



HEATH - NEWARK - LICKING COUNTY
PORT AUTHORITY



A Comprehensive View

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Port Authority Closes On Bath & Body Works HQ Project

By The Numbers

- **\$230 million in revenue bonds**
- **\$3.5 million in sales tax savings converted to public infrastructure investment**
- **900,000 square foot headquarters and distribution center**
- **600 jobs created and retained**
- **\$301 million in total Port Authority financings since 2002**

"This is the first time in Ohio the sales tax savings due to port authority participation has been monetized to pay for public infrastructure. We expect this will be the first of many projects to use this technique in Ohio."

— Michael DiPerna, President
DiPerna Economic
Development Advisors

In August 2014, the Heath-Newark-Licking County Port Authority closed on a transaction with L Brands that matched the Port Authority's unique ability to issue revenue bonds with community infrastructure needs. The sales tax savings conversion that resulted is a creative, first-ever use by a port authority in Ohio.

Before construction began in the International Beauty Park, the City of New Albany approached Licking County for support with the infrastructure costs associated with the proposed project. The 221-acre HQ site is located in the Licking County side of New Albany and Jersey Township. Understanding the impact the headquarters project would have on the regional economy, the Port Authority originated a creative financing mechanism that helped to boost the 600-job project but also solve some of the public infrastructure needs of the surrounding development area.

Here's how it works: The Port Authority agreed to issue up to \$230 million in revenue bonds through its *Potentia Financing* program for the Bath and Body Works headquarters. Port Authority revenue bonds uniquely bring with them a sales tax savings on the building materials used in construction. The capital lease agreed to with L Brands provides for the conversion of the savings to repay New Albany for a portion of its committed public infrastructure costs. A minimum of \$3.5 million of the sales tax savings will be used to pay for public infrastructure in the City.

Will this program work for you? Every project is different and the Port Authority can tailor its creative financing tools to fit project needs. Contact the Port Authority for more information.



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