

Franklin County Infrastructure Bank Program Summary *1st Funding Round*

Purpose

The purpose of the Franklin County Infrastructure Bank (FCIB) is to encourage and accelerate investment in infrastructure projects that will result in significant economic growth and job creation, achieved through flexible financing and technical assistance. *All projects must result in a specific economic development result as the main criteria for eligibility and project selection.*

Parameters

The FCIB is a revolving loan fund (the “FCIB Loan” or “Loan”) administered by the Franklin County Economic Development and Planning Department. Basis Loan parameters include:

- 1) Below market interest rate Loans: Interest rates will be established prior to each funding round fixed at .25% below then existing AAA MMD rates;
**Example: currently 1.75% for a 10 year loan;*
- 2) Loan amounts: up to \$1,000,000 capped at 50% of the total infrastructure project costs;
- 3) Loan term flexibility: 1 year bridge loans to 10 year term loans: *loan-to-suit each project*;
- 4) Loan repayment flexibility: interest on the Loan can be deferred and accrued to the principal of the Loan for Loans which exceed five year or longer , to provide time for project completion and associated revenues to be generated;
- 5) Project flexibility: wide-scope of eligible infrastructure projects and costs to provide flexibility; and
- 6) Fees: \$200 application fee plus a loan origination fee determined by size of the loan.

Eligible Borrowers

Eligible borrowers include all cities, villages, and townships within Franklin County.

Eligible Projects

Eligible uses are a wide variety of types of public infrastructure needed in regards to an economic development project. The economic development project must be creating new private sector jobs and new private capital investment.

Eligible Infrastructure Uses

Eligible infrastructure uses are physical capital conduits through which commerce and economic development are facilitated and assisted, including but are not limited to, the construction, reconstruction, rehabilitation, restoration and replacement of:

- 1) Transportation Infrastructure: public roads, bridges, tunnels, drainage structures, guardrails, protective structures, rail, transit, pedestrian and bicycle paths, and aviation;
- 2) Traditional Energy Infrastructure: electrical power network, electric generation, electrical grid, substations, and local distribution, natural gas pipelines, storage and distribution terminals, and gas distribution networks
- 3) Renewable Energy Infrastructure: wind, solar, geothermal, bio-mass, natural infrastructure, green infrastructure
- 4) Water: clean-water, storm-water, waste-water, and conservation infrastructure
- 5) Telecommunications: broadband, fiber, and transmission infrastructure

Financing for eligible infrastructure projects may include planning and design work as long as the work being performed is tied to the project being financed.

Collateral

The FCIB may request any of the following as collateral or security for financed transportation projects:

- Pledge of identified tax revenues, non-tax revenues, fees, tolls, or other revenues available to support the project
- Letter of Credit or Cash Reserve
- Other credit enhancements as deemed necessary

Loan Decision Process

Projects will be funded competitively through two funding rounds a year. Eligible borrowers will submit projects by application, and have initial project meetings with EDP staff. The borrowers and projects will be analyzed by an independent financial consultant for credit-worthiness. The projects will then be graded by an independent loan advisory committee that will result in loans being recommended for approval by the Board of Commissioners.

- **Pre-Meeting:** potential borrowers with projects are required to have a pre-meeting to discuss their project and basic eligibility requirements with County EDP staff.
- **Application:** once a project has been determined eligible by EDP staff, a borrower is encouraged to submit an application to be considered for financing.
- **Credit Analysis:** an independent financial consultant will analyze the borrower and project's credit risk.
- **Loan Advisory Committee:** a volunteer loan advisory committee will rank the loans based on their economic development potential; this combined with the projects creditworthiness will result in a selection of recommended projects for financing.
- **Board of Commissioners:** the Loan Advisory Committee's recommendations will be placed for Commissioners' approval at a County General Session.

Application Deadline

Application Deadline is at Noon Friday January 30th, 2015

*** Please Note: A pre-application meeting with County EDP staff is required before application submittal ***