

Texas State Infrastructure Bank

Low cost transportation financing

The Texas State Infrastructure Bank (SIB) offers financial assistance in the form of **at or below market rate loans** to public or private entities authorized to construct, maintain or finance an eligible public highway project.

Who are eligible borrowers?

Typical SIB borrowers include:

- Cities.
- Counties.
- Regional Mobility Authorities.
- Municipal Utility Districts.
- Water Supply Corporations.
- Special Utility Districts.
- Private Utilities.
- Economic Development Corporations.

What are SIB loans typically used for?

The SIB can be used for a variety of elements associated with a highway construction project. *The Texas Department of Transportation (TxDOT) can provide analysis on projects to help determine eligibility.*

- On or off-system highway construction.
- Monetary contribution to a project.
- Right-of-way acquisition.
- Utility relocation.
- Legal fees.
- Financial advisor fees.

To receive a SIB loan, a project must also be eligible for assistance under existing federal highway rules (Title 23, United States Code), must be environmentally cleared (NEPA), consistent with the Statewide Transportation Improvement Program (STIP) and consistent with the transportation plan developed by the local metropolitan planning organization (MPO).

Advantages for SIB borrowers

Low cost of borrowing

- **No fees** for application or loan handling.
- Loan interest rate set at the time of completed SIB application.
- Prepay loan **without penalties** at any time.
- Entities within an Economically Disadvantaged County receive an **additional** interest rate discount.
- **No minimum loan amount.**
- Maximum loan amounts set based on size of the program.

Flexible loan terms

- Deferred interest or principal.
- TxDOT utility reimbursements built into loan schedule.
- Full or partial interest only periods.
- **Flexible payment options** – annual, semi-annual, quarterly.
- Sculpted loan schedule.
- **Payment dates can sync to match other debt service schedules.**
- Disbursements when the money is needed.
- Align with TxDOT agreement terms.



Have questions?

Please call 512-463-9958 or e-mail TexasSIB@txdot.gov to reach us.

Visit our website at txdot.gov, keyword "SIB."

