

News Release



Ilene Shapiro – Summit County Executive
FOR IMMEDIATE RELEASE

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County Executive Ilene Shapiro, County Council and Development Finance Authority of Summit County Announce Down-Payment for Jobs Program

On Monday, April 3, 2017, Summit County Executive Ilene Shapiro, Summit County Council President John Schmidt, Chair of County Council's Planning and Economic Development Committee Jeff Wilhite and Development Finance Authority of Summit County ("DFA") Executive Director Chris Burnham announced the formation of the Down-Payment for Jobs Program. The program will strengthen the DFA's Jobs and Investment Bond Fund ("Jobs Fund") as an economic development tool for the region by creating jobs and improving the quality of life for Summit County residents.

The County will deposit \$2 million of its \$300 million inactive fund portfolio into the DFA's Jobs Fund reserves. The County's \$2 million deposit will serve as a backstop to new debt issued from the Jobs Fund, and will allow the DFA to issue an additional \$14 million in bonds to keep the region growing and working.

This contribution comes at an important time as the DFA successfully used the Jobs Fund to finance several projects, and anticipates that, with four new financing transactions on the horizon in 2017, its lending capacity will be reduced to \$12 million. The new \$2 million deposit of County funds will increase that lending capacity to \$26 million, which will be loaned for development and construction projects in and around Summit County.

"During my time as County Executive, I am making it a priority to develop new tools for the County's economic development toolbox," said County Executive Ilene Shapiro. Today, we are making a Down-Payment on Jobs which will serve as a \$14 million tool to create jobs for the people of Summit County. I would like to thank Fiscal Officer Kristen Scalise and her staff, Jeff

Wilhite, Chair of Council's Planning and Economic Development Committee, and Chris Burnham and the Board and Staff of the Development Finance Authority for working with my office and staff the last several months to put together an innovative and creative program to keep the people of Summit County working."

The money deposited with the Jobs Fund reserve will remain County money and will be invested at the direction of Summit County Fiscal Officer Kristen Scalise. All interest earnings on the \$2 million deposit will continue to flow to the County's General Fund. Additionally, the money deposited by the County is at minimal to no risk in the Jobs Fund reserve. Nearly two-thirds of the debt issued from the Jobs Fund is secured by government payments, tax-increment financing payments and special assessments. Additionally, the Jobs Fund currently possesses \$17 million in reserves that would be drawn upon prior to the County's deposit. In effect, the County's deposit would be at no more risk in the Jobs Fund than if it remained in the County's core portfolio.

The DFA's Jobs Fund was created in 2004, and since that time has issued over \$82 million in bonds, with over \$37 million of that being issued in Summit County. The Fund financed projects for companies like Goodyear, Lockheed Martin, the Cleveland Cavaliers and Shearer's Foods, and funded part of the East End Development in Akron and the East Bank of the Flats renovation in Cleveland. These projects create both construction and permanent jobs, and play an ongoing key role in revitalizing our economy.

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(left to right) Summit County Council President John Schmidt, Summit County Executive Ilene Shapiro, Chair of County Council's Planning and Economic Development Committee Jeff Wilhite and Development Finance Authority of Summit County ("DFA") Executive Director Chris Burnham