



financing the places where
people live and work

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Industrial Development Bonds (IDBs)

- In 2009, CHFA is prioritizing \$30 million of its available private activity bond cap by issuing the bonds as Industrial Development Bonds (IDBs).
- IDBs are tax-exempt bonds used to finance manufacturing facilities, including building acquisition, renovation, and equipment purchases.
- Over the past 25 years, CHFA has issued nearly \$166.5 million in IDBs, financing 52 manufacturing capital projects throughout Colorado, supporting over 9,000 jobs.
- IDBs typically provide interest rates 2% to 3% below prime rate, and terms of 30 years are available.
- Industrial Development bond issuances may not exceed \$10 million, or be less than \$1.5 million. Total capital expenditures for three years prior and after the bond issuance are capped at \$20 million.
- The bonds are repaid by the borrower making monthly payments, just as they would a traditional commercial loan.
- The American Reinvestment and Recovery Act (ARRA) of 2009 allows IDBs issued in 2009 and 2010 to finance manufacturing facilities that produce both tangible and intangible property; thus serving a broader manufacturing market than before.
- There are approximately 5,867 manufacturing companies in Colorado, employing a total of 144,300 people. *(source: Colorado Department of Labor and Employment 2008)*
- Colorado's manufacturing industry represents 6.5 percent of the state's Gross Domestic Product (GDP) and exports over \$6.8 billion in products. *(source: National Association of Manufacturers Feb.2008)*
- Contact CHFA's Denver office at 800.877.2432 or West Slope office at 800.877.8450 to learn more about participating in CHFA's Industrial Development Bond (IDB) Finance program.

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