



For Immediate Release

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Port Authority agrees to finance job-generating film production, health care projects

CLEVELAND – May 19, 2010 – The board of the Cleveland-Cuyahoga County Port Authority agreed today to provide \$58 million in financing to give a boost to two development projects in northeast Ohio.

The port will be issuing \$5.2 million bonds for an \$11.7 million project that will result in the production of three films in by New York-based Nehst Creations, which has a film production studio that is located in the Cleveland Convention Center. Nehst is providing an equity contribution of \$6.5 million to the project. The State of Ohio offered a tax break for the project, while Cuyahoga County and the City of Cleveland guaranteed part of the financing of the project. Bond proceeds will be secured with revenues from the films.

The project will result in the creation of an estimated 100 full-time jobs and will advance northeast Ohio's efforts to become more involved in the job-producing industry of movie making.

In addition, the port authority will be issuing \$46 million in bonds that will refinance the existing facility and finance the expansion of the Independence Research Park, which was originally a research facility for Republic Steel, and now a steadily expanding and growing office and research building. Most of the building will be leased and used by the Cleveland Clinic. The Clinic recently signed a 15 year lease to be an anchor tenant for the building. The Clinic's lease payments will be used to pay off the bonds.

The port authority has a long history of helping with the financing of job-creating projects and is credited with assisting local projects valued at more than \$1.5 billion. No taxpayer dollars or port funds are ever used to generate financing through the port's bond program. The bonds are sold to private investors, and the port functions as a facilitator for local businesses and those investors.

"These two projects are excellent examples of the port's unique financing abilities being put to work to grow our local economy," said Steve Williams, chairman of the port's board. "In addition to our focus on maritime operations, the port is interested in helping to finance sound projects that help retain or create jobs."

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Larry Meistrich, Chairman & Founder of Nehst Studios said: “This project is a giant step forward toward growing the film-making business in Cleveland. This project could well be the seed that grows many more movies produced in Cleveland. It also demonstrates how the public and private sectors are working together to make this area more competitive.”

Richard Pace, Chief Executive Officer of Cumberland Development, LLC which owns, manages and is leading the Independence Research Park Project added: “This project represents expansion in the health care industry, which is a vital and growing part of greater Cleveland’s economy. This means good-paying jobs located in Cuyahoga County.”