INDIANAPOLIS (Aug. 14, 2017) - The Indiana Finance Authority today completed the settlement transaction to terminate the contractual relationship between I-69 Development Partners and the State, reimburse the developer's bond holders for $246 million, and return direct control of the I-69 Section 5 project to the Indiana Department of Transportation.

“The State is officially in charge of this important project,” Gov. Eric J. Holcomb said. “Our focus is to complete this crucial stretch of roadway that provides a promising path to economic growth for Hoosiers and businesses in southern Indiana.”

The IFA announced the pending settlement agreement June 16, 2017. Since that time, the financing plan to complete the transaction was approved by the IFA Board and reviewed by the State Budget Committee.

IFA Public Finance Director Dan Huge said his agency will use highway-revenue bonds to retire the developer’s private-activity bonds. Those highway-revenue bonds are rated at AA+ according to statements previously issued by S&P Global, Fitch Ratings and Moody's Investor Services. This rating is considerably higher and more advantageous to the State than the BBB and BBB- rating assigned to the developer’s private-activity bonds and will result in interest savings over time.

The 21-mile project between Bloomington and Martinsville is expected to be complete on or before August 2018. To ensure the project is completed within that timeframe, INDOT has worked closely over the past month with I-69 Development Partners and advisor Walsh Construction to conduct a thorough assessment of work that has been completed and to identify milestones to keep the project on track.

“The INDOT project team alongside Walsh Construction accomplished in a few weeks what normally would take many months, and they did it while accelerating the current pace of work along the corridor,” INDOT Commissioner Joe McGuinness said. “We have INDOT staff on the ground today working with a team of partners ready to complete this section of the interstate.”

INDOT re-scoped and negotiated more than a dozen subcontractor agreements to retain most of the primary and subcontractors who worked on the project under the previous arrangement. McGuinness said retaining that experience is invaluable in moving the project forward to completion.

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ABOUT INDIANA FINANCE AUTHORITY
The Indiana Finance Authority oversees State-related debt issuance and provides efficient and effective financing solutions to facilitate state, local government and
business investment in Indiana. The IFA has issued funds for projects such as State Office Buildings like the Neuro-Diagnostic Institute, parking garages, roads and infrastructure, and State parks. The IFA also has worked on special projects like Stadium & Convention Center, the Indianapolis Motor Speedway, State Fair and the recent successful completion of East End Crossing Bridge. Part of the oversight includes managing The State Revolving Fund (SRF) loan programs, which provide low-interest loans to Indiana communities for projects that improve wastewater and drinking water infrastructure.

ABOUT THE INDIANA DEPARTMENT OF TRANSPORTATION
INDOT enhances Indiana’s economic competitiveness and the quality of life for all Hoosiers by delivering a transportation system that supports the safe, efficient movement of people and commerce. The agency builds and maintains more than 28,000 lane miles of highway, 5,600 bridges, and guides operations of 117 public aviation facilities and more than 4,000 miles of active rail lines. In 2015, Indiana was ranked #1 by the U.S. Department of Transportation for the conditions of its roads and bridges. Indiana was ranked as the #1 state in the U.S. for infrastructure in CNBC's 2016 "Top States for Business" ranking.

IFA Media Contact:
Stephanie McFarland
317.709.8728
stephanie@mcfarlandpr.com

INDOT Media Contact:
Scott Manning
317.233.9866
smanning1@indot.in.gov