



# TxDOT State Infrastructure Bank

Presented by Dallas Teston, TxDOT, SIB Program Lead



## SIB Loans



- Revolving fund - All repayments go back into the SIB
- Non-federal dollars

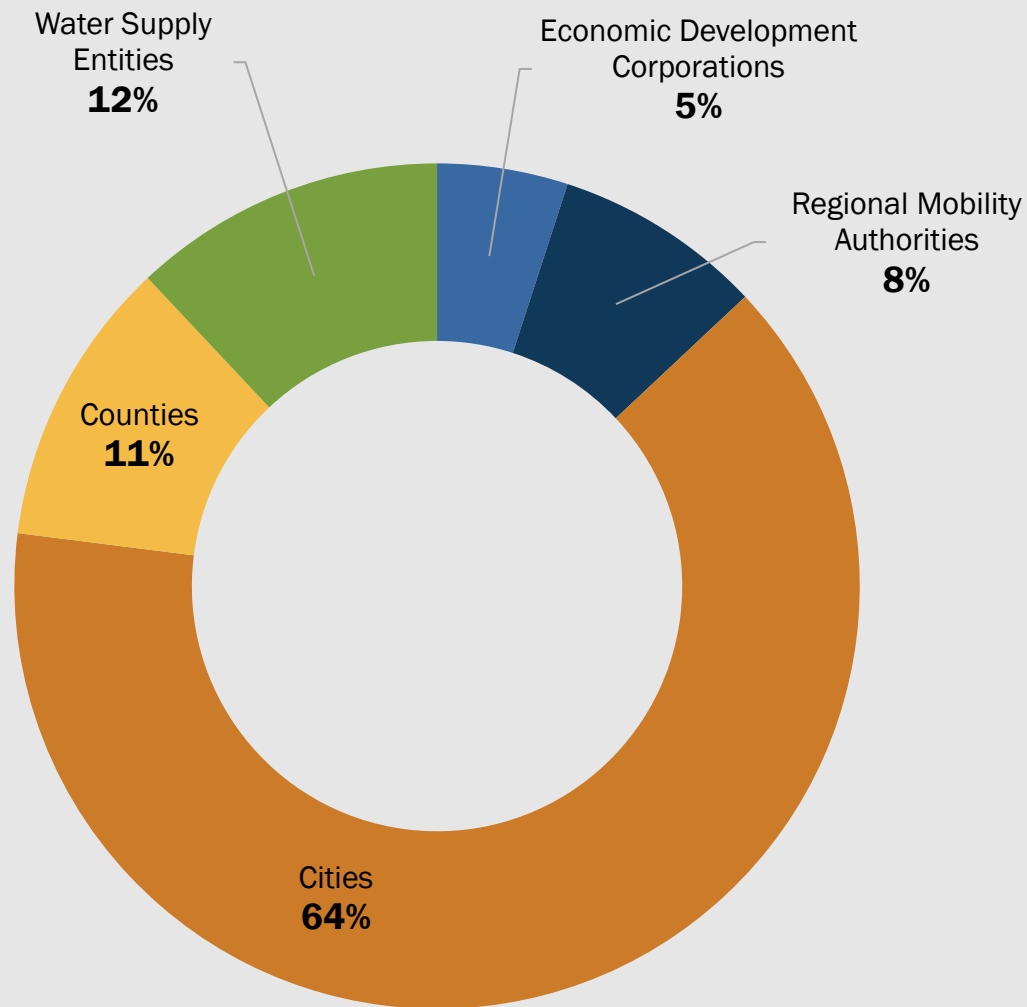
**146 Loans** – Since inception (1997)

- Loans have ranged from \$10,000 to \$42m
- Median loan amount approximately \$1m

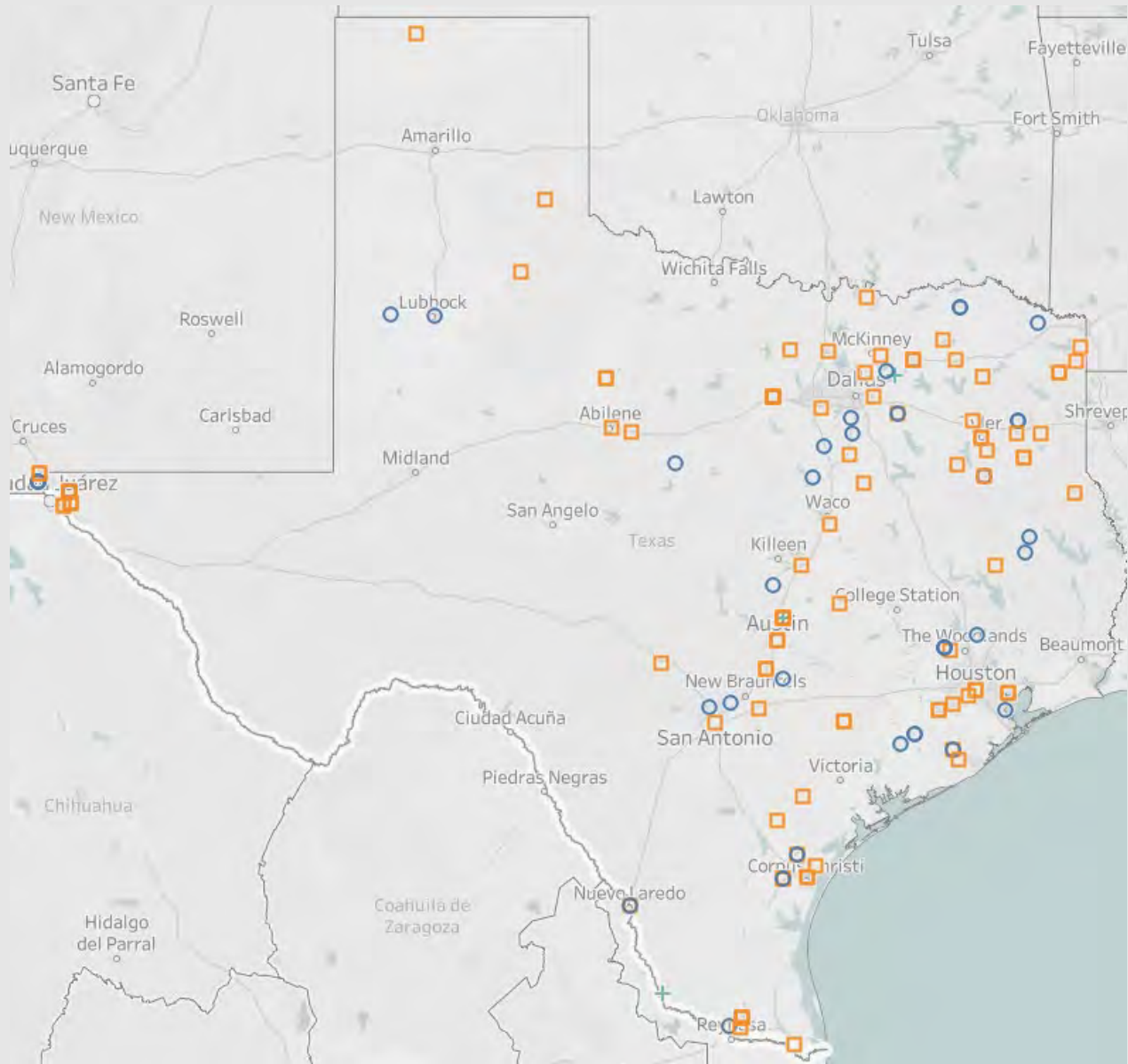
**\$728 Million** – In loans

**\$482 Million** – Repaid

**\$8 Billion** – In Texas transportation projects



# SIB loans around the state



| Borrower | Amount    | Year | Project                     |
|----------|-----------|------|-----------------------------|
| Belton   | \$691,000 | 1999 | Expansion of FM 93          |
| Robinson | 130,000   | 2001 | ROW purchase on US 77       |
| Whitney  | \$117,500 | 2014 | Utility relocation on FM933 |

## Eligible Projects

- Eligible under federal highway programs.
- On or off-system roadways can be eligible.
  - Must be functionally classified above a rural minor collector.
- Generally, projects eligible under Title 23.

### Eligible Uses Include\*

Construction or reconstruction

Contingency

Right of way acquisition

Utility relocation

Local match or joint bid

Financial & Legal advisory fees

\*Funds cannot be used to reimburse costs



## Eligibility example – Waco



### Legend

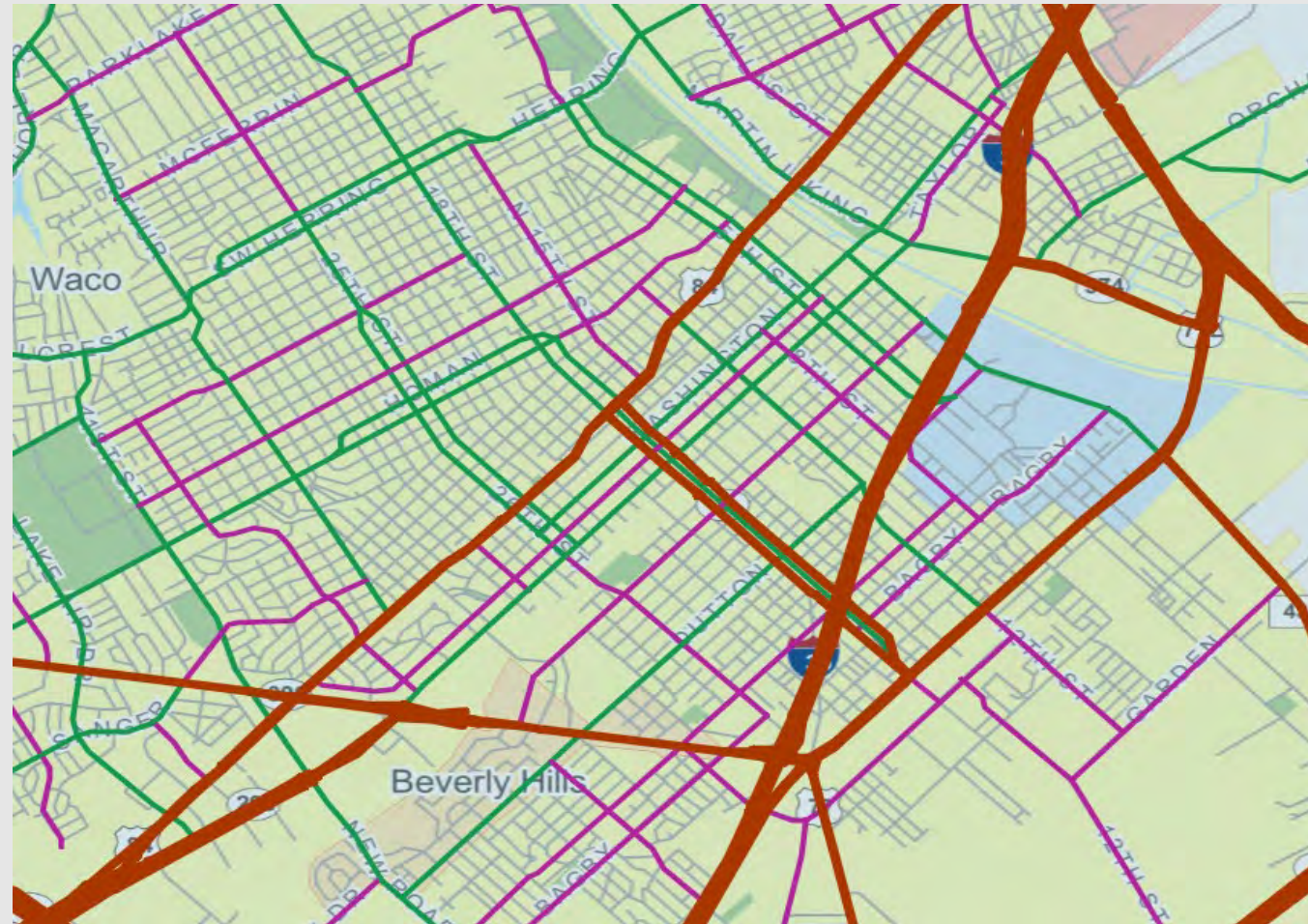
Orange – On-System

Roadways

Green – Minor Arterial

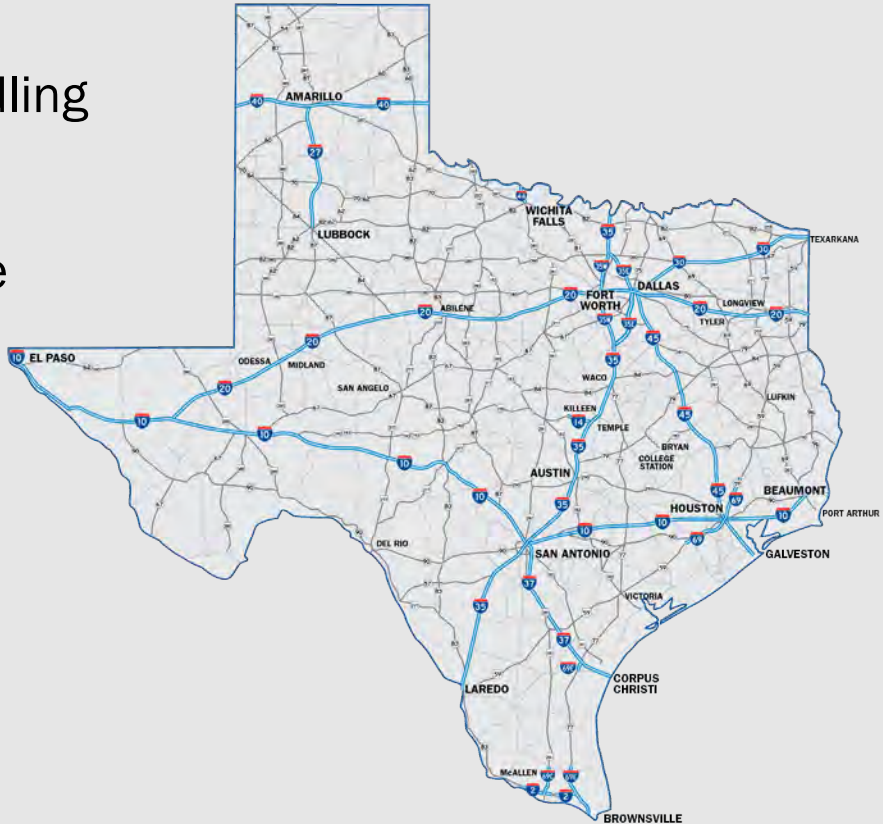
Purple – Major Collector

Yellow – Minor Collector

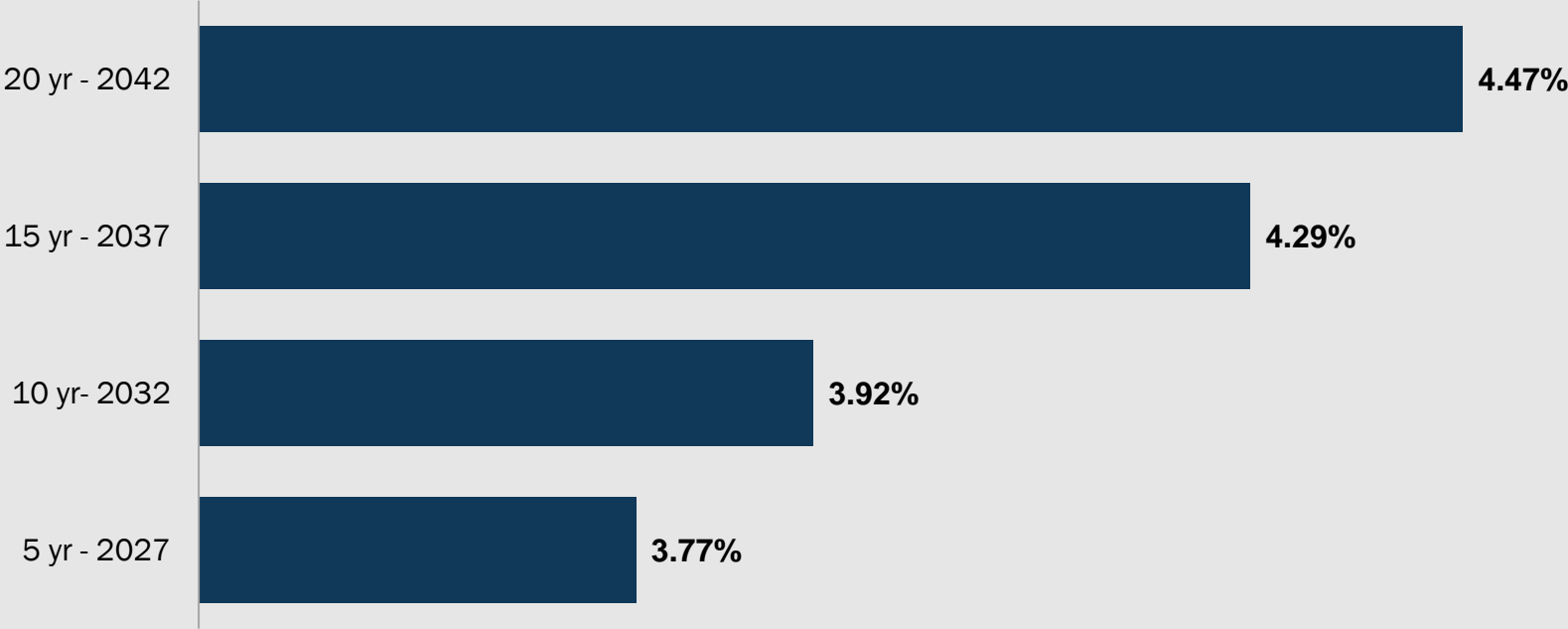




- Low cost of borrowing
  - No fees for loan application or handling
  - Direct loan agreement
- Prepayments can be made at any time
- Flexibility for debt service pinch points
  - Principal and interest payment deferments available
- Rate set at the time of application
- **At or Below Market Interest Rates**







*Market Rate Indications as of October 26, 2022, for A rated borrower.  
Rates change weekly, shown for illustrative purposes only.*



Discount for being in an economically disadvantaged county

- SIB interest rate is reduced in basis points by the amount of the adjustment percentage.

### Example – 50% EDC Adjustment

|                       |            |
|-----------------------|------------|
| SIB Interest Rate     | 4.00%      |
| <u>EDC Adjustment</u> | <u>.50</u> |
| Final Rate            | 3.50%      |

2-4 months

1-2 months

Submit a **SIB Application** and **Resolution** to apply for loan

TxDOT **Divisions** will **review** applications

**ENV approval** must be obtained prior to final approval

**Final TTC Approval\***

SIB loan **agreement** is **negotiated** (i.e. loan amortization schedule)

SIB loan agreement must be **approved by** the **local government**



\*If application is off-system or over \$10 million, additional Commission approval is required.



- SIB is a low-cost financing tool.
- On or off system roads may be eligible.
- Interest rate is fixed at the time of application.
- Entire process takes approximately 4-6 months.
- Transportation Commission approval is required for all applications.



### **Contact information**

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TXDOT.gov and search “State Infrastructure Bank”

- SIB Application
- General program information
  - Instructions to check eligibility
  - Informational flyers
  - Sample resolutions for the local entity