



TxDOT State Infrastructure Bank

Presented by Dallas Teston, SIB Program Lead





SIB Loans



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

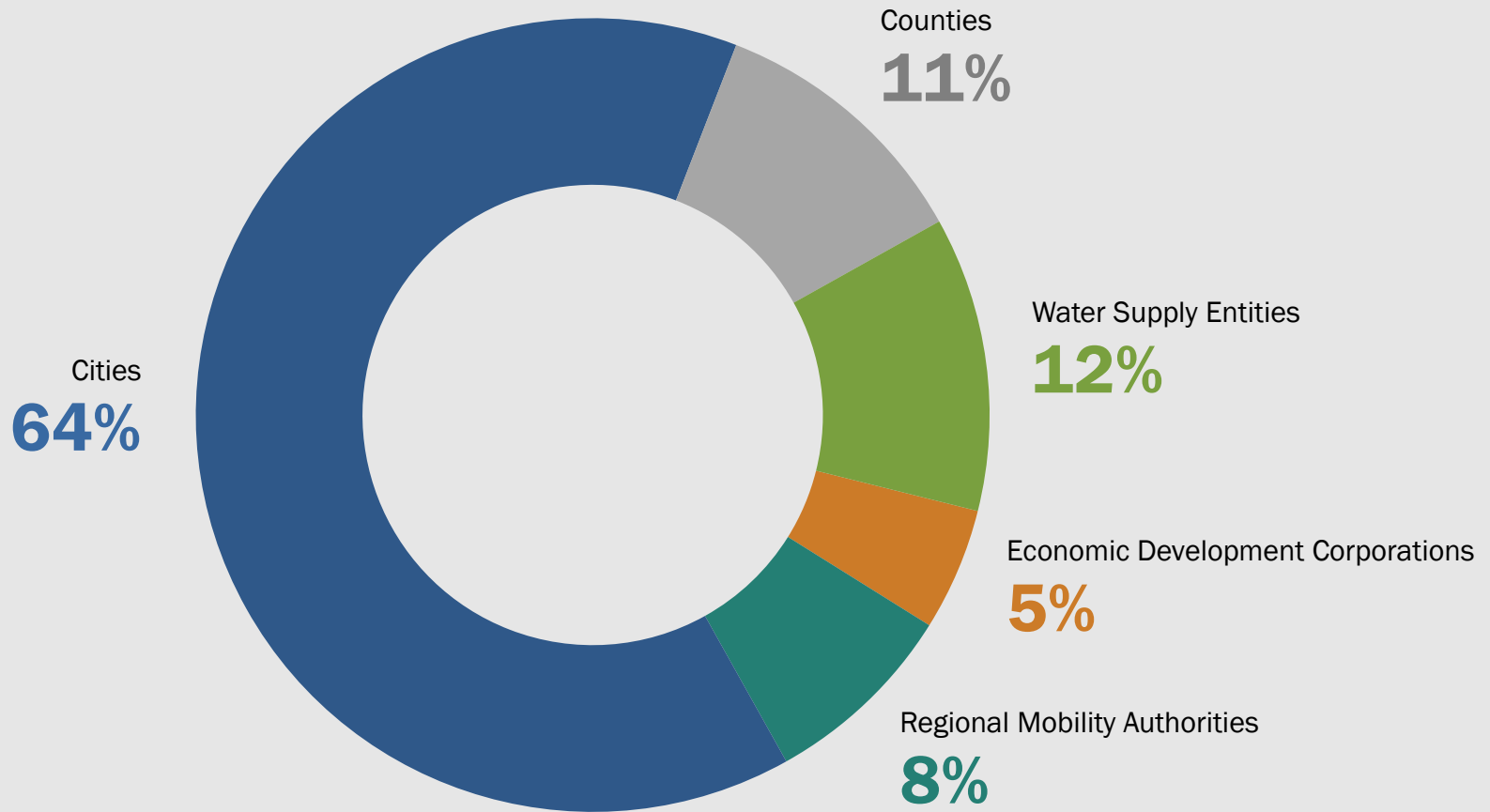
154 Loans – Since inception (1997)

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

\$762 Million – In loans

\$571 Million – Repaid

\$8.2 Billion – In Texas transportation projects



Loans in the area



Borrower	Amount	Year	Project
Wharton	\$5.5M	2022	Utility relocation on US 59 (Future I-69)
Wharton	15.0M	2021	Extension of FM 1301
West Columbia	770K	2020	Utility relocation on SH 36
Seabrook	3.7M	2018	Utility relocation on SH 146
El Campo	8.0M	2016	US 59 Improvements
Brazoria	\$195K	2008	Utility relocation on SH 332



Eligible projects

- Eligible under federal highway programs.

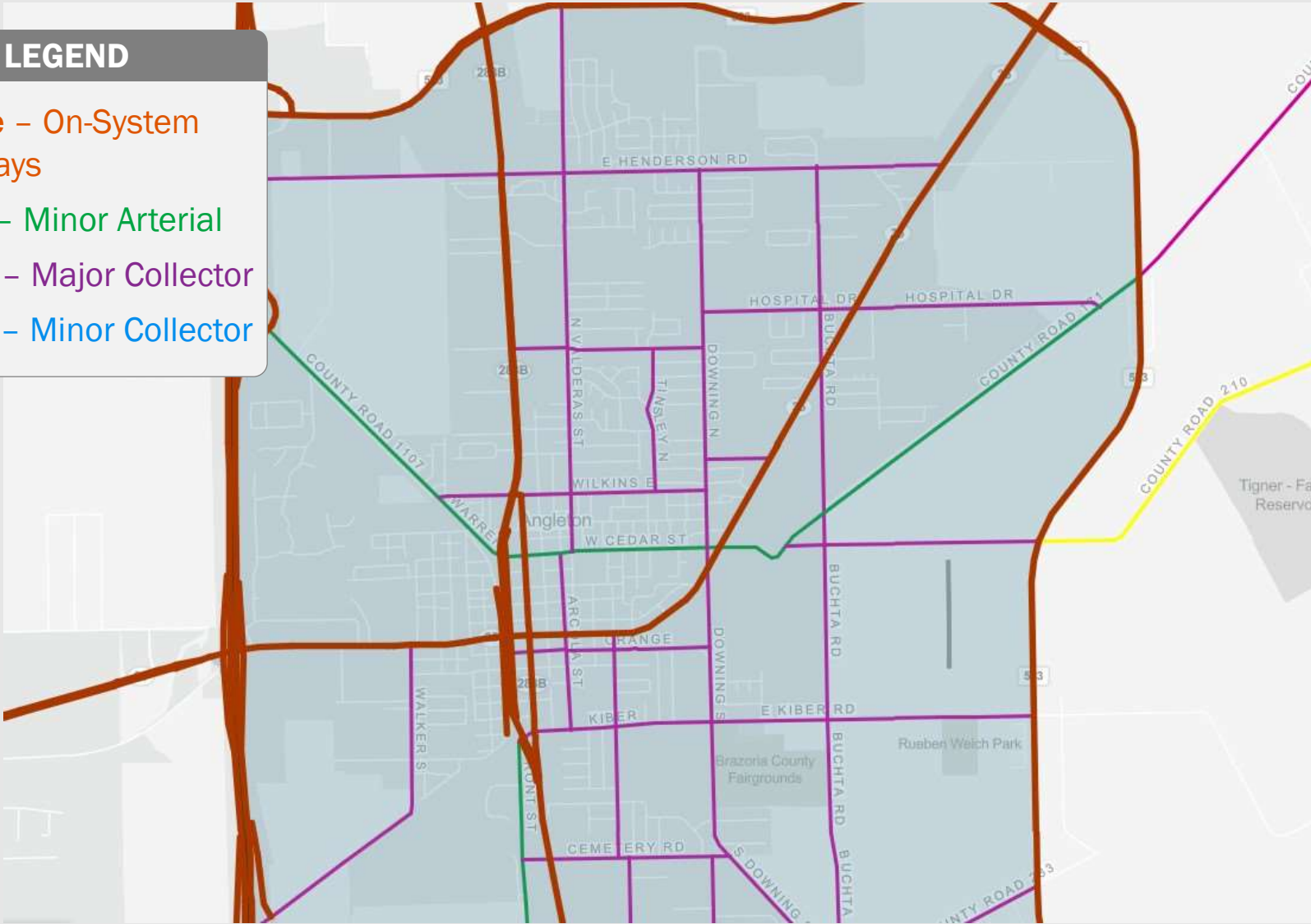
- On- or off- system roadways can be eligible.

- Generally, projects eligible under Title 23.
 - Transportation Alternative projects
 - Off-system bridge program
 - High-Risk Rural Roads



LEGEND

- Orange** - On-System Roadways
- Green** - Minor Arterial
- Purple** - Major Collector
- Yellow** - Minor Collector





Eligible Uses Include*

Local match for eligible projects

Construction or reconstruction

Utility relocation

Right of way acquisition

Contingency

Financial & Legal advisory fees

**Funds cannot be used to reimburse costs*



When can a SIB loan be used for utility relocation?

- Required relocation for a TxDOT project.
- Elective relocation or other utility work – ONLY when an eligible project is ALSO being done.
- CANNOT be used for a standalone utility project.



Low Cost of Borrowing

- \$0 loan application
- \$0 closing costs
- \$0 loan handling
- Form of agreement
 - Direct loan agreement (authorized in TTC §222.0745)
 - Certificate of obligation
 - Bonds



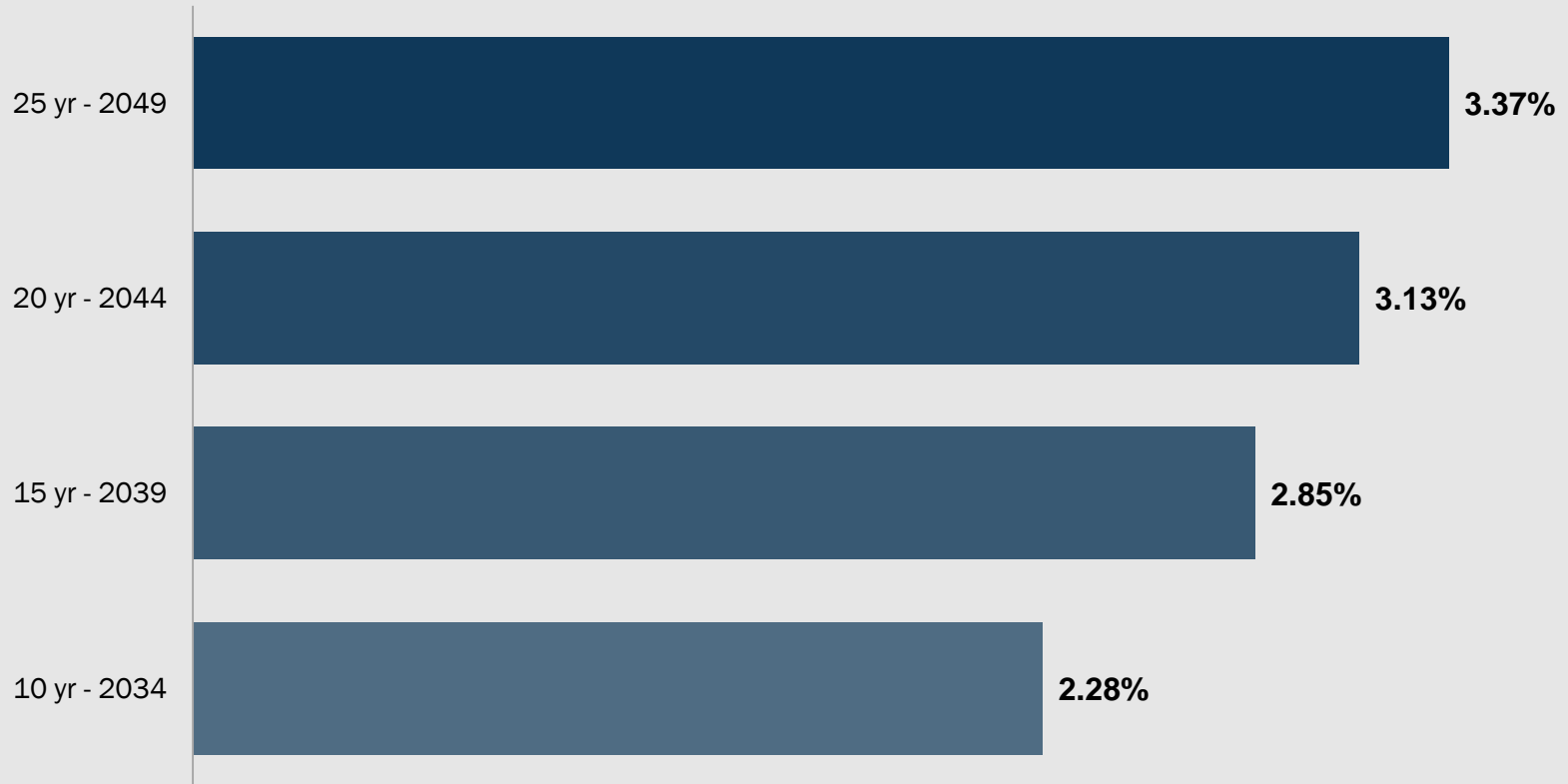
Repayment Terms

- Prepayments can be made at any time.
- Flexibility in repayment.
 - Most repayment frequencies acceptable.
- Deferments
 - Full deferral of principal and interest.
 - Interest only payments.
 - Interest capitalizes during deferment period.



Interest Rate

- Rate set at the time of application.
- Fixed rate for the life of the loan.
- Municipal Market Data index (MMD)
- 2 main factors
 - Credit Rating
 - Term of the loan



*Market Rate Indications as of January 10, 2024.
Rates change weekly, shown for illustrative purposes only.*



How it works

AAA rate (20 years)	3.13%
Rate spread (AA Rating)	+ 0.20
EDC Reduction (Brazoria County)	(.95)
<hr/>	
Final Rate	2.38%



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**





- SIB is a low-cost transportation 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:

Dallas Teston

512-463-9958

Dallas.Teston@txdot.gov

TXDOT.gov and search “State Infrastructure Bank”

- SIB Application
- General program information
 - Informational flyers
 - Sample resolutions for the local entity

