

BND Economic Impact Fact Sheets

Legislative-Directed Program Recipients

BND Infrastructure Revolving Loan Fund

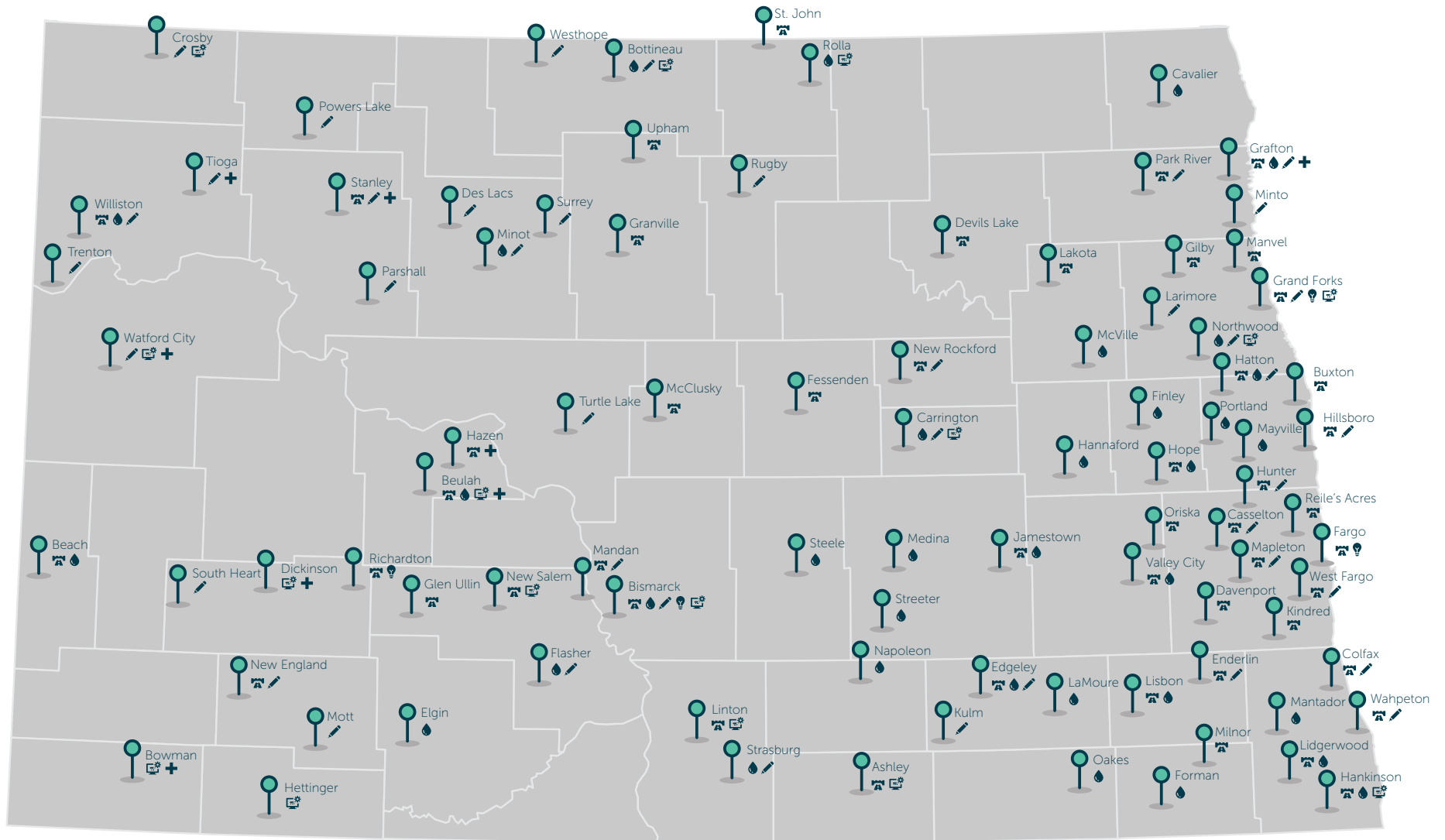
Water Infrastructure Loan Fund

School Construction Revolving Loan Fund

Agriculture Diversification and
Development (ADD) Loan Fund

Legislative-Directed Program Recipients

AS OF SEPTEMBER 2022



Legend

- 🌉 Infrastructure Revolving Loan Fund
- 💧 Water Infrastructure Revolving Loan Fund
- ✎ School Construction Assistance Revolving Loan Fund
- 💡 Innovation Loan Fund
- 💻 Health Information Technology Fund
- + Medical Infrastructure Loan Fund

BND Infrastructure Revolving Loan Fund

Quick Facts (as of June 30, 2022)

- 75 projects in 51 communities
- \$190,608,996 in loans committed
- \$110,405,292 in loans outstanding
- Loans range from \$80,000 - \$26,000,000



Project Locations

- Ashley, Beach, Beulah, Bismarck, Buxton, Casselton, Colfax, Davenport, Devils Lake, Edgeley, Enderlin, Fargo, Fessenden, Gilby, Glen Ullin, Grafton, Grand Forks, Granville, Hankinson, Hatton, Hazen, Hillsboro, Hope, Hunter, Jamestown, Kindred, Lakota, Lidgerwood, Linton, Lisbon, Mandan, Manvel, Mapleton, McClusky, Milnor, New England, New Rockford, New Salem, Oriska, Park River, Reiles Acres, Richardton, St. John, Stanley, Upham, Valley City, Wahpeton, West Fargo, Williston

Loan Details

- Provides loans to political subdivisions, the Garrison Diversion Conservancy District and the Lake Agassiz Water Authority for repair, replacement and new infrastructure projects
- Funds may be used for water and wastewater treatment plants; sewer lines and waterlines including lift stations and pumping systems; stormwater including curb and gutter construction; water storage systems including dams, water tanks and water towers; road and bridge infrastructure including paved and unpaved roads and bridges; airport infrastructure, electricity transmission, natural gas transmission, communications infrastructure, emergency services facilities excluding hospitals and other essential political subdivision buildings and infrastructure
- Maximum outstanding loan amount is \$40 million
- Interest rate: 2.00% fixed interest rate
- Maximum loan term is the lesser of 30 years or the useful life of the project

History

- HB 1443 passed by Sixty-fourth Legislative Assembly in 2015
 - \$100 million from Bank of North Dakota
- \$50 million from Strategic Investment and Improvements Fund
- HB 1014 passed by Sixty-sixth Legislative Assembly in 2019
 - \$25.138 million from Strategic Investment and Improvements Fund
- HB 1431 passed by Sixty-Seventh Legislative Assembly in 2021
 - \$50 million from Legacy Bond proceeds
 - \$35 million additional from Legacy Bond Proceeds is state highway fund does not have commitments for their legacy bond proceeds

BND Infrastructure Loan Project Cost Comparison

\$5 Million Project - Total Savings: \$2,380,000

	30-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$9,010,000	\$4,010,000
BND Infrastructure Revolving Loan	\$6,630,000	\$1,630,000

\$15 Million Project - Total Savings: \$7,135,000

	30-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$27,030,000	\$12,030,000
BND Infrastructure Revolving Loan	\$19,900,000	\$4,895,000

\$40 Million Project -Total Savings: \$19,025,000

	30-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$72,080,000	\$32,080,000
BND Infrastructure Revolving Loan	\$53,050,000	\$13,055,000

Water Infrastructure Loan Fund



Quick Facts

- 54 loans in 37 communities
- \$66,767,700 in loan commitments
- \$35,552,058 in loans outstanding

Communities Impacted

- Beach, Beulah, Bismarck, Bottineau, Carrington, Cavalier, Edgeley, Elgin, Finley, Flasher, Forman, Grafton, Hankinson, Hannaford, Hatton, Hope, Jamestown, Lamoure, Lidgerwood, Lisbon, Mantador, Mayville, McVie, Medina, Minot, Napoleon, Northwood, Oakes, Portland, Rolla, Steele, Strasburg, Streeter, Valley City, Williston

Loan Details

- Provides loans for water supply, flood protection, and other water development and water management projects
- Interest rate is 2.00% fixed rate, matched to Clean and Drinking Water State Revolving Loan Funds
- State Water Commission approves eligible projects and Bank of North Dakota approves loans and administers the loan fund

History

- HB 1431 passed by the Sixty-seventh Legislative Assembly in 2021
 - Combined outstanding loans and moneys in the Community Water Facility Loan Fund and the State Water Commission Revolving Loan Fund

Water Project Cost Comparison

\$5 Million Project - Total Savings: \$2,380,000

	30-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$9,010,000	\$4,010,000
Water Infrastructure Loan Fund	\$6,630,000	\$1,630,000

\$20 Million Project - Total Savings: \$9,510,000

	30-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$36,040,000	\$16,040,000
Water Infrastructure Loan Fund	\$26,530,000	\$6,530,000

\$50 Million Project - Total Savings: \$23,780,000

	30-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$90,010,000	\$40,100,000
Water Infrastructure Loan Fund	\$66,320,000	\$16,320,000

School Construction Revolving Loan Fund



Quick Facts (as of June 30, 2022)

- 50 loans in 43 communities
- \$372,170,851 in loans committed
- \$261,043,090 in loans outstanding

School Districts

- Bismarck, Bottineau, Carrington, Casselton, Colfax, Crosby, Des Lacs, Edgeley, Enderlin, Flasher, Grafton, Grand Forks, Hatton, Hillsboro, Hunter, Kulm, Larimore, Mandan, Mapleton, Minot, Minto, Mott, New England, New Rockford, Northwood, Park River, Parshall, Powers Lake, Rugby, South Heart, Stanley, Strasburg, Surrey, Tioga, Trenton, Turtle Lake, Wahpeton, Watford City, West Fargo, Westhope, Williston

Loan Details

- Loan program covers new school construction and remodeling projects approved by the North Dakota Superintendent of Public Instruction
- Department of Public Instruction receives, reviews and prioritizes applications.
- For projects with a cost of at least \$1,000,000 and an expected utilization of at least 30 years
- Maximum loan amount of \$10,000,000
- Applicant must pass a bond referendum authorizing the debt
- Interest: 2.00% fixed rate
- Repayment may not exceed 20 years

History

- SB 2272 Passed by Sixty-fifth Legislative Assembly in 2017
 - \$150 million from Strategic Investment and Improvements Fund
 - \$75 million from Foundation Aid Stabilization Fund
- SB 2214 Passed by Sixty-sixth Legislative Assembly in 2019
 - \$75 million from Foundation Aid Stabilization Fund

School Project Cost Comparison

\$5 Million Project - Total Savings: \$1,466,000		
	20-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$7,520,000	\$2,520,000
School Construction Revolving Loan	\$6,060,000	\$1,054,000

\$10 Million Project - Total Savings: \$2,933,000		
	20-Year Term Total Paid	Interest Paid
Market Rate Loan (4.50%)	\$15,044,000	\$5,044,000
School Construction Revolving Loan	\$12,111,000	\$2,111,000

Agriculture Diversification and Development (ADD) Loan Fund

Quick Facts

- Maximum Buydown is \$500,000
Range from \$300,000 to \$500,000
- Grants, administered by ND Department of Agriculture, with maximum of \$1,000,000



Loan/Buydown Details

- Proceeds may be used to purchase or lease equipment, establish or expand a value-added agriculture business of these types, but is not limited to:
 - Food production and processing facilities
 - Feed or pet food processing facilities
 - Commodity processing facilities
 - Agriculture product manufacturer
 - Animal production facilities
- Maximum loan buydown is \$500,000. Interest rate buydowns are one-time transactions for the duration of the designated-term project
- Maximum interest buydown will not exceed 4.00%, which may be used to reduce the borrower's interest rate on loans made by the lead financial institution and BND, subject to a minimum rate of 1.00% to the borrower
- Loan amount determined by ADD Committee

Grant Details

- Grant amount determined by the ADD Committee
- Administered by ND Department of Agriculture

History

- Established during the sixty-seventh Legislative Assembly with HB1475 to support new or expanding value-added-agriculture businesses that demonstrate financial feasibility, enhance profitability for farmers and ranchers, create jobs and grow North Dakota's economy
- Projects scored based on these criteria by the ADD Committee
 - Probability of success and extent of new wealth creation
 - Current financing and owner equity
 - Technical qualification and competence of project principals
 - Committee opinion and sustainability efforts