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University of Cincinnati Is First U.S. Public University to Sell Green Bonds.

During the first week of December, the University of Cincinnati will enter the market to sell approximately \$29 million in Green Bonds to fund a portion of the estimated \$35 million renovation of campus' Scioto Hall.

This step will make UC the first public university in the United States to bring a Green Bond to market. (The first-ever higher education green bond in the country was by the Massachusetts Institute of Technology in September 2014, when MIT issued refunding bonds to pay off existing debt related to green projects.)

Green Bonds are a relatively new segment of the municipal bond market. A green bond is one in which the proceeds are used to fund environmentally friendly projects, such as ecological construction or projects associated with energy efficiency, clean water, river/habitat restoration and more. Green Bonds were first issued by the World Bank in 2008 as a means to finance environmentally friendly projects and to help stimulate and coordinate public and private sector activity to combat climate change.

The General Receipts Bonds, Series 2014C, that UC will market on or about Dec. 2, meet the definition of a green bond as they will fund the majority of the costs of the Scioto Hall renovation where energy efficiencies and energy recovery system as well as reuse and recycling of materials will be prominently featured in the building's redesign. After it reopens for use in August 2016, Scioto is expected to earn a minimum of Leadership in Energy and Environmental Design (LEED) Silver Certification from the U.S. Green Building Council, as has its "twin" structure, Morgens Hall, which was recently renovated with sustainable features and design.

Including Morgens, seven major buildings at UC are already LEED Gold, LEED Silver or LEED certified.

UC President Santa Ono stated, "The University of Cincinnati was among the first public universities to be recognized by the Princeton Review as a best 'green' school. We continue to expand our commitment to sustainability through our academic master plan and the university's Creating Our Third Century goals. Green bonds are a natural next step in our efforts to foster a deliberate and responsible approach to our environment."

Robert Ambach, UC senior vice president for administration and finance, explained that the university is designating this Series as a Green Bond, as it meets the voluntary, best-practices Green Bond Principles established in January 2014 by environmental finance experts and banks.

He added, "Since sustainability is woven into all aspects of the university in terms of academics, research and extracurricular activities, it only made sense to further extend that to our financing. UC is already nationally recognized for our sustainable energy efficiencies and savings and our high-performance green buildings. That momentum will only continue at UC, and this step is an important milestone in our focus on sustainability."

The University of Cincinnati

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