



## Oregon Transportation Infrastructure Bank

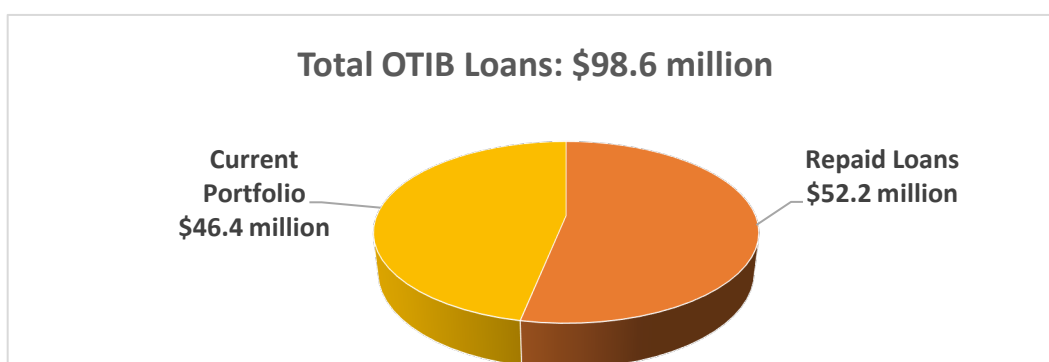


The Oregon Transportation Infrastructure Bank (OTIB) is a statewide revolving loan fund designed to promote innovative financing solutions for transportation needs, leverage additional funds for infrastructure, and encourage innovative financing techniques to further Oregon's livability and economic competitiveness. Oregon's program has been focused on small communities and rural communities to support and advance Federal-aid projects.

### Program Highlights

- The OTIB was initially capitalized with \$11.6 million in Federal highway funds and \$2.9 million in Federal transit funds for a total Federal capitalization of \$14.5 million. The Federal funds were matched with \$757,979 of State highway funds.
- Since its start, the OTIB has funded 57 loans totaling \$98.6 million.
- The OTIB legislation authorizes issuance of up to \$200 million of revenue bonds to capitalize the bank. To date, no OTIB revenue bonds have been issued by the State.
- Leveraging State and Federal funds through OTIB is a component of ODOT's long-term investment strategy to bridge the gap between needed and available funding.
- A unique feature of the OTIB is the use of loan proceeds to match Federal funds, geared toward rural and small community projects.

Program inception	1996
Loan portfolio	\$46.4 million (as of September 30, 2020)
Interest rate	Based on the term of the loan, an evaluation of the credit quality of the applicant, and prevailing market rates.
Loan term	30 years or by the end of the useful life of the project, if shorter. Repayment must begin within 5 years of project completion.
Size range	No set minimum or maximum
Fees	1% loan fee at closing for loans with a term in excess of 1 year.



## Eligibility

The table below lists the eligible borrowers and eligible projects. OTIB loans may be used to cover up to 100 percent of the costs of a transportation project. Eligible project costs include preliminary engineering, environmental studies, acquisition of right-of-way, equipment, construction including project management and engineering, inspections, financing costs, and contingencies. The OTIB favors projects with quick loan repayment schedules.

### Eligible Borrowers

- Cities
- Counties
- Transit districts
- Other special districts
- Port authorities
- Tribal governments
- State agencies
- Private for-profit and not-for-profit entities

### Eligible Projects

- Highway projects such as roads, signals, intersection improvements, and bridges.
- Transit capital projects such as buses, equipment, and maintenance or passenger facilities.
- Bikeway or pedestrian access projects on highway rights-of-way.

## Spotlight on Innovation:

- **Matching Strategy to Advance Local Projects.** Oregon has effectively used SIB loans to match Federal grants, facilitating numerous projects at the local level. Examples include the following loans:
  - **\$10 million loan to the City of Medford** to match a \$3 million Congestion Mitigation and Air Quality (CMAQ) grant to fund the Foothill Road widening project. The project is designed to alleviate congestion, generate safety improvements with the integration of bicycle and multi-use paths along the roadway, and complement the investments the city has made along the corridor.
  - **\$768,000 loan to Union County** to match an \$8 million Federal Lands Access Program (FLAP) grant fund the Palmer Junction Road project. This project involved needed improvements to the road, which is a rural major collector, used by industrial truck traffic, school buses, and residents, providing the primary access between Umatilla National Forest and Elgin, Oregon.
  - **\$247,000 loan to the Rogue County Transportation District** to match a Federal Transit Administration grant. The OTIB loan allowed Rogue County to preserve the area's only operations and call center for "one call, one click" transit service by facilitating the purchase of the existing building.
  - **\$2.5 million loan to the City of Molalla** to contribute the city's portion of a \$9 million project to fund the construction of a roundabout at Cascade Highway, OR 213 and Toliver Road. This project is designed to provide significant safety benefits for bicycle and pedestrian users and autos; provide adequate capacity and minimize delay, and accommodate for freight movement.
- **Partnering with the Private Sector.** In 2018, OTIB provided a \$2.2 million loan to the Mt. Hood Meadows Ski Resort to match a \$1.3 million grant through FLAP. These funds were used to assist with the construction costs of replacing a culvert on Highway 35, and to complete various safety improvements, including adding several turn lanes around Mt. Hood.

