



Port of Greater Cincinnati
DEVELOPMENT AUTHORITY

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**PORT AUTHORITY ISSUES IMPACT INVESTMENT DEBT TO FUND INDUSTRIAL
SITE REVITALIZATION; CLOSSES \$7.0 MILLION IN FIRST ROUND**

**Local companies, individuals invest in private patient capital notes to support the
repositioning of industrial sites within Hamilton County; 75 acres set for 2016 Port Authority
acquisition**

**Port of Greater Cincinnati Development Authority Economic Development Mortgage
Revenue Bond Anticipation Notes, Series 2016 (Patient Capital Fund); Group I closed June 9,
2016**

CINCINNATI – The Port of Greater Cincinnati Development Authority announced it has raised \$7.0 million from social impact investment to fund the acquisition of underutilized urban industrial sites it will reposition for advanced manufacturing. These job-site development fixed-income social impact notes are part of the Port Authority's overall funding plan to raise \$20 million in 2016.

Regional investors have purchased the first group of Hamilton County-targeted Economic Development Mortgage Revenue Bond Anticipation Notes (Patient Capital Notes). Earlier this year, the Port Authority received board authorization to issue up to \$20 million of these fixed-income securities in 2016, with principal maturities of five years. The Port Authority developed this program for community-minded private investors, providing them with a transformational way to invest for economic development and social impact.

Jim Henning, Duke Energy's State President, Ohio & Kentucky, said investing in development-ready sites is a sustainable growth strategy for Cincinnati. "Duke Energy is honored to take part in this bold plan to revitalize sites and make a lasting impact on our community," Henning said. "Good jobs are an important plank in our region's combined efforts to reduce poverty and build strong, resilient communities."

“The Port Authority has developed a very innovative approach to redeveloping urban industrial sites by capitalizing on a growing wave of interest on the part of institutional and individual investors to integrate socially responsible investments in their portfolios,” according to Charlie Luken, Port Authority Board Chairperson. “The first investors in this job-site development fund are to be commended for their leadership and commitment to building a solid foundation for job creation in Cincinnati.”

Fund investors include GE Aviation, Duke Energy, Cincinnati Bell, Inc., Robert “Bobby” Fisher, John R. Jurgensen Co., and Western & Southern Financial Group.

The Port Authority has identified its initial industrial sites to acquire and reposition in 2016 – two sites totaling 75 acres located in close proximity to multimodal transportation and infrastructure assets that are attractive to site selectors and companies looking to expand. The Port Authority closed on the purchase of 56 acres in Amberley Village on June 15, 2016. The site was the former location of Gibson Greeting Cards corporate headquarters and manufacturing facility, which had closed years earlier. The Port Authority also announced plans to acquire 19 acres in Bond Hill.

To ready sites for new investment, the Port Authority expends funds on site control and acquisition; planning and predevelopment; environmental assessment and remediation; demolition or rehabilitation and site work and infrastructure improvements. Once all necessary assembly and site development work is completed, the Port Authority will either redevelop the new site or sell it to an end user or real estate developer with an acceptable redevelopment plan.

“These game-changing sites will be shovel-ready in 2017,” said Johnna Reeder, President & CEO of REDI Cincinnati. “The Section Road site is the largest industrial site in Hamilton County. Greater Cincinnati needs ready sites like this one to attract next-generation manufacturing facilities. The more ready sites the region has available, the more competitive we will be to companies looking for a new location.”

Manufacturing jobs are an important driver to economic vitality. In March, the Port Authority and TechSolve Inc. released the results of a six-month manufacturing impact analysis conducted by the Economics Center at University of Cincinnati. The analysis, “Made in Hamilton County,” revealed that the number of people employed in manufacturing has decreased from 146,000 in 1969 to 48,000 currently. “Made in Hamilton County” study also analyzed and projected the potential impact of the Port Authority’s strategic initiative to redevelop industrial sites. The redevelopment of 500 acres will result in 8,000 new manufacturing jobs and an estimated \$14 million in real estate taxes. These jobs will be attainable by workers with a variety of education and skill levels, paying an average wage of about \$71,000 vs \$52,000 for a service-sector worker.

About the Program:

The Port Authority's groundbreaking Patient Capital Fund program invests in the acquisition and strategic repositioning of underutilized sites principally located within Hamilton County's industrial corridors. It is designed to create nominal financial return plus return of principal to qualified investors who seek social benefits related to accelerating regional growth by meaningfully increasing the inventory of sites ready for the attraction of advanced manufacturing in Hamilton County.

About the Port of Greater Cincinnati Development Authority:

The Port of Greater Cincinnati Development Authority is an economic development agency that initiates projects to improve property value and promote job creation throughout Hamilton County. It is governed by business and community leaders appointed by the City and the County to its board of directors. The Port Authority's legacy work includes remediation and repositioning former industrial sites throughout Hamilton County. Nearly 200 acres have been redeveloped due to Port Authority efforts, with an estimated \$1.35 billion of annual economic impact. Through the use of innovative financing tools, the Port owns 1 million square feet of downtown Class A office space, as well as numerous parking garages, apartments and other public assets throughout Hamilton County, and has issued more than \$600 million in bond financing. For more information, visit www.cincinnatiport.org.