

California Infrastructure and
Economic Development Bank



CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBANK)

- The legislature created IBank in **1994** to finance public **infrastructure** and private **development** that creates **jobs** and a strong **economy** to improve the **quality of life** for the people of California.
- IBank has **broad authority** to issue tax-exempt and taxable revenue bonds, provide financing to **public agencies**, leverage State and Federal funds and more.

OUR FINANCING PROGRAMS



**Infrastructure State
Revolving Fund
Program**



**California Lending for
Energy and Environmental
Needs Center**



**Small Business
Finance Center**



**Bond Financing
Program**



Infrastructure State
Revolving Fund
Program

CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK

ISRF DIRECT LOAN PROGRAM

Direct **financing** to public borrowers (and non-profit organizations sponsored by public entities) for a wide variety of **infrastructure** and **economic development** projects.

EXAMPLES OF ELIGIBLE PROJECTS



Water, Sewage, Flood Control
and Waste



Streets, Highways, Public Transit
and Public Safety Facilities



Educational, Cultural, Social, Parks
and Recreational Facilities



Power and Communications



Ports and Goods Movement
Related Infrastructure



ELIGIBLE APPLICANTS

(MUSH MARKET = MUNICIPALITIES,
UNIVERSITIES, SCHOOLS & HOSPITALS)

- Any **Subdivision** of a Local Government (Departments, Agencies, Commissions, Cities and Counties)
- Special Districts
- Joint Powers Authorities
- Public Benefit, Tax-Exempt, **Nonprofit Corporations** (with eligible sponsorship)



**Infrastructure State
Revolving Fund
Program**

CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK

- Funding available from **\$50 thousand to \$25 million.**
- Terms for the useful-life of the project **up to 30-years.**
- Up to 100% of eligible project cost financed.



- Rate Benchmarked to Thompson Reuters Municipal Data (MMD) Index
- Rate Subsidized based upon:
 - Unemployment rate
 - Median household income
- Lower transaction costs
- Better than a public offering



ISRF CREDIT UNDERWRITING & CRITERIA

- **Financial Condition**

(Comprehensive Annual Financial Report or CAFR)

- **Sources of Repayment**

- **Enterprise Revenues:** rate payer fees; water, sewer, other
- **General Fund** revenues
- **Property assessments**
- **Other** recurring revenues **acceptable to IBank**

- **Meet** prevailing **wage and contractor pre-qualifications**, as required by law.

SAN LUIS OBISPO COUNTY

Funds will support the construction of a **new airport terminal** at the SLO County Regional Airport



Loan Amount:

- \$6 Million

Interest Rate:

- 3.45%

Loan Term:

- 30 years

"We are filling the flights we have now, and they'd likely be disappearing if we weren't making this investment."

-Third District
Supervisor, Adam Hill



Infrastructure State
Revolving Fund
Program

CLEEN CENTER GOALS

- **Assist** in achieving California's **Greenhouse Gas Reduction** goals
- **Drive down** the cost of **clean energy**, water conservation & environmental projects
- **Enhance** market confidence in **green investing**

CLEEN CENTER DIRECT FINANCING

Funding available in amounts ranging from

\$500,000 to \$30,000,000

Terms for the useful-life of the project

Up to 100% eligible project costs financed



- Rate benchmarked to Thompson Reuters Municipal Data (MMD) Index
- Rate subsidized based upon:
 - CalEnviroScreen
- Lower transaction costs
- Term is not based on energy savings

TYPES OF CLEAN ENERGY PROJECTS



Generation

- Renewable energy, solar, wind, biomass, hydroelectric



Conservation

- Energy efficiency retrofits, Light Emitting Diode (LED) lights, Building automation and controls



Other

- Energy storage, transmission, distribution, Electric Vehicle (EV) charging stations, alternative technologies, alternative fuels

STATEWIDE ENERGY EFFICIENCY PROGRAM (SWEEP)

COMPREHENSIVE ENERGY EFFICIENCY IMPROVEMENTS TO NEW AND EXISTING FACILITIES, FOR EXAMPLE:



Light Emitting Diode (LED) Street Lighting



Advance metering systems



Data Center, information technology, communications



Energy management and/or control systems



Heating, ventilation and air conditioning system



Thermal and electric energy storage

*“This acquisition and retrofit represents a **rare opportunity** to **improve** the City’s finances, **infrastructure**, light quality, and **environmental footprint**.”*



*City of Huntington Beach Energy
Manager **Antonia Graham***

CITY OF HUNTINGTON BEACH

Project:

Streetlight Acquisition and LED Retrofit

Loan Amount:

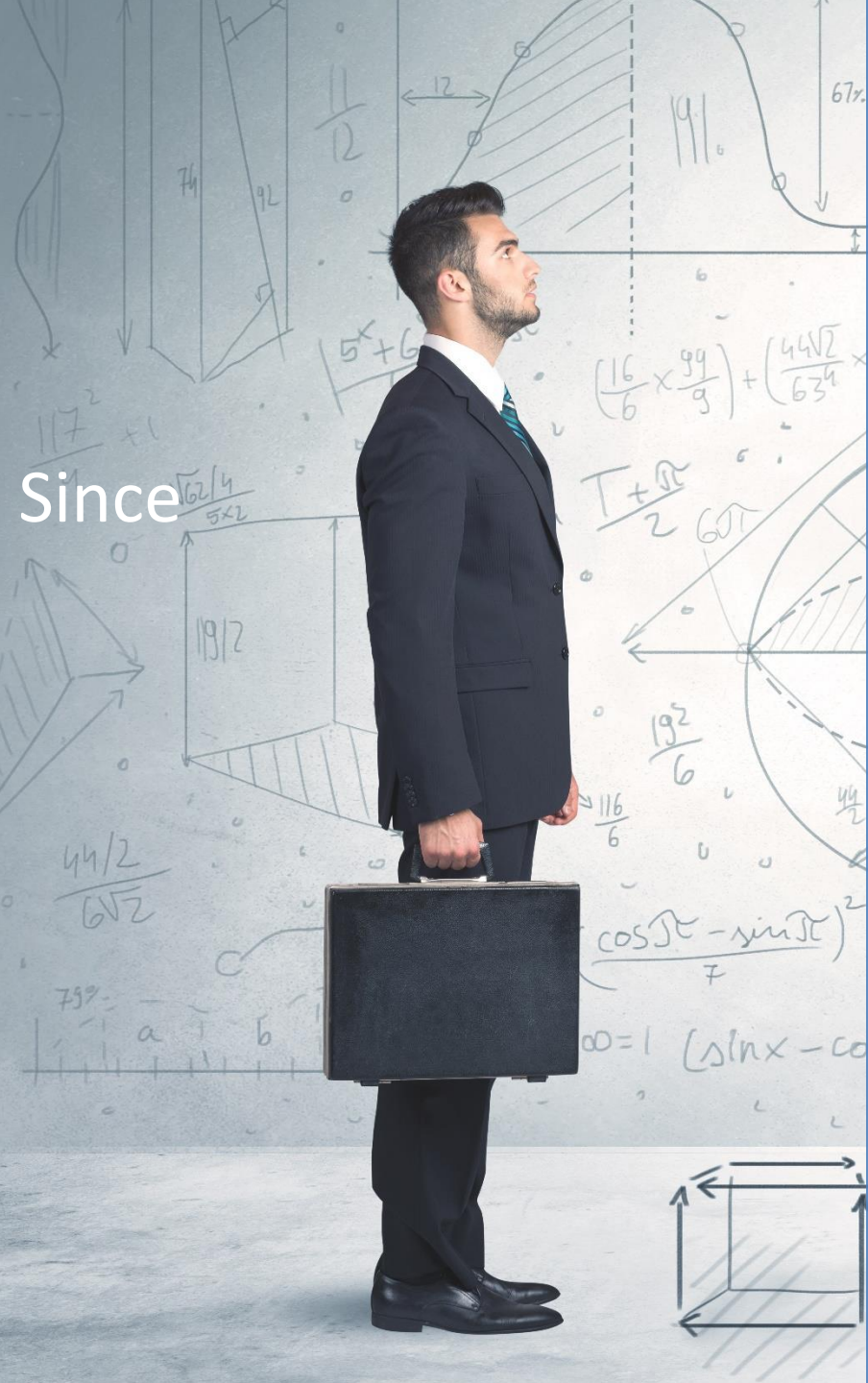
\$3 Million

IBank’s first CLEEN loan was for the acquisition and retrofit of more than 11,000 streetlights with new Light Emitting Diode (LED) technology. Expected annual energy savings –3.5 million kilowatt-hours the first year, lowering costs and making funds available for other services.

SMALL BUSINESS FINANCE CENTER (SBFC)

- SBFC partners with Financial Development Corporations to provide **loan guarantees** and **microloans** for small businesses that experience **barriers to capital**.
- Helps businesses **create and retain jobs**, and encourages investment in low-to moderate-income communities.





SMALL BUSINESS LOAN GUARANTEE PROGRAM (SBLGP)

1968,

the SBLGP has guaranteed over
30,000 loans to lending
institutions that are
committed to helping

small businesses
grow and prosper in California
and their communities.

Business Acquisition
New Construction,
Renovation, Tenant
Improvement
Inventory & Receivables
Business Expansion
Purchase Equipment
Working Capital
Lines of Credit
Start up Costs
Gap financing prior to
permanent financing
Export Financing



Guarantee up to 80%
Maximum Loan \$20 million
(term loan or line of credit)
Maximum guarantee \$2.5
million
Term up to 7 years (loan term
can be longer)
Eligible for California business
entities with 750 employees or
less
Loan qualifications & interest
rates based on lender's
underwriting criteria
Loan proceeds must be used in
the State of California
2.5% fee on the guarantee
amount + \$250 doc fee
(can be financed in the loan)



JUMP START LOAN PROGRAM



**Small Business
Finance Center**

CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK

Helps **small businesses** start, grow, and thrive.

Provides **technical assistance, financial literacy training, and microloans.**

To apply, contact a **Jump Start FDC** listed on IBank's website.



LOAN TERMS

Amounts from
\$500-\$10,000

MAY INCLUDE...

- Start-Up Costs
- Property
- Buildings
- Machinery
- Equipment
- Inventory
- Tenant Improvements

REQUIREMENTS...

- Must be a **small business** in California
- Must be a **Low-wealth** entrepreneur located in a low-wealth community

BOND FINANCING PROGRAM

Provides **tax-exempt** and taxable **conduit** revenue bond financing for:

- Qualified **nonprofit** public benefit corporations
- Eligible **manufacturing** and processing companies
- California **government** agencies
- Privately owned facilities that provide services to the general public





LONG TERM

TYPES OF BONDS

501(C)(3) Revenue Bonds

for qualified nonprofit public benefit corporations for acquisitions and/or improvement of facilities

Industrial Development Revenue Bonds

up to \$10 million for eligible manufacturing and processing companies for construction or acquisition of facilities

Public Agency Revenue Bonds

for governmental entities

Exempt Facility Revenue Bonds

for projects that are government owned or provide improvements to privately owned facilities that serve the general public

LOW COST

\$37 BILLION CONDUIT BONDS

1.



1. Academy of Motion Pictures, Arts and Sciences Museum: \$12 million 501(c)(3)

2.



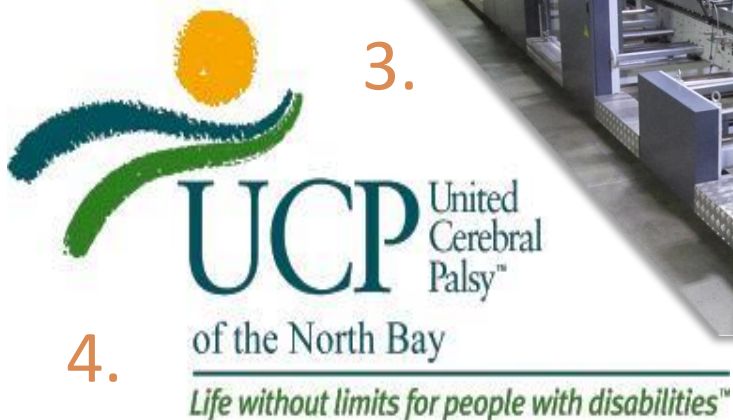
2. B Street Theatre: \$12 million 501(c)(3)

3.



3. Capital Corrugated & Carton: \$3.8 million Industrial Development

4.



4. United Cerebral Palsy of the North Bay: \$7.8 million 501(c)(3)

STATE WATER RESOURCES CONTROL BOARD

\$410,735,000 Green Bonds
March 22, 2016

\$450,000,000 Green Bonds
January 24, 2017



GREEN BONDS

- Bond proceeds provide assistance to local agencies under the Water Board's ***Clean Water State Revolving Fund*** (CWSRF) Program.
- CWSRF provides ***low-cost financing*** for planning, design, construction and installation of wastewater systems, etc.
- IBank's ***Green Bonds*** allow investors the opportunity to invest directly in bonds that support projects that benefit the environment.



California Infrastructure and
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