

 Oregon  
Department  
of Transportation



# Oregon Annual Transportation Infrastructure Bank

## ANNUAL REPORT FOR FHWA

*Submitted to:*  
**Federal Highway Administration  
and  
Federal Transit Administration**

*Submitted by:*  
**Oregon Department of Transportation**  
December 31, 2012



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## 1. Introduction

We are pleased to present the Oregon Transportation Infrastructure Bank (OTIB or Infrastructure Bank) 2012 Annual Report. The Cooperative Agreement (at Section 1.5(V)) between the Oregon Department of Transportation (ODOT), The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) requires ODOT to submit an annual report for the Infrastructure Bank.

This Annual Report consists of two sections – the State Infrastructure Bank (SIB) summary and the unaudited financial statements. The SIB summary includes:

- ◆ Introduction
- ◆ History of the OTIB program
- ◆ Summary of OTIB operations
- ◆ Organization of the OTIB
- ◆ Summary of completed loans
- ◆ Active and closed portfolios
- ◆ Fund status and fund availability
- ◆ Descriptions of major loans of the portfolios
- ◆ Map of the project locations

## 2. History

On April 4, 1996, the Secretary of the U. S. Department of Transportation designated Oregon as one of the first ten states eligible to operate a SIB (Section 350 of the National Highway System Designation Act of 1995). The parties (FHWA, FTA and ODOT) signed a SIB Cooperative Agreement on August 20, 1996.

The 1997 Oregon Legislative Assembly passed House Bill 2097. The bill, signed into law by the Governor on July 28, 1997 established the Oregon Transportation Infrastructure Fund (OTIF) and provided authority for the OTIB program (codified in Oregon Revised Statutes (ORS) 367.010 to 367.050). The Infrastructure Bank operates as a component of the OTIF.

In 1999, the Oregon Legislative Assembly passed House Bill 2197 authorizing the OTIF to provide loan guarantees for eligible transportation projects, backed by a pledge of up to \$10 million of State Highway Fund revenues. The amount was increased to \$50 million in 2003 with the passage of Senate Bill 772. The provisions of House Bill 2197 and the increase established by Senate Bill 772 are codified in ORS 367.060.

Additionally, Senate Bill 772 provided ODOT with the ability to develop public-private partnerships for transportation projects and incorporated changes to ORS chapter 367 that provide specific authority for the OTIF to assist private entities.

In 2003, the Legislative Assembly passed House Bill 2213. This bill codified ODOT's ability to withhold payments to local governments in the event of loan default and clarified the eligible entities for OTIF loans.

### **3. Summary of OTIB Operations for Federal Fiscal Year 2012**

The following provides a summary of the OTIB Active Loan portfolio and funds and accounts.

#### **a. Loans**

From November 13, 2008, to October 13, 2010 the Oregon Transportation Infrastructure Bank had a moratorium on new applications.

The OTIB originated one loan in Federal Fiscal Year 2012: a loan of \$203,000 to the City of Chiloquin.

As of September 30, 2012, in its Active Portfolio, the OTIB has 13 loans with an outstanding balance of \$24,077,824.86.

Since its inception, as of September 30, 2012 an additional 16 loans totaling \$18,693,834 have been originated and paid off.

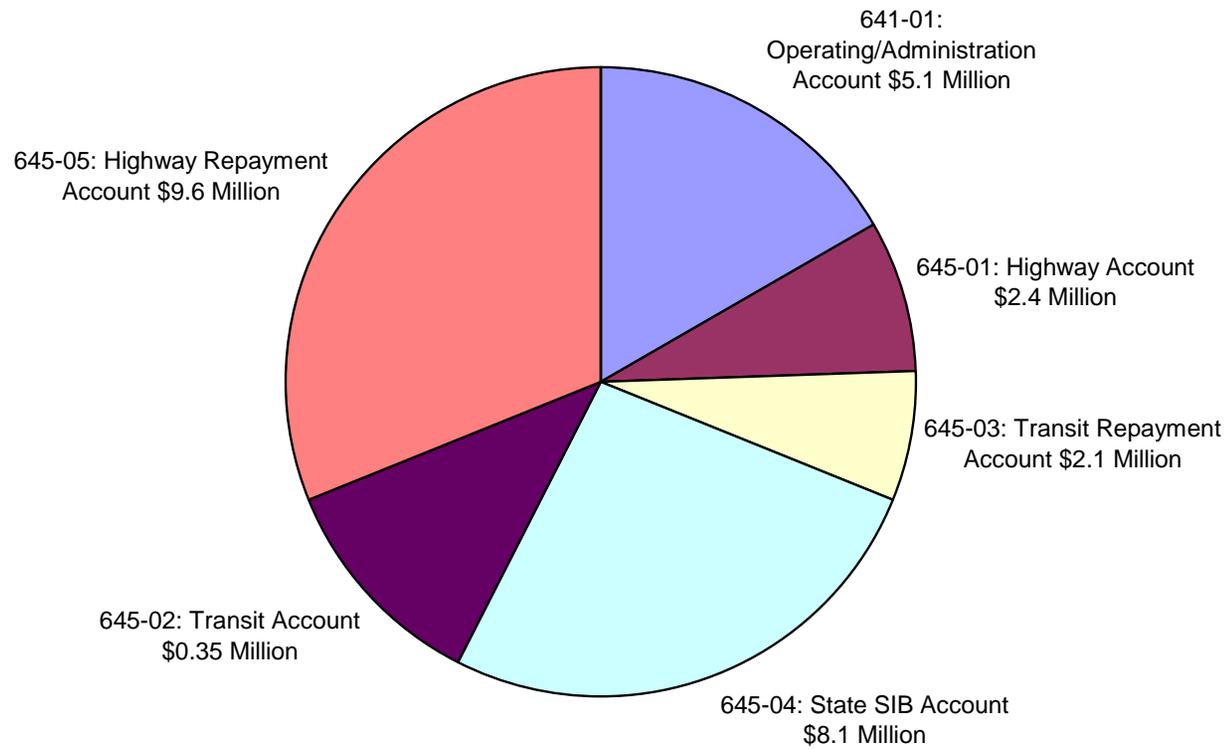
#### **b. Funds**

The OTIB ended federal fiscal year (FFY) 2012 with a cash balance of \$27,685,892. This cash balance was made up of six accounts:

- i. 641-01 Operating/Administrative Account: Funded from fees and other revenues. This fund carries Oregon constitutional and statutory restrictions.  
Balance on 09/30/2012 \$5,132,783
  
- ii. 645-01 – Highway Account: This account is used for loans for highway projects that are federal aid eligible. It carries federalization requirements.  
Balance on 09/30/2012 \$2,380,564
  
- iii. 645-02 – Transit Account: This account is used for loans for Transit Capital Projects that are federal aid eligible. It carries federalization requirements.  
Balance on 09/30/2012 \$349,183

- iv. 645-03 – Transit Repayment Account: This account is made up of repayments for loans made from 645-02 which are from non-federal sources. This account is used for loans for Title 23 and Title 49 purposes. It does not carry federalization requirements.  
Balance on 09/30/2012 \$2,099,246
  
- v. 645-04 – State Infrastructure Bank: State Highway Funds used for loans for highway projects. This account is funded by a line of credit from the State Highway Fund. This fund carries Oregon constitutional and statutory restrictions.  
Balance on 09/30/2012 \$8,129,258
  
- vi. 645-05 – Highway Repayment Account: This account is made up of repayments for loans made from 645-01 which are from non-federal sources. This account is used for loans for Title 23 and Title 49 (United States Codes Title 23 and 49 respectfully) purposes. It does not carry federalization requirements.  
Balance on 09/30/2012 \$9,594,858

**C. OTIB Balances September 30, 2012**

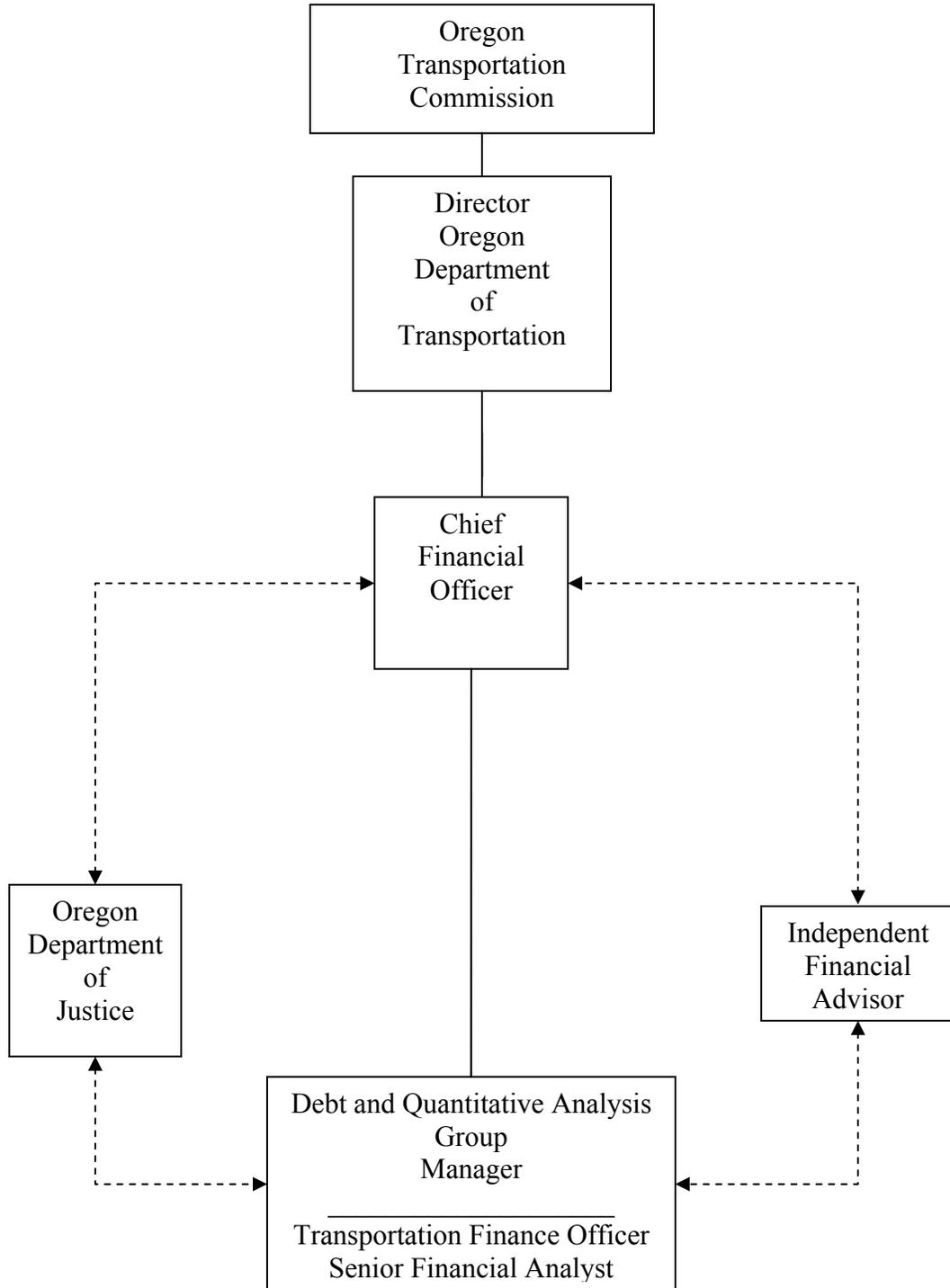


#### **4. Note**

This Annual Report contains loan summaries for loans that closed during the Federal Fiscal Year (FFY) 2012 (October 2011 – September 2012). The Active Portfolio list contains loans that had an open encumbrance or an outstanding balance during the year. Also, there are graphs displayed in the report that reflect the types of loans issued, fund balances and a state map showing the locations of the loans issued.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the Oregon Transportation Infrastructure Bank.

### 5. OTIB Organizational Chart



## 6. Loan Agreements for Federal Fiscal Year 2012

During FFY 2012 the OTIB originated one loan:

**Loan No. 0045:** On June 1, 2012, a loan of \$163,000 was made to the City of Chiloquin for water line relocation. This loan was later increased to \$203,000. ODOT is replacing the Williamson River Bridge on Oregon 422 in Klamath County. This project will require the City to relocate its water line which is attached to the bridge.

Terms: A loan for \$203,000 @ 1.00% for 18 years. Because Chiloquin qualifies as a disadvantaged community under ODOT's rules, it is eligible for an interest rate of one percent.

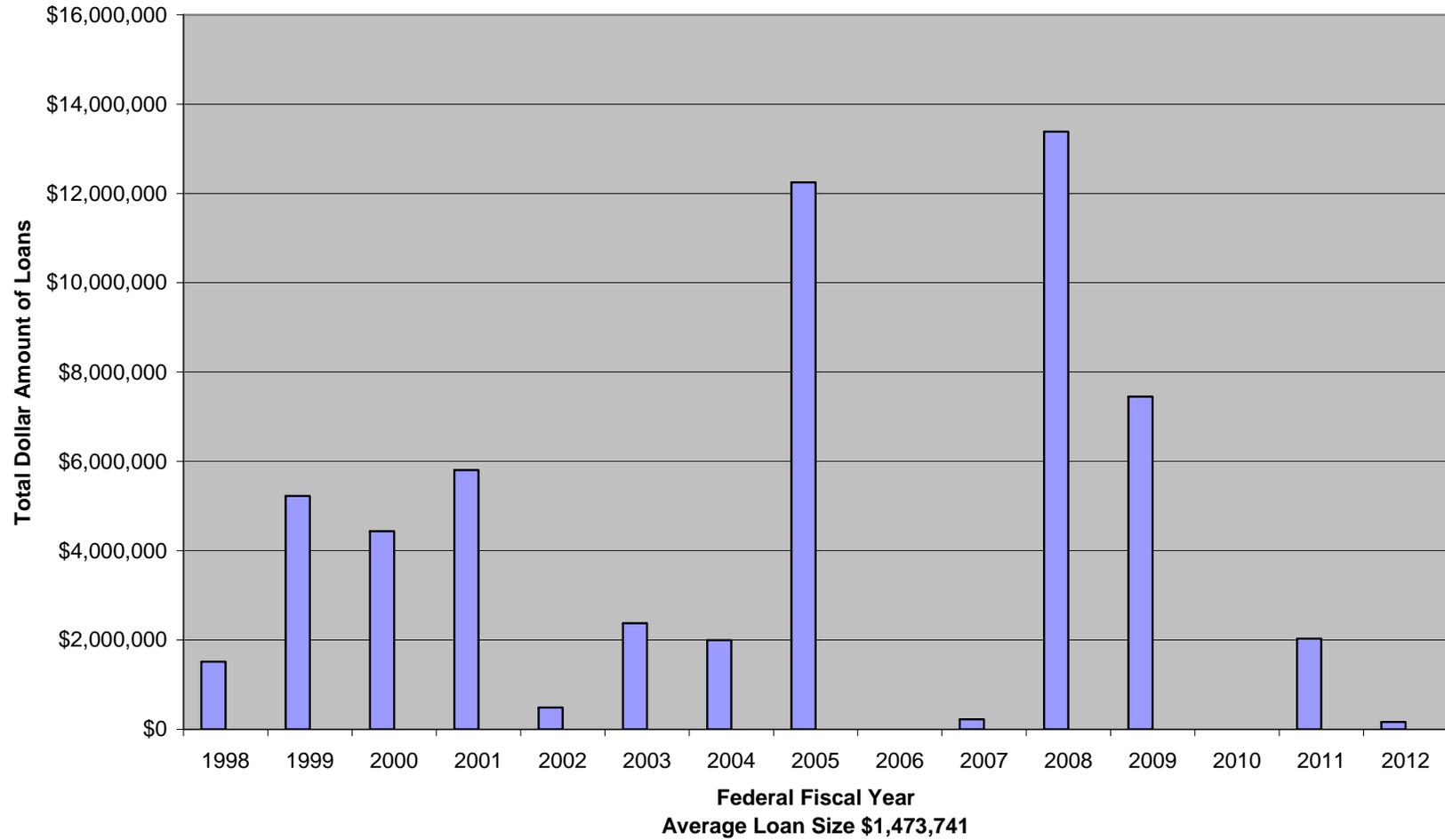
**7. Active Portfolio  
as of September 30, 2012**

<b>Loan No.</b>	<b>Borrower Name</b>	<b>Project Description</b>	<b>Loan Date</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Outstanding Loan Balance</b>
0018	Tillamook County	Sand Lake-Galloway Road Improvements	06/28/00	1,250,000.00	0.50%	07/01/20	190,044.84
0023	Tillamook County Transportation District	Transit Facility	02/04/03	750,000.00	4.00%	06/01/23	474,002.63
0025	City of Scappoose	Crown Z Road	08/28/03	625,000.00	4.00%	01/02/19	315,084.91
0026	City of Jacksonville	Hwy 238; Other Improvements	10/03/03	1,145,000.00	4.00%	08/01/15	390,838.65
0029	Clackamas County	Sunnyside Rd Widening I-205 to 172nd Av	05/25/05	12,250,000.00	3.75%	11/15/20	7,811,037.29
0031	Multnomah County	223rd Sandy Blvd. Bridge St Undercrossing	10/07/08	4,600,000.00	3.98%	09/01/25	2,886,296.38
0036	Cascade Sierra Solutions	SmartWay Upgrade	02/26/08	2,985,179.00	5.00%	12/01/13	923,217.24
0038	Clackamas County	5 Projects	08/05/08	10,000,000.00	3.65%	11/15/2024	8,624,007.35
0040	City of Pendleton	Airport Connector Rd Barnhart Rd Property	04/22/09	1,512,612.72	4.80%	07/01/20	501,013.16
0041	Athey Creek CF	I-205 Stafford Rd, Ek Rd Intersection	08/24/09	950,000.00	5.00%	01/01/21	950,000.00
0043	City of Mitchell (not yet drawn)	US26 Bridge Creek Water Line Relocation	08/25/11	85,000.00	0.00%	08/20/41	0 (not yet drawn)
0044	Benton County	Reservoir Avenue Re-alignment	08/25/11	1,500,000.00	2.10%	01/20/22	998,860.18
0045	City of Chiloquin (not yet drawn)	Line Replacement		203,000	1.00%	01/25/28	0 (not yet drawn)
<b>Totals</b>				<b>37,855,791.72</b>			<b>24,064,402.63</b>

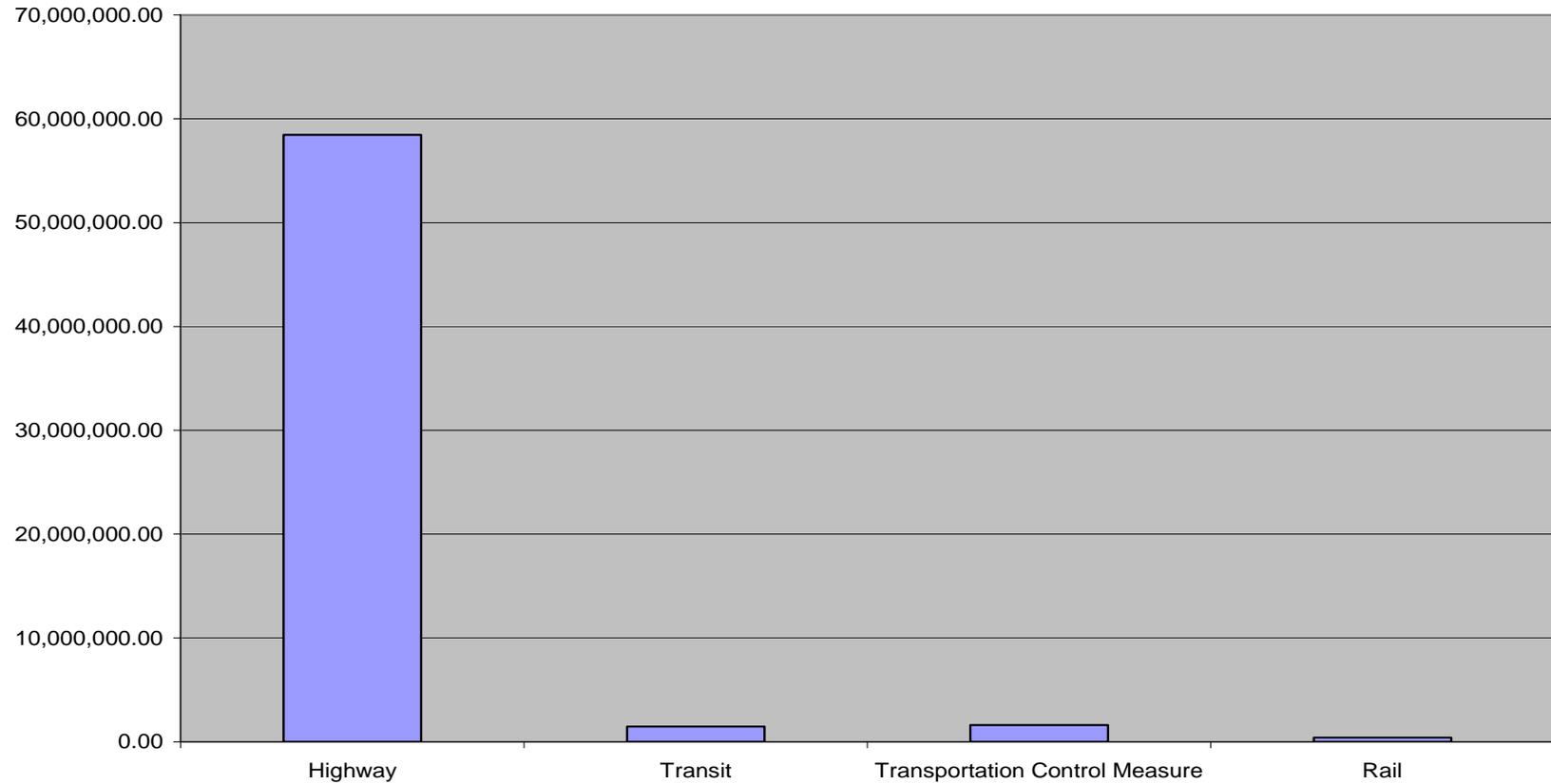
**8. Paid Portfolio  
as of September 30, 2012**

<b>Loan No.</b>	<b>Borrower Name</b>	<b>Project Description</b>	<b>Loan Date</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Paid Date</b>
0003	Lane Transit District	Signal Priority Systems	05/15/98	781,000	4.180%	01/01/04	07/21/00
0009	City of Independence	Ash Creek Bridge Replacement	04/01/98	735,000	4.000%	07/01/00	01/31/99
0011	Sunset Empire Transportation	Intermodal Center Design	08/26/99	225,000	3.610%	12/31/03	06/04/04
0012	Washington County	Murray Blvd Bridge Widening	06/30/99	4,400,000	3.610%	06/30/03	06/18/03
0015B	Port of Hood River	Interstate Bridge Lift Controls	08/03/99	600,000	3.560%	09/03/03	04/23/03
0016B	City of Portland	Landslides Repair	02/29/00	690,000	4.180%	05/01/04	06/28/01
0017	City of Portland	Lovejoy Ramp Replacement	03/20/00	2,500,000	4.320%	06/30/04	06/04/04
0019	ODOT (Ontario)	SW 18th Avenue	04/17/01	5,500,000	3.500%	03/30/03	09/30/02
0020	City of Rainier	West "B" Street	05/11/01	302,000	4.000%	05/11/11	05/11/11
0021	ODOT (Harrisburg)	Highway 99E Signal	01/30/02	375,000	4.000%	10/15/06	09/30/02
0022	City of Rainier	West "B" Street	04/12/02	113,000	4.000%	05/11/11	05/11/11
0024	City of Phoenix	I-5: Fern Valley	05/29/03	1,000,000	4.000%	05/01/13	12/07/11
0027	City of Nyssa	Snake R. Bridge Water Relocation	04/26/04	125,500	0.000%	06/01/14	01/17/12
0028	Rogue Valley Transp.	Purchase Equipment	07/30/04	725,000	4.000%	12/01/14	03/05/10
0033	City of Turner	3rd and Denver	03/08/07	222,334	4.110%	01/01/29	11/23/09
0037	ODOT Rail	MMTF Study	04/14/08	400,000	0.000%	04/14/10	06/26/09
<b>Total</b>				<b>18,693,834</b>			

**9. OTIB Loans  
as of September 30, 2012**



**10. OTIB Loans By Mode  
as of September 30, 2012**



“Highway:” any federal aid or state highway fund eligible highway project such as a road, intersection or bridge improvement.

“Transit:” transit capital projects such as buses, equipment, maintenance facilities, ADA-related equipment, vanpools, park-an-ride lots, passenger facilities.

“Transportation Control Measure”: signal priority systems.

“Rail:” railroad projects eligible under Title 23 or Title 49 and the Oregon State Highway Fund.

**11. OTIB Active Portfolio Characteristics  
as of September 30, 2012**

**Loan No.**

0018	<p>Borrower: Tillamook County            Project Description: Sand Lake – Galloway Road Improvements            Loan Amount: \$1,250,000            Outstanding Principal                Balance: \$190,044.84            Terms: 0.5% for 15 years. Annual payments of \$38,600.00            Date of Loan: June 28, 2000            Loan Maturity: July 1, 2020</p>
0023	<p>Borrower: Tillamook County Transportation District            Project Description: Transit Facility            Loan Amount: \$750,000            Outstanding Principal                Balance: \$474,002.63            Terms: 4.0% for 20 years. Monthly payments of \$4,545.00            Date of Loan: February 4, 2003            Loan Maturity: June 1, 2023</p>
0025	<p>Borrower: City of Scappoose            Project Description: Crown Z Road            Loan Amount: \$625,000            Outstanding Principal                Balance: \$315,084.91            Terms: 4.0% for 15 years. Annual payments of \$56,213.00            Date of Loan: August 28, 2003            Loan Maturity: January 2, 2019</p>
0026	<p>Borrower: City of Jacksonville            Project Description: Hwy 238            Loan Amount: \$1,145,000            Outstanding Principal                Balance: \$390,838.65            Terms: 4.0% for 10 years. Annual payments of                \$141,168.00            Date of Loan: October 3, 2003            Loan Maturity: August 1, 2015</p>

**Loan No.**

0029	Borrower:	Clackamas County
	Project Description:	Sunnyside Road Widening 1-205 to 172 <sup>nd</sup> Avenue
	Loan Amount:	\$12,250,000
	Outstanding Principal	
	Balance:	\$7,811,037.29
	Terms:	3.75% for 15 years. Annual payments of \$66,343.79
	Date of Loan:	May 25, 2005
	Loan Maturity:	November 15, 2020
0031	Borrower:	Multnomah County
	Project Description:	223 <sup>rd</sup> Sandy Blvd. Bridge Street Undercrossing
	Loan Amount:	\$4,600,000
	Outstanding Principal	
	Balance:	\$2,886,296.38
	Terms:	3.98% for 15 years. Annual payments of \$413,151.00
	Date of Loan:	October 7, 2008
	Loan Maturity:	September 1, 2025
0036	Borrower:	Cascade Sierra Solutions
	Project Description:	<i>Smartway</i> Upgrade
	Loan Amount:	\$2,985,179
	Outstanding Principal	
	Balance:	\$923,217.24
	Terms:	5.0% for 5 years. Monthly payments of \$56,614.00
	Date of Loan:	February 26, 2008
	Loan Maturity:	December 1, 2013
0038	Borrower:	Clackamas County
	Project Description:	172 <sup>nd</sup> Avenue Sunnyside Road Phase 3 Stafford/Borland Intersection Clackamas River Bridge Tualatin River Bridge
	Loan Amount:	\$10,000,000
	Outstanding Principal	
	Balance:	\$8,624,007.35
	Terms:	3.75% for 15 years. Annual payments of \$566,343.79
	Date of Loan:	August 5, 2008
	Loan Maturity:	November 15, 2024

**Loan No.**

0040	Borrower:	City of Pendleton
	Project Description:	Airport Connector Road (Barnhart Road) Project
	Loan Amount:	\$1,512,612.72
	Outstanding Principal	
	Balance:	\$501,013.16
	Terms:	4.80% for 10 years. Semi-annual payments of \$73,150
	Date of Loan:	April 22, 2009
	Loan Maturity:	July 1, 2020
0041	Borrower:	Athey Creek Christian Fellowship
	Project Description:	I-205, Stafford Road, Ek Road Intersection Improvements, Enhancements and Upgrades
	Loan Amount:	\$950,000
	Outstanding Principal	
	Balance:	\$950,000
	Terms:	5.0% for 10 years. Monthly payments of \$12,027.00
	Date of Loan:	August 24, 2009
	Loan Maturity:	January 21, 2021
0043	Borrower:	City of Mitchell
	Project Description:	US26 Bridge Creek Water Line Relocation
	Loan Amount:	\$85,000
	Outstanding Principal	
	Balance:	The borrower has not yet drawn on the loan.
	Terms:	0.0% for 30 years. Annual payments of \$2,833.00
	Date of Loan:	August 25, 2011
	Loan Maturity:	August 20, 2041
0044	Borrower:	Benton County
	Project Description:	Reservoir Avenue Realignment
	Loan Amount:	\$1,500,000
	Outstanding Principal	
	Balance:	\$998,860.18
	Terms:	2.1% for 10 years. Annual payments of \$167,865.00
	Date of Loan:	August 25, 2011
	Loan Maturity:	January 20, 2022

**Loan No.**

0045      Borrower:                    City of Chiloquin  
             Project Description:    Williamson River Bridge Water Line Relocation  
             Loan Amount:            \$203,000  
             Outstanding Principal  
                                 Balance:                    The borrower has not yet drawn on the loan  
             Terms:                      1% for 15 years. Annual payments of \$11,769  
             Date of Loan:                June 1, 2012  
             Loan Maturity:              January 25, 2028

**12. OTIB Paid Portfolio Characteristics  
as of September 30, 2012**

**Loan No.**

0003	Borrower: Lane Transit District Project Description: Signal Priority Improvements Loan Amount: \$781,000 Terms: 4.18% for 5 years Paid Date: 07/21/2000
0009	Borrower: City of Independence Project Description: Ash Creek Bridge Replacement Loan Amount: \$735,000 Terms: 4% for 2 years Paid Date: 01/31/1999
0011	Borrower: Sunset Empire Transportation District Project Description: Intermodal Center Design Loan Amount: \$225,000 Terms: 3.61% for 5 years Paid Date: 06/04/2004
0012	Borrower: Washington County Project Description: Murray Boulevard Bridge Widening Loan Amount: \$4,400,000 Terms: 3.61% for 4 years Paid Date: 06/18/2004
0015B	Borrower: Port of Hood River Project Description: Interstate Bridge Lift Controls Loan Amount: \$600,000 Terms: 3.56% for 4 years Paid Date: 04/23/2004
0016B	Borrower: City of Portland Project Description: Landslides Repair Loan Amount: \$690,000 Terms: 4.18% for 4 years Paid Date: 06/28/2001

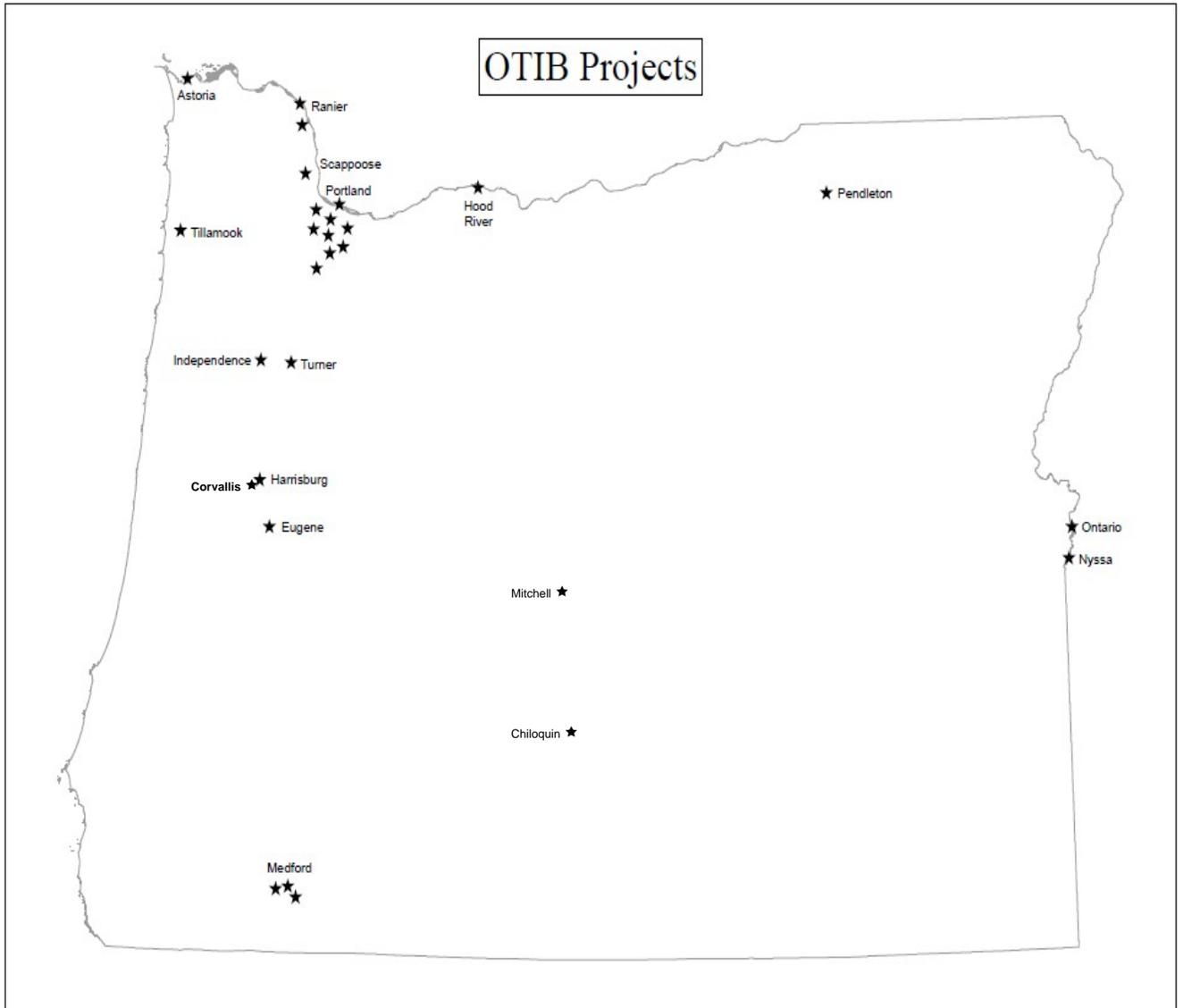
**Loan No.**

0017	Borrower:	City of Portland
	Project Description:	Lovejoy Ramp Replacement
	Loan Amount:	\$2,500,000
	Terms:	4.32% for 4 years
	Paid Date:	06/04/2004
0019	Borrower:	ODOT (State Highway Fund)
	Project Description:	SW 18 <sup>th</sup> Avenue Ontario
	Loan Amount:	\$5,500,000
	Terms:	3.50% for 2 years
	Paid Date:	06/30/2002
0020	Borrower:	City of Rainier
	Project Description:	West "B" Street
	Loan Amount:	\$302,000
	Terms:	4.0% for 10 years
	Paid Date:	05/11/2001
0021	Borrower:	ODOT (State Highway Fund)
	Project Description:	Highway 99E Signal Harrisburg
	Loan Amount:	\$375,000
	Terms:	4.0% for 4 years
	Paid Date:	09/30/2002
0022	Borrower:	City of Rainier
	Project Description:	West "B" Street
	Loan Amount:	\$113,000
	Terms:	4.0% for 9 years
	Paid Date:	05/11/2011
0024	Borrower:	City of Phoenix
	Project Description:	I-5: Fern Valley Exit
	Loan Amount:	\$1,000,000
	Terms:	4.0% for 10 years.
	Paid Date:	12/07/2011

**Loan No.**

0027	Borrower:	City of Nyssa
	Project Description:	Snake River Bridge
	Loan Amount:	\$125,500
	Terms:	0.0% for 10 years.
	Paid Date:	01/17/2012
0028	Borrower:	Rogue Valley Transportation District
	Project Description:	Purchase Equipment
	Loan Amount:	\$725,000
	Terms:	4.0% for 10 years
	Paid Date:	03/05/2010
0033	Borrower:	City of Turner
	Project Description:	3 <sup>rd</sup> and Denver
	Loan Amount:	\$222,334
	Terms:	4.11% for 20 years
	Paid Date:	11/23/2009
0037	Borrower:	ODOT Rail
	Project Description:	Connect Oregon II Multi Modal Study
	Loan Amount:	\$400,000
	Terms:	0.00% for 3 years. Payments at will.
	Paid Date:	06/26/2009

### 13. OTIB Projects as of September 30, 2012



## 14. OTIB Financial Statements

**State of Oregon**  
**Department of Transportation**  
**Balance Sheet**  
**Oregon Transportation Infrastructure Bank**  
**June 30, 2012**

<b>Assets</b>	
Cash and Cash Equivalents	\$ 26,736,178
Loans Receivable	24,417,210
Other Accounts Receivable	<u>2,264</u>
<b>Total Assets</b>	<u>51,155,652</u>
 <b>Liabilities And Fund Balances</b>	
<i>Liabilities:</i>	
Accounts Payable	543
Advances from Other Funds	<u>16,351,206</u>
<b>Total Liabilities</b>	<u>16,351,749</u>
 <i>Fund Balances:</i>	
Restricted Fund Balance --	
Enabling Legislation	<u>34,803,903</u>
<b>Total Fund Balances</b>	<u>34,803,903</u>
 <b>Total Liabilities and Fund Balances</b>	 <u><u>\$ 51,155,652</u></u>

