

Loan to TID marks first in nation

September 20, 1996

The Butler County Transportation Improvement District (TID) today was the recipient of the nation's first State Infrastructure Bank (SIB) loan. The \$10 million loan to the TID is directed for initial construction of the Butler Regional Highway.

The loan program is a national pilot project authorized by Congress in 1995 to enable local governments to expedite transportation projects through low interest loans leveraging state and federal funds. Ohio is one of 10 states selected by the U.S. Department of Transportation to participate in the innovative funding program, but is the only state to actually establish a SIB and approve a loan.

The loan, granted through the Ohio Department of Transportation (ODOT), provides the initial funding to ensure construction of the \$90 million Butler Regional Highway. The 10.7 mile project will provide direct access to I-75 from central parts of Butler County. The loan will allow construction of the highway as early as March 1997.

"This funding vehicle is the final hurdle in the early phase of planning to ensure this highway will be built," said Ohio State Representative Mike Fox, who serves as chairperson of the TID Board. "The partnership we have developed with the state and federal governments on this endeavor is a shining example of reinventing government in a way to improve services, to save tax dollars and stimulate development of new jobs."

The Butler Regional Highway will relocate State Route 129 from the eastern side of Hamilton to I-75. Early discussion with neighboring communities have even explored extending the highway westward to I-71.

Under the SIB concept, a revolving loan fund is established, capitalized with \$30 million in state general revenue funds and \$70 million in federal transportation funds. The \$10 million loan provided today to the Butler County TID is part of a national movement to create innovative financing to fill the gap between available transportation funds and regional and state transportation needs.

"Today's loan is the result of a highly cooperative effort between ODOT, the Federal Highway Administration, the TID and Butler County Commissioners," said Darrell Barger, TID Director. "Under this effort, the state and federal agencies are providing financial assistance and technical guidance, while the TID provides local project management. Because Butler County Commissioners and our state officials had the vision and the courage to explore this new funding concept, the Butler Regional Highway is years, perhaps even decades, ahead of any traditional construction and financing schedules."

"When the Butler County Commissioners formed the first TID in 1993, we knew we would be breaking new ground in many areas," said Courtney Combs, commission

president. "This loan is one more example of the opportunities available when local governments are willing to take responsibility and share the cost of major projects, and when state and federal authorities enter into true partnerships for the good of the public."

"Today's event isn't the first innovation for transportation projects," said John Platt, ODOT chief of staff. "Ohio's legislature in 1993 adopted legislation which created the Butler County TID to address critical transportation issues. Ohio's involvement in such entities as the SIB and TID is pioneering the way toward innovative government concepts."

The 1993 legislation establishing the Butler County TID gives the County Commissioners the authority to issue bonds to fund the design, construction and maintenance of transportation projects. Costs can be paid through various funding sources including direct contributions by local governments, tax increment financing, tolls and vehicle registration fees.

Since forming the local TID, the 12-member board has undertaken planning and facilitation of other transportation projects vital to the area's growing economy. In addition to the Butler Regional Highway, recent projects include the Union Centre Blvd. Interchange with I-75, widening and extension of Muhlhauser Road in Union Township, and the widening and improvement of State Route 747 at the Tylersville Road intersection.