Indiana Bond Bank READI Match Financing Program

Eligibility

Indiana Bond Bank Qualified Entities, as defined by IC 5-1.5-1-8, that are READI grant recipients borrowing funds to fulfill READI grant match obligations.

Application

An application may be obtained from the www.inbondbank.com website or via email by sending a request to bondbank@inbondbank.com.

For entities and finance professionals familiar with the Community Funding Resource (CFR) program, the READI Match loan application requests similar information.

Borrowing Amount Limit

$1,000,000 or less per qualified entity.

Communities wishing to borrow larger amounts for a READI grant match may apply for a loan under the CFR program.

Interest Rate

A fixed interest rate will be communicated to approved borrowers the day following the IBB Board meeting preceding each closing date. Current indicative rates can be provided by request on a weekly basis.

Term

Entities may borrow for a term of up to 10 years.

Principal & Interest Payments

Debt service payments will be due semiannually on January 15th and July 15th. Exceptions can be accommodated if the preferred payment due dates create parity or other conflicts with an entity's outstanding debt obligations.

Payment Method

Debt service payments will need to be made electronically via ACH or wire transfer. Checks will not be accepted.

Prepayment

Loans will be eligible for prepayment with 60 days' written notice without make-whole or other penalties. However, reasonable associated fees incurred by the Bond Bank and its professionals will be the responsibility of the borrower.

Tax Status

Loans under the program will be classified as taxable obligations to alleviate tax-exempt opinion and compliance requirements.

Borrower Professional Assistance

Borrowing entities are required to engage bond counsel prior to applying.

The IBB strongly recommends working with a registered municipal advisor to complete the application. The Bond Bank is not a municipal advisor and is unable to provide financial advice.

Fees

The IBB will charge each borrower an issuance fee of $12,500. While the fee covers all administrative, legal, and financial/municipal advisory costs of the Indiana Bond Bank, borrowers will be responsible for paying their own professional costs (such as bond counsel and a municipal advisor). Such amounts may be funded from bond proceeds.

Security

Loans must be secured by property taxes via a debt service fund levy or a pledged revenue source. If borrowing against pledged revenue, the proposed amortization schedule must achieve a 125% minimum annual debt service coverage ratio, be backed by a special benefits tax (if pledged revenues are revenues other than utility revenues) and must have a debt service reserve fund.

Credit Approval

All loans are subject to credit review and approval by the IBB Board. Board meetings are held monthly and are open to the public.

Deadlines and Funding Dates

There will be three opportunities in 2026 to receive loan proceeds (closings) under the program. The schedule and deadlines highlighted on the website .

While the application deadlines determine a final opportunity to request IBB Board approval and funding, applications will be accepted on a rolling basis and can be approved during any monthly IBB Board meeting held during the year. Please note that board meeting dates are subject to change.

Continuing Disclosure

Entities will be expected to submit annual financial reports and audited financials to the IBB within 60 days of availability. The Bond Bank reserves the right to request additional financial information in the format generally submitted to the Municipal Securities Rulemaking Board (MSRB) through the Electronic Municipal Market Access (EMMA) system. If such continuing disclosure information is already being submitted to the MSRB by the borrowing entity, then this information will also need to be submitted to the Bond Bank.

Additional Questions

If you have additional questions about the program, please contact the Bond Bank at bondbank@inbondbank.com, or submit a question through our website at https://inbondbank.com/contact.