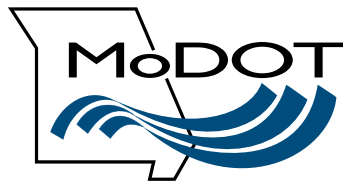


MISSOURI TRANSPORTATION FINANCE CORPORATION



The demands for transportation improvements have greatly outpaced the funds available to meet them. In response to this need, the Missouri Department of Transportation established the Missouri Transportation Finance Corporation (MTFC), a state infrastructure bank, to provide direct loans to public and private agencies for transportation improvements. The MTFC provides financial assistance for highway and transit capital improvements eligible for federal assistance.

The benefits of an MTFC loan may include: inflation cost savings, early economic and public benefits, financing tailored to projects' needs and a reduced cost of project financing.

The MTFC was originally financed with federal and state funds. Loans are made from the original deposit, principal and interest payments from outstanding loans and investment income.

Since 1997, the MTFC has provided 54 loans totaling \$244 million for transportation improvements in Missouri. Some examples include interchanges, overpasses, roadway widening, roadway resurfacing, bridge replacements, intersection improvements, transportation facilities and pedestrian accommodations.

Currently, the MTFC has \$45 million available for loans. The minimum loan amount is \$50,000.

To apply for a loan, entities must complete an online application. Applications must include the current project budget, planned improvements, timing of loan disbursement(s), dedicated revenue stream(s) to repay the loan and audited financial statements.

Applications are due in December, March, June and August for review in February, May, August and October. Exact dates are posted on the website. Staff reviews submitted applications, prepares an amortization schedule and provides a recommendation to the MTFC.

The MTFC is administered by an eight-member board of directors made up of members from the Missouri Highways and Transportation Commission, MoDOT officials and at-large members with knowledge of business or finance. The board is responsible for the direction of the MTFC and approves all loan applications. Loan requests greater than \$10 million require pre-approval by the executive director.

Interest rates are normally the same as municipal borrowing rates for both rated and non-rated agencies. When determining which rating to use for non-rated agencies, consideration is given to the debt coverage ratio, the number of dedicated revenue streams and the term of the loan. Loan payments more than 15 days late are assessed a two percent late-payment fee on the amount of payment due.

MTFC loan repayments must begin no later than five years after the project is completed. Loans for more than ten years require pre-approval by the executive director.

A loan fee must be paid at the time of application submission and is non-refundable, unless the MTFC has no funds available to cover the loan.

The loan fee is 0.15 percent of the loan amount for public agencies. The maximum amount charged is \$75,000 and the minimum amount is \$500.

The loan fee is 0.25 percent of the loan amount for private agencies. There is no maximum amount charged. The minimum amount is \$1,000.

The difference in fees between public and private agencies is to account for the increase in administrative review and monitoring of a private agency loan.

Contact the MTFC to learn more about how a MTFC loan can help deliver transportation improvements for your community. □

Missouri Transportation Finance Corporation

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- www.modot.org/partnershipdevelopment/mtfc.htm

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