

FOR IMMEDIATE RELEASE

Arctaris Impact Investors Announces \$40M Investment into Erie Opportunity Zones

Through a new partnership with Erie Insurance and The Erie Community Foundation, Arctaris will provide funding to revitalize Erie's downtown corridor

Erie, Pa., June 30, 2020—Arctaris Impact Investors, LLC (“Arctaris”) announces today the launch of *Arctaris Erie*, a \$40 million commitment to invest in the revitalization of Erie's downtown corridor, in partnership with Erie Insurance (ERIE) and The Erie Community Foundation (ECF). This program will provide Opportunity Zone investment capital to transform the city center into an inclusive space where all residents can work, live, eat, and play.

The majority of the \$40 million will be invested in urban core revitalization projects in partnership with the Erie Downtown Development Corporation (EDDC), and the remainder in other Mission Related Investments (MRI) within Erie County. This partnership will leverage Erie's existing competitive strengths which include its strong anchor institutions and deeply committed philanthropic community.

The City of Erie contains eight federally designated Opportunity Zones, including some of the lowest-income zip codes in the United States. *Arctaris Erie* will assess and evaluate the social and community benefits of each Erie investment, and these results will be shared with local and national stakeholders over the 10-year program.

“The *Arctaris Erie* program fully embraces the spirit of the Opportunity Zone initiative to revitalize underinvested communities and establish long-term solutions for socioeconomic challenges,” said Jonathan Tower, Founder and managing partner of Arctaris. “Arctaris is excited to partner with Erie Insurance and The Erie Community Foundation to help bolster the economy for Erie residents.”

With over 11 years and five funds focused on impact investments in low-income communities, Arctaris has launched programs similar to *Arctaris Erie* in underserved communities throughout the U.S., including [Arctaris Cuyahoga](#), [Arctaris Maine](#), [Arctaris Baltimore](#) and [Arctaris Michigan](#). Arctaris plans to announce additional community-focused Opportunity Zone programs through 2020 and 2021, awarding \$25 million or more to up to 10 cities, counties or states that are selected to participate in the program. This [Arctaris Opportunity Zone initiative](#) will provide 80% of program funding alongside a 20% match from government partners, foundations, or private industry.

“We're thrilled to have attracted an investor of Arctaris Impact's caliber to Erie,” said Tim NeCastro, president and CEO of Erie Insurance. “This significant infusion of capital accelerates our work to revitalize Erie's downtown and catalyzes other potential investors.”

Erie Insurance invested \$25 million in the Arctaris Opportunity Zone Fund in June and has committed to increase that investment to \$50M in 2020. The Erie Community Foundation also committed to invest \$5 million in Arctaris to expand mission related projects in the community. For Erie Insurance and the ECF,

investing in Arctaris' Opportunity Zone Funds allows for an infusion of new capital investments in the city's revitalization efforts at a higher level than either organization could invest independently.

"Arctaris brings 11 years of expertise and substantial financial, government, and philanthropic relationships that can be leveraged for additional grants and investments in Erie," said The Erie Community Foundation President Michael Batchelor. "[The Kresge Foundation's support of Arctaris](#), and their partnership with Harvard's [Institute for a Competitive Inner City](#), will provide Erie with direct access to research and important best practice models."

An Erie Insurance representative will have voting rights on the Arctaris Investment Committee and a seat on the Community Advisory Committee. Both Erie Insurance and The Erie Community Foundation will have seats on the *Arctaris Erie* advisory board. Arctaris will serve as investment adviser and fund manager and will maintain at least one full-time employee in Erie.

"Recent current events place greater urgency for Arctaris to expand our Opportunity Zone investment efforts nationwide," said former mayor of Philadelphia, Michael A. Nutter, who serves as a Board Member of Arctaris with responsibility for the firm's mayoral relations nationally. "The opportunity for social and economic mobility is essential to building healthy communities and improving quality of life for all citizens."

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About Arctaris Impact Investors

To learn more about the Arctaris Opportunity Zone Investment initiative visit www.arctaris.com or send an email to OZ@arctaris.com to request an RFP package. Local and state government officials or foundations are invited to submit proposals to Arctaris by September 1st, 2020. Proposals will be evaluated on the basis of both social impact and financial viability, and program commitments will be awarded on a rolling basis through 2020 and 2021.

Arctaris Impact Investors, LLC is a Boston-based impact investment firm with experience spanning more than 11 years, 5 funds, and both debt and equity investments. The firm manages the Arctaris Opportunity Zone Fund (2019), the Arctaris Impact Fund (2018), and three earlier Arctaris funds which invest in growth-oriented operating businesses and community infrastructure projects located in underserved communities. Founded in 2009, Arctaris has partnered with the Kresge Foundation, Harvard Business School Professor Michael Porter's Initiative for a Competitive Inner City, and multiple other foundation, federal and state government agencies to invest in Opportunity Zones, inner cities and targeted rural communities throughout the U.S., with the aim of delivering above-market investment returns alongside positive social impact. For more information visit www.arctaris.com.

About Erie Insurance

According to A.M. Best Company, Erie Insurance Group, based in Erie, Pennsylvania, is the 11th largest homeowners insurer, 12th largest automobile insurer in the United States based on direct premiums written and the 16th largest property/casualty insurer in the United States based on total lines net premium written. The Group, rated A+ (Superior) by A.M. Best Company, has nearly 6 million policies in force and operates in 12 states and the District of Columbia. Erie Insurance Group is a FORTUNE 500

company.

News releases and more information about Erie Insurance Group are available at www.erieinsurance.com

About The Erie Community Foundation

The Erie Community Foundation, 459 West 6th Street, works to improve the quality of life in our region by evaluating and addressing community issues, by promoting responsible philanthropy and by connecting donors to the critical needs of the community.

To learn more visit, www.ErieCommunityFoundation.org