SCIENCE CITY
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Secretary, Department of Economic Development and Commerce
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SAN JUAN’S KNOWLEDGE CORRIDOR IS THE FLAGSHIP INITIATIVE OF A NEW ECONOMIC AGENDA FOR PUERTO RICO
Why Puerto Rico?

PUERTO RICO HAS AN ESTABLISHED AND GROWING LIFE SCIENCES INDUSTRY
- SECOND HIGHEST EMPLOYER IN THE LIFE-SCIENCES IN THE U.S.
- PUERTO RICO STANDS OUT AS ONE OF THE ONLY TWO U.S. JURISDICTIONS THAT ARE SPECIALIZED IN 4 OF THE 5 BIOSCIENCE INDUSTRIES.

PUERTO RICO IS A GLOBAL CENTER OF BIO-PHARMACEUTICAL MANUFACTURING
- 25% OF ALL PHARMA. PRODUCTS SHIPPED WORLDWIDE ARE MANUFACTURED IN PUERTO RICO

PUERTO RICO IS HOME TO CENTERS OF SCIENTIFIC INNOVATION AND EXCELLENCE
- UNIVERSITY OF PUERTO RICO (9,000 GRADUATES IN THE SCIENCES)
- NEW MOLECULAR SCIENCES LAB + CANCER CENTER

PUERTO RICO AND SAN JUAN OFFER AN EXCEPTIONAL URBAN LIFESTYLE BRAND
- TROPICAL VIBRANCY OF CULTURE
- UNIQUE QUALITY OF LIFE
The Vision

Science City is to become a globally recognized innovation hub connecting and integrating Puerto Rico science and technology ecosystem.

As a multidisciplinary international center of collaboration, it will inspire new ideas, inventions and enterprises, resulting from its vibrant and rich environment to innovate, work, and live.
Science City - Project Vision and Eligible Activities

1. Research or development activities in science and technology.

2. Education, training and professional development in the fields of research or development in science and technology.

3. Provision of services and technology including consultancy, studies, analysis, collection, management and management of intellectual property, management of incubators and the financing of innovations and inventions.

4. Attraction of scientific human resources to Puerto Rico.

5. Development of science parks and adequate social infrastructure for research or development activities.

6. Research projects and development of renewable energy technology.

7. Other activities that will contribute to research growth, development of science and technology, and/or economic development of Puerto Rico.
The Puerto Rico Science, Technology & Research Trust is seeking a development partner to *develop, build, lease, manage and finance* on a long-term basis the new 68-acre Science City development site within the Science City District in San Juan, Puerto Rico.

The Development Site is cleared with approvals in place to create 6 million *square feet* of *state-of-the-art*, mixed-use, transit-oriented, life sciences, technology, and research community, with supporting residential, retail, and lodging uses.
Benefits of Science City

To support private development efforts to attract tenants to Science City, developers of the Site can take advantage of numerous tax incentives including:

- Full real estate tax abatement
- Full sales tax abatement on construction materials and capital equipment
- Full exemption from Federal Income Taxes for bona fide residents of Puerto Rico and Puerto Rican corporations
- Competitive tax incentives to attract investors, tenants and employee

Science City specific incentives:

- Up to **$250,000** of the compensation received by eligible researchers/scientists residing in Puerto Rico and conducting work within the Puerto Rico Science District created by Act No. 214 of 2004, as amended will be exempt from Puerto Rico income taxes (Section 1031.02(a)(27)).
- Sales tax exemption on construction materials and capital equipment

¹ This exemption is independent and separate to the other incentives discussed herein.
ECONOMIC CLUSTERS ALONG TRANSIT CORRIDOR
ILLUSTRATIVE PLAN:
SCIENCE CITY
The Science City Site is located in the heart of San Juan’s dynamic Knowledge Corridor, surrounded by many publicly- and privately-owned hospitals, universities and research institutions such as the above-mentioned Comprehensive Cancer Center and new Molecular Sciences Research Center, the University of Puerto Rico Medical School, the University of Puerto Rico Rio Piedras campus, Centro Médico de Puerto Rico campus with eight (8) hospitals, and the San Juan Veteran’s Administration Hospital.

Science City is home to the Puerto Rico Science Technology and Research Innovation Center, the Puerto Rico Consortium for Clinical Investigation, the Technology Transfer and Commercialization Office, and the Center for Tropical Biodiversity and Bioprospecting.

The Site is also located at the intersection of two major highways (PR-18 and 21); is in walking distance to two transit stations on the Tren Urbano, and within a ten-to fifteen-minute drive from the nearby San Juan Luis Munoz Marin International Airport (SJU), which links the island with the rest of the Caribbean, the United States, Central and South America and Europe.
Science city  HOME OF …

PUERTO RICO SCIENCE TECHNOLOGY AND RESEARCH TRUST INNOVATION CENTER

PUERTO RICO VECTOR CONTROL UNIT LABORATORY

PUERTO RICO ENVIRONMENTAL SCIENCES LABORATORY
Potential Tenants

A Science City marketing assessment was performed, generating a list of potential tenants for the site, based on Puerto Rico’s R&D capabilities and competitive factors:

- Availability of scientists in the sector
- Labor cost assessment for the R&D personnel.

Main tenant targets include:

- Medical Device sector
- Information Technology
  (identified as the most competitive sector)
- Biopharmaceutical and biotechnology companies, including a small number of CMOs.
Partnering with the Trust – Advantages

1. Providing a clean and cleared site with approvals in place to be leased to a long-term development partner.

2. Construction completed for Laboratory Road, and budgeted for Science City Boulevard, which will complete the Site’s main roads with utility access.

3. Securing formal and informal relationships with adjacent health care and educational institutions, including the University of Puerto Rico, Molecular Sciences Research Center incubator and the Comprehensive Cancer Center facility to encourage spin-off firms to locate at the project.

4. Being located on-site, and partnering with the selected developer to retain and attract new tenants.
What Do We Need?

The **68-acre Science City** development site within the Science City District in San Juan, Puerto Rico.

Site is cleared with approvals in place to create 6 million square feet of state-of-the-art, mixed-use, transit-oriented, life sciences, technology, and research community, with supporting residential, retail, and lodging uses.
Next Steps

1. Perform assessment process with interested parties

2. Select Strategic Partner and develop a detailed proposed scope of work and all financial projections. August 2017

3. Develop and deploy a joint marketing program to attract new tenants

4. Start site development with current projects: Forward Center Building and Science City Boulevard
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