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Strategic Investment Fund Completes First Close of \$34 Million for Investment in Catalytic Real Estate Projects

Announces New Strategic Focus and Partners with RIDC

(PITTSBURGH – Sept. 18, 2023) - Strategic Investment Fund Partners (SIF), a private sector source of gap financing for catalytic real estate projects in southwestern Pennsylvania, has completed a first close at \$34.1 million in a private offering from its existing investors – and announced a new strategic focus and manager for the fund.

SIF invests in projects with the potential to revitalize communities across the region. It has now adopted a new strategic plan that broadens SIF’s impact by supporting worthwhile projects around the 12-county region that require a *flexible* source of capital that *but-for* SIF’s participation would not close their financing gaps. It has retained the Regional Industrial Development Corporation of Southwestern PA (RIDC) to manage the fund, identify projects, perform underwriting, recommend investments to the SIF Board and provide oversight of investments. RIDC has also agreed to invest 10% of the amount ultimately raised, up to a \$5 million limit.

Founded in 1996 by the Allegheny Conference on Community Development (ACCD), this private sector initiative has previously supported 67 projects with \$171.2 million in financing. Looking ahead, SIF will adopt a more deliberate regional strategy to include worthwhile projects in a 12-county region.

The Allegheny Conference will continue to be the point of contact for investors and general administrative support.

The Fund intends to complete its fundraising by the end of 2023. The current fund’s investors (Limited Partners) for the initial close includes 20 corporations and foundations.

“SIF investors are stepping forward to provide critical financing for catalytic projects that can transform communities,” said SIF Board Chair David J. Malone, Chairman and CEO of Gateway Financial Group. “Building on a foundation that has had a meaningful impact downtown and in other neighborhoods, SIF is now moving ahead, leveraging the experience of RIDC, and planning to provide support for catalytic projects across the Pittsburgh region.”

The type of “gap” financing SIF provides is intended to bring projects to fruition that have other sources of financing but would be unable to move forward without the additional investment from SIF. The flexibility SIF offers makes new and innovative projects more feasible. Projects must align with one of the following strategic criteria:

- **Regional Cores Investment Strategy (RCIS):** Support regional downtowns by maintaining quality office space, converting vacant buildings, and investing in desirable amenities for workers, residents and visitors.
- **Research & Development Led Industry Strategy (RDIS):** Develop properties integral for the growth of research and development driven companies.
- **Strategic Site Acquisition Strategy (SSAS):** Provide purchasing power when certain projects advance SIF's goals and other strategies.
- **Innovation Strategy (IS):** Remain flexible and responsive to projects that further SIF's mission and objectives as the regional economy evolves and new opportunities present themselves.

RIDC President Donald F. Smith, Jr. noted that: "Southwestern Pennsylvania is a regional economy and projects across the region can have a region-wide catalytic effect, attracting businesses and creating jobs for our communities. SIF's new regional strategy is an important tool for bringing projects to reality and building economic momentum."

In addition to David Malone, SIF's Board of Directors, which approves investment decisions, includes John A. Barbour, Shareholder, Buchanan Ingersoll & Rooney; Helen Hanna Casey, CEO, Howard Hanna Real Estate Services; Gretchen R. Haggerty, Retired EVP & CFO, United States Steel Corporation; Sylvan M. Holzer, Retired Special Advisor to the Chairman, PNC Financial Services Group, Inc.; William E. Hunt, President & CEO, The Elmhurst Group; Eric C. Johnson, Retired Chairman & CFO, The Hillman Company; David Morehouse, Senior Advisor to the President, Pittsburgh Steelers; Dan Onorato, EVP and Chief Corporate Affairs Officer, Highmark Health; Stefani Pashman, CEO, Allegheny Conference on Community Development; Don Smith, President, Regional Industrial Development Corporation and Kevin Wade, EVP and Corporate Real Estate Executive, PNC Financial Services Group, Inc.

More information on SIF can be found at www.strategicinvestmentfund.org.

About SIF:

The Strategic Investment Fund is a private sector source of financing for investments and loans to projects with the potential of creating significant economic impacts in communities around the 12-county region of Southwest Pennsylvania. Founded in 1996 by the Allegheny Conference and now managed by RIDC, the Fund's purpose is to fill gaps in financing of projects that can spark job creation, community development and economic growth.

About RIDC:

The mission of the Regional Industrial Development Corporation of Southwestern PA is to catalyze and support economic growth and high-quality job creation through policy advocacy, real estate development and finance of projects that advance the public interest. A not-for-profit entity, RIDC has developed over 2,800 acres in 15 industrial and innovation parks and manages over 7 million square feet. More information is available at www.ridc.org.

About Allegheny Conference:

The [Allegheny Conference on Community Development](http://www.alleghenyconference.org), a private, non-profit, whose mission is to improve the economic future and quality of life in the 10-county Pittsburgh, founded the Strategic Investment Fund (SIF) in 1996. Since the SIF's creation, two funds were capitalized from corporations,

foundations and individuals. In 2020, the Allegheny Conference presented its [10-year plan](#) focused on regional vitality and creating a next-generation economy for all. In response, the SIF realigned its investment strategy to prioritize loans in support of catalytic economic development and community revitalization projects with a focus on historically excluded areas. A third SIF offering, which will close by the end 2023, will be used to advance the realigned investment strategy, with the Allegheny Conference providing both investor and administrative support services.

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