

BOND FINANCING

The Environmental Improvement and Energy Resources Authority (Authority) issues taxable and tax-exempt bonds for public and private use to finance environmental and energy projects.

The benefits of this bond financing include:

- Competitive rates—Interest rate on tax-exempt bonds is reduced because interest paid to bondholders is exempt from federal and/or state tax.
- Flexible terms— Applicant works with bond counsel and underwriter (or purchaser) to structure financing terms.
- Timely—Faster than typical state and federal funding programs.
- Streamlined— Federal funding requirements that increase time and effort (ex. Buy America, Build America, NEPA, Davis-Bacon federal wage requirements, etc.) do not apply to this program.

Eligible Project Types

State and federal law allow the Authority to issue tax-exempt bonds for the following types of projects:

Internal Revenue Service Category	Project Examples
Facilities for the furnishing of water	Drinking water treatment, transmission and source development (ex. wells, reservoirs)
Sewage facilities	Collection and treatment of domestic, agricultural and industrial wastewater
Solid waste disposal facilities (ex. landfills, transfer stations)	Solid waste landfills, transfer stations, Materials Recovery Facilities, Biogas to Renewable Natural Gas facilities, Anaerobic digesters (ex. manure or food waste)
Facilities for the local furnishing of electric energy or gas	
Local district heating or cooling facilities	Residential, commercial or industrial heating and cooling or processing stream
Environmental enhancements of hydroelectric generating facilities	
Certain hazardous waste facilities	Hazardous waste disposal facilities including landfill or incineration
Certain carbon capture infrastructure	

The Authority can also issue bonds for the following types of projects that are not qualified for tax exemption under federal law but may be state tax- exempt:

- Preventing or reducing pollution, including industrial wastewater pretreatment
- Energy conservation
- Energy efficiency
- Renewable energy systems
- Development of energy resources

Eligible applicants

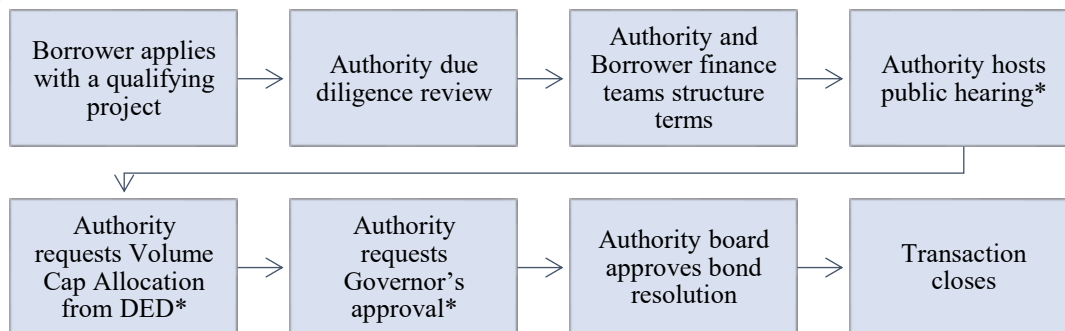
- For-profit business entities (including but not limited to water, sewer and electric utilities; solid waste management companies; agricultural, manufacturing and food production companies; developers, etc.)
- Not-for-profit corporations (including but not limited to water, sewer and electric utilities; universities and colleges, etc.)
- Government entities

Issuance Amounts

- There is no statutory upper or lower limit on the size of bond issuance; however, financing for amounts less than \$1,000,000 may not experience cost-savings due to financing costs including fees.
- Most categories of private activity bonds are subject to a federal volume cap requirement which restricts the amount of certain tax-exempt private activity bonds that can be issued in any one state. If required, the Authority applies on behalf of the borrower to the Department of Economic Development (DED) for an allocation of the volume cap.

Application and Financing Process

The process from application to closing is streamlined, and timelier than most state and federal funding programs.



*Not required for governmental or taxable bonds

Financing Costs

The Authority's application fee and issuance fee schedule are established pursuant to the Missouri Code of State Regulations (10 CSR 130-1.020).

About the Authority

The Authority is an independent, quasi-governmental finance agency authorized pursuant to Sections 260.005 to 260.125 of the Revised Statutes of Missouri to provide a broad range of financial support and services. These services include issuing tax exempt bonds, providing technical assistance, financing projects that reduce, prevent or control pollution and providing for energy conservation, energy efficiency and energy resource development. Since 1972, the Authority has assisted communities, organizations and businesses by providing almost \$6.2 billion in bond financing and more than \$51 million in project funding.

For More Information:

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