

Release Date: November 17, 1997

TID REPAYS FIRST SIB LOANS IN THE NATION

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The issuance of \$ 158,485,000.00 in Butler County Transportation Improvement District Highway Improvement Revenue Bonds on Nov. 6, allowed the TID to repay the three State Infrastructure Bank (SIB) loans from the Ohio Department Of Transportation (ODOT).

Authorized by the United States Congress in 1995, the SIB loan program is a national pilot project designed to enable local governments to expedite transportation projects through low interest loans. The TID received the first three of four SIB loans made in the nation. The first SIB loan was obtained on September 15, 1996, for \$10,000,000.00; the second SIB loan was obtained on January 15, 1997, for \$10,000,000.00; and the third SIB loan was obtained on May 29, 1997, for \$ 15,000,000.00. The TID is the first entity in the nation to repay SIB loans.

ODOT was paid \$ 36,562,103.00 for the three SIB loans made to the TID. The repayment consisted of the following: \$ 35 million in SIB Loan Principal; \$1,556,655.00 in interest; and \$ 5,448.00 in service fees. The total repayment was \$ 36,562,103.00.

"Ohio is a national leader in pioneering innovative financing concepts like the State Infrastructure Bank," said ODOT Director Jerry Wray. "The future of our transportation system depends on our becoming more creative in our approach to funding the system."

These SIB loans were instrumental in allowing the TID to keep an aggressive schedule for the acquisition of right-of-way and engineering on the Butler Regional Highway. Construction on the Highway is expected to begin early this Spring.

"If not for these SIB loans, the TID would have incurred a substantial amount of increased costs relating to the escalation of land values and increased inflationary costs for construction and engineering," said Darrell Barger, TID Executive Director. "The SIB loans clearly demonstrate the ongoing commitment of local, state and federal agencies to our projects. Through these partnerships with ODOT and the Federal Highway Administration, and with the SIB loans, the TID has become a model for local administration of transportation projects" said Barger.

Ohio is one of only ten states selected by the U.S. Department of Transportation to participate in this innovative financing program.

Under the SIB concept, a revolving loan fund is established and capitalized with \$30 million dollars in state general revenue funds and \$70 million dollars in federal transportation funds.