

# SIB Loans

TXDOT State Infrastructure Bank loans for  
MPO Local Match

# Grant Funded Program Overview

Grant Funded Program executes federally & state funded transportation projects

Metropolitan Planning Organization (MPO)

- Regional Priorities
- Regional Mobility Strategy (RMS) 2050

TXDOT

- Highway Safety Improvement Program (HSIP)
- Highway Bridge Program
- International Bridges

Discretionary Grants

- Rebuilding American Infrastructure with Sustainability and Equity (RAISE)
- Dept of Transportation
- Federal Highway Administration (FHWA)
- Federal Transit Administration

Support CID

- Community Progress Bond
- Transportation Planning and safety



# Grant Funded Program Funding History

## 2018-2024

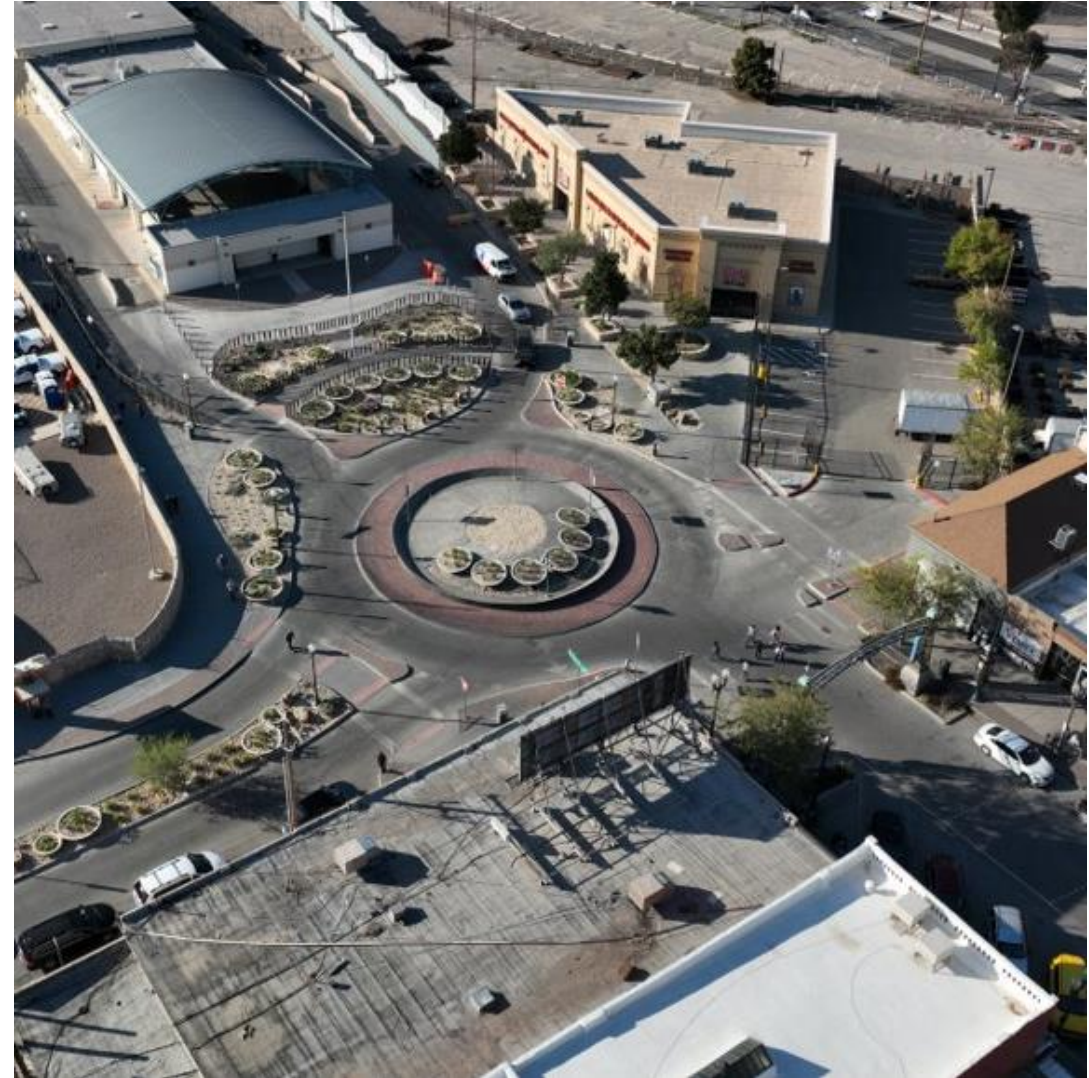
- Approximately \$117.5M in Projects
- Approximately \$32.3M in City Match and Contributions (27%)

## Past Funding

- Historically funded by COs
- \$7.7M in 2017
- \$10.9M in 2018

## 2024 Funding

- Capital Asset Sales to fund the MPO Match for FY24 and FY25
  - FY24 - \$6,890,000.00
  - FY25 - \$11,181,092.60



# What are SIB Loans

- TXDOT State Infrastructure Bank
- Low interest loans for transportation infrastructure projects
  - Federally eligible projects – Title 23
  - Construction or reconstruction
  - Right of way acquisition
  - Utility relocation
  - Contingency
  - Local match
  - Financial & Legal advisory fees

# Who is using SIB Loans

Borrower	Total Amount	Year	Projects
Camino Real RMA (4)	\$86m	2010-2021	IH-10 Widening Loop 375 Direct Connector Loop 375 NE Extension Project Direct Connectors
El Paso County (2)	\$9.5m	2018-2021	Pellicano Dr Widening IH-10 Construction
El Paso (3)	\$21.4m	2000-2011	Paseo Del Norte & Zaaragoza Bridge Stanton Bridge Multiple Bridges
Horizon City (3)	\$465k	2000-2008	Darrington Rd Expansion Ashford Reconstruction
Socorro (2)	\$738k	2001-2003	FM 76 ROW Horizon Blvd ROW
Anthony (2)	\$476k	1998-2001	Spur 6 Utility Relocation and ROW

# Benefits to SIB Loans

- Fixed, low interest rate
- Zero lending costs
  - No application fees
- Short Timeline for Funding
  - 6-8 months from Application
- Entities in an economically disadvantaged county receive an interest rate discount.
- **Alternative to 1-time funding from capital assets**

# Rate Calculation

- The SIB uses the Municipal Market Index (MMD) to set interest rates. This index is updated weekly.
  - Rates are set at the time of application.
    - The rate will be reset if the loan does not go before the Texas Transportation Commission within 12 months.
  - Rate is determined based on the current credit rating of the borrower and the term of the loan
    - The SIB team will use the AAA MMD scale for the term requested for the week of the application.
    - A small premium will be applied based on the credit rating and requested term of the loan
- El Paso EDC Reduction: - 55 bps
- AA Rating: AAA + 10 bps

# Rate Calculation

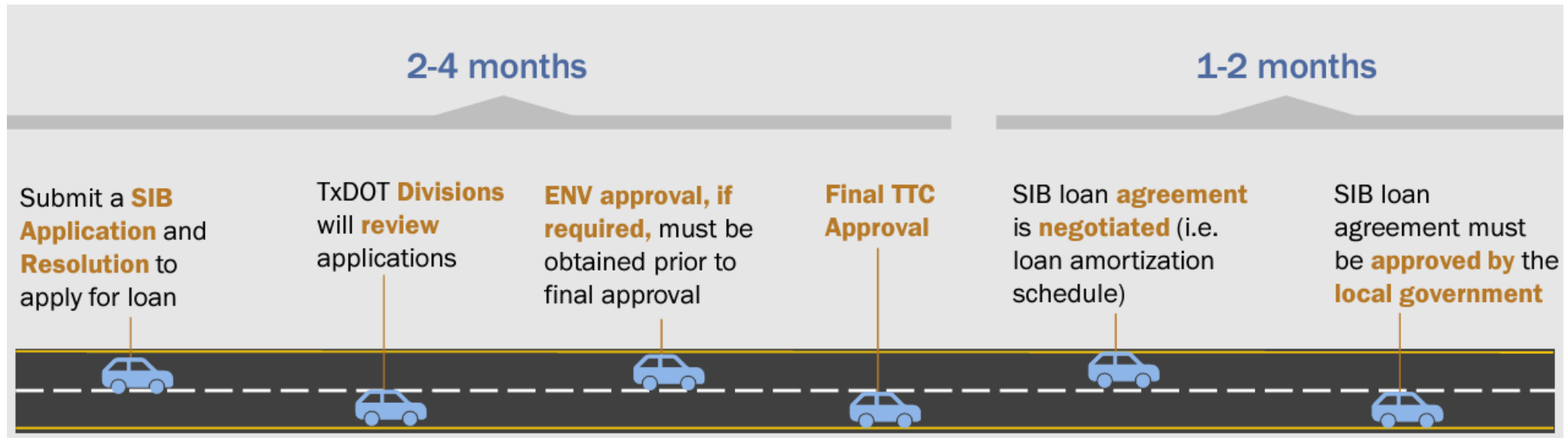
## Possible Loan Breakdowns

### El Paso - Sean Haggerty

Loan Amount	\$ 7,364,726.00			
COEP Rating	AA			
# of Years	10	15	20	25
Annual Rate	2.57%	2.94%	3.43%	3.73%
Annual Payment	\$ (844,531.08)	\$ (614,243.69)	\$ (514,913.34)	\$ (457,974.77)
Total Interest	\$ (1,080,584.83)	\$ (1,848,929.36)	\$(2,933,540.74)	\$ (4,084,643.30)

# SIB Loan Timeline

- 5-7 month TXDOT process
- City process will add 1-2 months
  - Application completion
  - Council Resolutions for application and execution

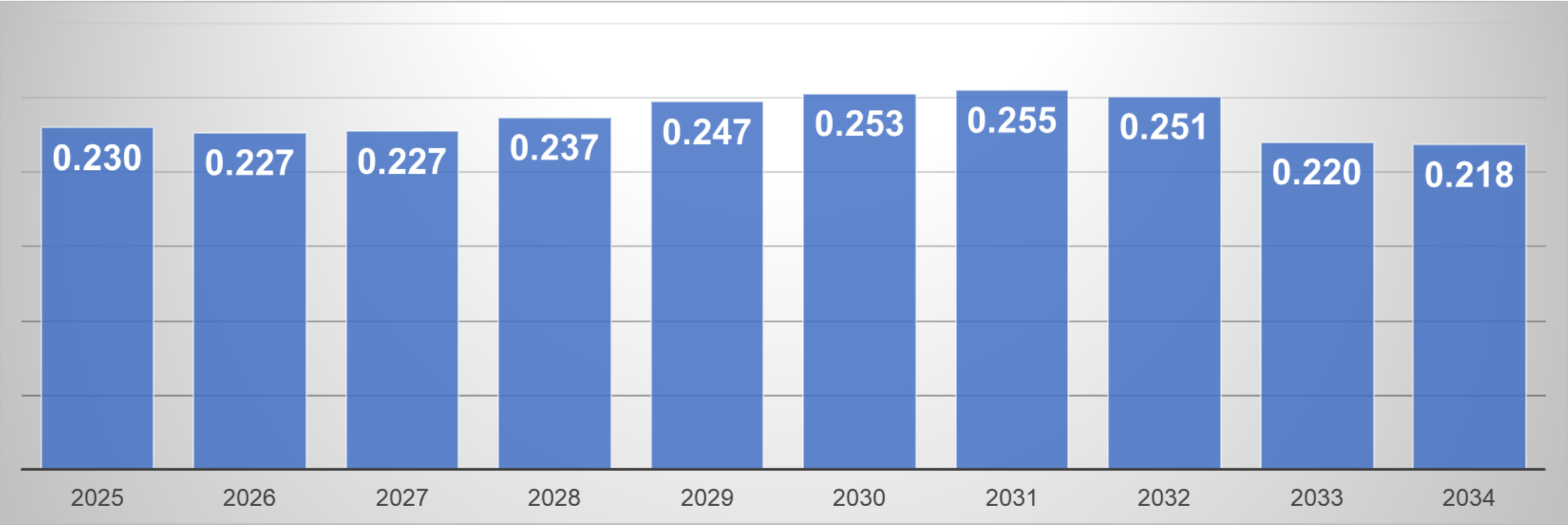


# SIB Loan Eligible Projects

- Single loan agreements for larger projects.
- Potential to group smaller projects

Project Name	Year of Expenditure	Estimated Local Match	Total Project Cost
<b>FY 24</b>			
Sean Haggerty Connection	FY 25	\$7.36 M	\$34.00 M
<b>FY 25-28</b>			
TMC Upgrades	FY 26	\$6.80 M	\$25.50 M
CBD IV	FY 26	\$5.90 M	\$16.50 M
Railroad Dr Reconstruction	FY 26	\$6.10 M	\$19.40 M
Playa Drain SUP	FY 26	\$1.20 M	\$5.90 M
SS4A	FY 26	\$2.50 M	\$12.40 M
Buffalo Soldier Reconstruction	FY 27	\$1.80 M	\$8.40 M
Sun Valley Dr Improvements	FY 27	\$2.60 M	\$6.20 M
Sunland Park SUP	FY 27	\$1.10 M	\$5.30 M
<b>Grouped Projects (Active Transportation less than \$1M)</b>			
Downtown Bicycle Infrastructure	FY 26	\$0.80 M	\$2.70 M
McRae SUP Ph1 & Ph2	FY 26	\$0.31 M	\$5.60 M
Connected Bike Lanes TASA	FY 26	\$0.09 M	\$1.90 M
Border Traveler and Cargo ITS	FY 28	\$0.60 M	\$2.60 M
Video Surveillance & Count Stns Ph II	FY 28	\$0.90 M	\$4.10 M
Brown St Shared Use Path	FY 28	\$0.90 M	\$4.10 M
Shadow Mountain Dr SUP	FY 28	\$0.16 M	\$1.20 M
		<b>Total</b>	<b>\$39.12 M</b>
			<b>\$155.80 M</b>

# Projected Debt Service Property Tax Rate



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total Future Issuances
2019 Public Safety Bond	36,873,848	79,893,336	79,893,336	49,165,130					245,825,650
2022 Community Progress Bond	33,957,000	39,616,500	39,616,500	22,638,000	22,638,000	22,638,000	22,638,000	22,638,000	226,380,000
SIB Loans	31,064,726	5,500,000	2,560,000						39,124,726
	<u>\$101,895,574</u>	<u>\$125,009,836</u>	<u>\$122,069,836</u>	<u>\$71,803,130</u>	<u>\$22,638,000</u>	<u>\$22,638,000</u>	<u>\$22,638,000</u>	<u>\$22,638,000</u>	<u>\$511,330,376</u>

## Next Steps

- Sean Haggerty Resolution – April 14
  - Council Resolution required to approve applications
  - 2<sup>nd</sup> Council action to execute agreements.
  - Loan amount - \$7,364,726
    - Includes Utility Relocation & Contingency
  - 25 years
  - $\approx 3.73\%$
- Grouped Loan for TA and Small Projects for FY26

## Requested Action

- Recommend approval of the use of SIB loans to fund MPO match as an alternative to capital asset sales and approval of resolution to submit loan applications for local match requirements through FY28 for up to \$39.12M.