

News Release



Ilene Shapiro – Summit County Executive
FOR IMMEDIATE RELEASE

Date: May 12, 2017

Contact: Jason Dodson
Chief of Staff
jdodson@summitoh.net
330-643-2075

County of Summit, Development Finance Authority of Summit County Fund Down-Payment for Jobs Program to Spur Local Development

On Friday, May 12, 2017, Summit County Executive Ilene Shapiro announced that the County of Summit and the Development Finance Authority of Summit County (“DFA”) have signed all documents necessary to fund the Down Payment for Jobs Program. Announced in early April, the Down-Payment for Jobs Program strengthens the DFA’s Jobs and Investment Bond Fund (“Jobs Fund”) as an economic development tool for the region, allowing it to create additional jobs and improving the quality of life for Summit County residents.

By the close of the day Friday, Summit County Fiscal Officer Kristen Scalise will deposit \$2 million of the County’s \$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. Coupled with its current expected lending capacity of \$12 million, the Jobs Fund will now have the capacity to lend \$26 million to local development projects.

“The Down Payment for Jobs Program represents another step forward for our community, and will allow important projects to be funded as access to traditional means of capital remains limited in the post-recession market,” said County Executive Ilene Shapiro. “This type of collaborative program is what sets Summit County apart as the High Point of Ohio, and I thank Summit County Fiscal Officer Kristen Scalise, Summit County Council and the Development Finance Authority of Summit County for partnering with my office to make this program a success.”

“We have been successful at leveraging the DFA’s Jobs and Investment Bond Fund in the past and the County’s ‘down-payment’ will strengthen our position to invest wisely in meaningful areas of our community,” said Development Finance Authority President Chris Burnham. “The County’s investment into the Jobs Fund is a productive approach to create and retain area jobs

and I look forward to continuing to work with our outstanding leaders in the County Executive's Office, County Fiscal Office, and Summit County Council.”

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.



From the April 3, 2017 Press Announcement. Left to right: DFA President Chris Burnham, Summit County Council President John Schmidt, Summit County Executive Ilene Shapiro, Summit County Councilman Jeff Wilhite.

-END-