

Georgia Transportation Infrastructure Bank

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What is the GTIB?

- * O.C.G.A. 32-10-120-133 provides for the creation of the GTIB
- * Purpose is to assist in financing qualified projects by providing loans to government units for constructing and improving highway and transportation facilities necessary for public purposes, including economic development.

What Are Eligible Projects?

- * Highways, bridges, air transport and airport facilities, rail, and transit or bicycle facility which provides public benefits by either enhancing mobility and safety, promoting economic development, or increasing the quality of life and general welfare of the public.

Details of the Loan

- * Loan Amount: Range from \$25k to no more than 25% of the annual GTIB appropriations.
- * Interest Rate: Based on the Merrill Lynch Tax Exempt Bond Index, or equivalent.
- * Loan Terms: Min. 5 yrs – max. 20 yrs or the useful life of the project.
- * Max spend down period of 5 years
- * Priority to projects close to starting or currently under construction
- * FY 2012 Funding: Approx. \$22m for loans; and \$20m for grants

Maximizing the GTIB

- * How to leverage the GTIB loan to move up the timeline on larger projects.
 - * Example: A project that would take 5 years of SPLOST revenues to begin could be started today and SPLOST revenues could be allocated each year to pay off the loan.

Maximizing the GTIB

- * Advantages:
 - * Project can be started and completed at today's cost, saving on inflation
 - * Taxpayers receive more immediate return on their SPLOST investment by having the project completed faster
 - * Savings on inflation would likely offset interest

A Loan is Not an Option

- * Consider partnering with or working to establish a Community Improvement District (CID) which is eligible for grant money under the GTIB
 - * Promotes collaboration in identifying eligible projects
 - * Could improve competitive stance in attracting new prospects to your county, resulting in economic growth.

How Can ACCG Help?

- * What can ACCG do to help make the GTIB a more useful resource for county governments?
- * What, if any, further education would you like to see on the subject?
- * Questions?
- * Suggestions?