



Ohio State Infrastructure Bank

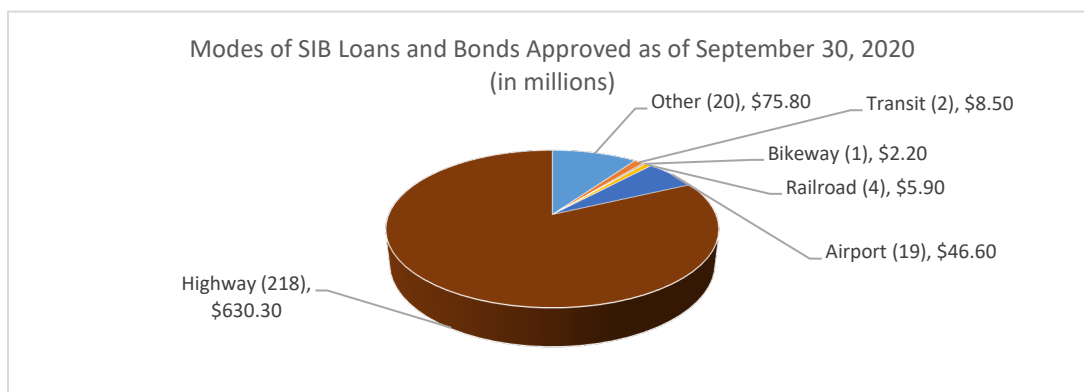


The Ohio State Infrastructure Bank (SIB) Program was authorized by the Ohio State Legislature in 1996, following Ohio’s selection as one of the 10 original SIB pilots authorized by the National Highway System Act of 1995. The mission of the SIB is to maximize the use of Federal and State funds through direct loans to fund eligible projects that contribute to the connectivity of Ohio’s transportation system and further goals such as corridor completion, economic development, competitiveness in a global economy, and quality of life.

Program Highlights

- The Ohio SIB, which is administered by the Ohio Department of Transportation (ODOT), was initially capitalized with a \$40 million authorization of State general revenue funds (GRF) from the Ohio State Legislature, \$10 million in State motor fuel tax funds, and \$87 million in Federal Title 23 Highway Funds.
- The SIB consists of two programs: the SIB Loan Program and the SIB Bond Program. Both programs have a State component (the Ohio GRF State Infrastructure Bank Program or “State SIB Program”) and a Federal component (Title 23 State Infrastructure Bank Program or the “Federal SIB Program”).
- Ohio has comprehensive bonding authority for its SIB, which has expanded its lending capacity. The Ohio SIB is one of four transportation SIBs that have issued bonds to leverage lending capacity.
- Since its inception, the SIB has issued 252 loans totaling \$674.9 million and 12 bonds totaling \$94.4 million, providing \$769.3 million in financial assistance to all modes of transportation except water.

Program inception	1996
Loan portfolio	\$350 million (as of September 30, 2020)
Interest rate	3% for SIB loans and market rate for SIB bond loans
Loan term	Based on the useful life of the asset being financed with a maximum of 30 years for SIB loans and 25 years for SIB bond projects
Size range	SIB Loans: \$15,000 to \$35 million SIB Bond Projects: \$2 million to \$20 million
Fees	SIB Loans: \$1,000 - \$10,000 (financial advisor fee) SIB Bond Projects: 1-3% of bond issuance amount



Eligibility

The table below lists the eligible borrowers and eligible projects. Currently, in the selection process preference is given for a borrower that has never utilized the SIB. The applicant's concentration of credit risk is also an important evaluation factor.

Eligible Borrowers

- Any public entity such as political subdivisions, State agencies, boards, or commissions, regional transit boards, and port authorities.
- Publicly dedicated roads and transportation or infrastructure facility projects are eligible but must have a local government sponsor to receive funding. The loan must go to a public entity and be pledged to be paid back with public funds.
- Local, State, Tribal, and Federal government entities.

Eligible Projects

- Public transportation projects for construction, reconstruction, resurfacing, restoring, rehabilitation, or replacement of public transportation facilities within the State.
- Any highway, transit, or other transportation project eligible for financing or aid under any Federal act or program.
- Other transportation projects, including rail, aviation, and intermodal facilities.

Spotlight on Innovation:

- **Expanding SIB Capitalization through Bonding.** By leveraging its SIB through the issuance of bonds, Ohio has significantly increased the amount of lendable funds and enabled SIB borrowers to benefit from the State's access to the national capital markets. SIB bonds are issued by the Ohio State Treasurer's Office on a project-by-project basis and are secured by a system of pooled debt service and reserve accounts. As of September 30, 2019, Ohio had issued 12 series of bonds, totaling \$94.4 million, ranging in size from \$3 million to \$30 million. Bonds are rated AA+ by S&P. Examples of SIB project loans funded with bond proceeds are highlighted below.
 - The proceeds of a **\$5.5-million SIB Bond** financed improvements to the Toledo-Lucas County Port Authority's Seaport facilities, including replacement of waterlines, hydrants, and service connections. The project also included the construction of two buildings located in the Port Authority's Foreign Trade Zone (FTZ) to replace an existing deteriorated building.
 - A **\$15.2-million SIB Bond** financed the acquisition, construction, improvement, and installation of two parking facilities for the Port of Greater Cincinnati Development Authority.
 - The proceeds of a **\$4.7-million SIB bond** issued for the Licking County Transportation Improvement District was used to partially finance the widening of State Route 310 for the purpose of accommodating a new Amazon fulfillment center located in Etna Township. The fulfillment center created 1,500 full-time and 4,000 seasonal jobs.

