

Loan Program Guidelines

Loan Parameters

- Minimum Loan Amount: \$25,000.
- Loan Term: Minimum loan term of 5 years. Maximum term is limited to the lesser of 20 years or the useful life of the project. The loan term does not include the spend-down period.
- Spend-down: No interest will accrue during spend-down. Including the spend-down period, the loan must be completely paid down within 25 years of the initial extension of loan proceeds.
- Loan Repayments: Loan repayments will be due monthly and collected via automatic debit. Under certain circumstances, loan terms and schedules may be modified subject to negotiation and approval.
- Loan Prepayment: Loans may be prepaid, however, the prepayment must be for 100% of the outstanding loan balance. An administrative fee in the amount of 1% of the outstanding loan balance will be applied.
- Interest: During the spend-down period, GTIB will retain any interest on funds earmarked for the borrower's projects that have not yet been drawn.
- If LMIG funds are used to repay loans applicant must provide local matching dollars as required by law.
- GEFA Review: Upon receiving a loan application for an eligible project, staff will submit the applicant's Financial Documentation Form to the Georgia Environmental Finance Authority (GEFA) to determine the financial feasibility of the request. At a minimum GEFA staff will base their financial feasibility review on the following factors:
 - Credit Strength of the Applicant
 - Debt Service Coverage
 - Statement of Net Position
 - Security of the Source of Revenue

Loan Program Fees

The Application Fee is \$250. A check must be made payable to the State Road & Tollway Authority (SRTA) and be received by the GTIB at the appropriate address as provided in the application within 2 weeks of submitting the application.

Loan Closing Fee: In addition to the \$250 Application Fee, a 1% closing fee will be calculated and assessed at closing. The borrower may choose to pay this fee directly or submit a requisition to pay this fee from the loan amount. If the borrower chooses to have the Loan Closing Fee deducted from the principal amount, borrower must ensure that it will still have enough remaining funding to fully fund the project.

Interest Rates

GTIB interest rates are tied to the Georgia Environmental Finance Authority's (GEFA) Georgia Fund rates. Rates will be determined at the time the application is submitted. Applicants selecting a repayment timeframe between the interest rates periods below will be assigned the higher interest rate. For example, an applicant requesting a 7-year repayment period would be assigned the 10-year interest rate of 2.54%. Interest rates as of November 2023 are as follows:

- 5-Year Loan 2.56%
- 10-Year Loan 2.68%
- 15-Year Loan 3.08%
- 20-Year Loan 3.49%

Application Review and Selection

If the Application is complete and all eligibility requirements are met, the Application will be evaluated by GDOT and SRTA staff for competitiveness and submitted to the GTIB Advisory Committee for consideration. After Advisory Committee review a recommendation will be made to the SRTA Board, who will approve or deny the application. If the project is not approved for award, staff will notify the applicant. If the Application is approved, staff will advise the applicant and coordinate documents required for awarding funds.

Project Modifications and Adjustments

If project costs change or are otherwise modified between the time that an Application is filed and awards are announced the Applicant should inform staff in writing, as soon as possible. In such an event the Applicant may be required file a supplemental Application.

Loan Closing

Upon an application being approved by the SRTA Board, the GTIB will coordinate the closing of the loan. Loan documents are prepared by the GTIB. The primary loan document is the loan agreement and its accompanying exhibits and forms. The loan agreement, including its exhibits, provides the terms of the loan. Draft copies of the agreement are sent to the Applicant and to Applicant's legal counsel for review. No changes to the forms are permitted without the express written approval of the GTIB.

The borrower must provide additional documents at closing. At a minimum, these will include a resolution authorizing the borrowing, an opinion of counsel addressing the legality of the transaction and such other closing documents as are required by the GTIB. If the borrower is securing the loan with a dedicated sales tax, proof of the statutorily required public approval of the sales tax must be provided. The GTIB will notify the borrower of the Closing Date.

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[CLICK HERE TO DOWNLOAD THE FINANCIAL
DOCUMENTATION FORM](#)