and wire products, has served a wide variety of customers in the automotive, heavy truck, rail, construction, mining, agriculture, furniture and energy markets for over 81 years. In order to remain competitive in the U.S. steel industry and offset the effects of foreign competition, this family-owned steel company resolved to expand its Cuyahoga Heights, Ohio facility, which is located in a highly distressed, low-income community, and create a new, high-quality “Cut-to-Length Bar” product line.

New Markets Tax Credit (NMTC) financing enabled Charter to acquire the equipment and machinery needed to operate its new, $148 million, 170,000 sq. ft. rolling mill, which is adjacent to its existing coil mill and steelmaking facility. Finance Fund provided $10 million of federal NMTC allocation and $2,564,102 of state NMTC allocation; Cleveland New Markets Investment Fund II, LLC provided $10 million of federal NMTC allocation; Northeast Ohio Development Fund, LLC provided $9 million of federal NMTC allocation; and Chase New Markets Corporation, the investor, provided an additional $3 million of federal NMTC allocation.

“The U.S. steel industry is in a historic crisis as countries like China are flooding the global market with steel as a result of excess capacity. Finance Fund is incredibly proud to facilitate the expansion of a proven American steel company to ensure that top quality, American made steel products continue to be manufactured in Ohio,” said Finance Fund’s Executive Vice President and General Counsel, Andrew Swary. “NMTC was the critical financing tool that enabled Charter Manufacturing Company to reinvest in its future and create new jobs.”

The new rolling mill facility will incorporate various environmentally friendly aspects that will be beneficial to the local, regional and global community, including emissions reduction and energy efficiency measures, water recycling and use of recycled materials.