



# **Illinois EPA Clean Water Initiative Bonds Finish Successful Pricing Following Triple-A Rating and Green Bond Designation**

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SPRINGFIELD – Following a ‘AAA’ rating from both Fitch Ratings and Standard & Poor’s Ratings Service, the Illinois Environmental Protection Agency (EPA) and Illinois Finance Authority (IFA) have completed bond pricing of the Illinois EPA State Revolving Fund revenue bonds. This is the first “Green Bond” deal Illinois has issued.

The Illinois EPA’s Wastewater and Drinking Water Loan Programs have made nearly \$9 billion in low-cost loans available to local governments investing in waste water and drinking water capital projects. Local governments can use these funds for a variety of projects, including new drinking water or waste water infrastructure construction, upgrading or rehabilitating existing infrastructure, stormwater-related projects that benefit water quality, and other projects that protect or improve the quality of Illinois’ rivers, streams and lakes. Updating these systems improves safety and enables compliance with current federal standards.

Proceeds from the bond sales are combined with federal funds and past loan repayments to provide an abundant revenue stream to support large and small community infrastructure needs throughout Illinois. A U.S. EPA survey ranked Illinois as the fourth highest state in terms of the need for water infrastructure improvements, which doesn’t include the vast need for stormwater infrastructure, which is now available through the Initiative. Over the next 20 years, Illinois will have a \$32 billion need for such projects.

“The Illinois EPA is excited to work with the Illinois Finance Authority to encourage sustainable water infrastructure projects,” said Illinois EPA Acting Director John J.

Kim. “These projects will make a significant contribution to improving water quality in Illinois. Through the issuance of these Green Bonds, we are reaffirming our commitment to financing Illinois’ clean and safe drinking water projects.”

“We are delighted to partner with Illinois EPA to float the first Illinois Green Bonds, especially during Water Week, when our nation focuses its attention on the unique need for drinking water and clean water utilities,” said Chris Meister, Executive Director of the Illinois Finance Authority. “These AAA-rated bonds will lower costs for local governments to build these essential water projects, while saving Illinois citizens money. Financing these projects also will support the goals and objectives of Governor Pritzker’s Executive Order of Climate Change. The IFA had a highly successful bond order period on its \$450 million Clean Water Initiative financing. Over the past two days, the IFA received a variety of orders from both individual and institutional investors. Moreover, the IFA received strong investor interest from specific “green bond investors” based upon the joint initiative of IEPA and the IFA in creating a “Green Bond” designation for this financing.”

The State Revolving Fund has expanded low interest funds available to local communities to replace or update old systems at no added cost to state taxpayers. To learn more about Illinois EPA’s State Revolving Fund Loan Programs, visit <https://www2.illinois.gov/epa/topics/grants-loans/state-revolving-fund/Pages/default.aspx>. To download the preliminary official statement of this transaction, go to [muniOS.com](https://www2.illinois.gov/epa/topics/grants-loans/state-revolving-fund/Pages/default.aspx).