

Tippah County Hospital

Healthcare Facility Expansion in Ripley, MS



278

Direct Jobs



56,000

Square Foot Hospital



13,136

LIC Residents Served



Project

Tippah County Hospital has served as the Critical Access Hospital (CAH) for the medically underserved area of Tippah County and neighboring Benton County, MS since 1949. The hospital is 25 miles from its nearest neighboring emergency department and many county residents could see drive over 45 minutes if the hospital were to close. The hospital serves over 50% LIC residents and 60% are Medicaid/Medicare recipients, and is one of the major employers in the region. The the expanded facility will support 188 direct permanent jobs, paying an average wage of \$17.33/hour (164% of the Living Wage of \$10.54/hour) with full benefits.

The building has been expanded and added to over the years, but though completely dilapidated, its original wings are still in use. Although the hospital examined ways to renovate or improve the existing building, they were unable to find cost-effective means to do so. In discussions with the County, they embarked on an ambitious plan to design and build a first-class CAH to not only continue to provide basic services and emergency response capability, but to encourage new specialty practices to open a location in the community.

TOTAL PROJECT COST:

\$27,186,648

NMTC ALLOCATION:

\$25,500,000

FINANCING COMPLETE:

March 2020

PROJECT SPONSOR:

Tippah County Hospital

CDES:

Hope Enterprise Corporation/ Three Rivers CDE / MuniStrategies / Capital One Community Reinvestment Fund

NMTC INVESTOR:

Capital One

LEVERAGED LENDER:

Tippah County Hospital

ADDRESS:

1005 City Ave. N., Ripley, MS

CENSUS TRACT:

28139950300

LOW-INCOME COMMUNITY:

Poverty: 28%
Non-Metropolitan County
ARC Distressed Area
DRA Distressed Area
Federal MUA



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The newly designed hospital will provide a new 56,000 square foot building that will include emergency services, new scanning capabilities, cardiology and endocrinology spaces, surgical suites and 25 in-patient care rooms. Construction will generate an estimated 63 additional direct jobs. Unfortunately, the cost of such a facility far outpaced the financial capacity of the hospital and county alone, so they sought New Markets Tax Credits (NMTC) to bridge the financing gap. The new hospital will open in the fall of 2021.

Financing

The overall project cost \$27.2 million. Tippah County was able to issue \$9.5 million in general obligation bonds and the hospital was able to source two additional \$2.5 million loans from The People's bank of Ripley and Hope Federal Credit Union. The hospital was able to leverage those three sources, plus State NMTC Equity from Three Rivers, Munistrategies and Hope Enterprise Corporation to fund \$25.5 million of NMTC Allocation. Equity was provided from Capital One and Allocation was provided from Hope Enterprise Corporation (\$10 million), Three Rivers CDE (\$8 million), Munistrategies (\$5.5 million) and Capital One Community Revitalization Corporation (\$2 million) to complete construction of the new hospital.

Healthcare is critical to our community. We have to do whatever it takes to protect the health of our citizens and we must have a quality hospital to do that."

Jimmy Gunn

President, Tippah County Board of Supervisors

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