



U.S. Department
of Transportation

Executive Director

1200 New Jersey Avenue, SE
Washington, DC 20590

**Office of the Under Secretary
Build America Bureau**

The Honorable Sam Graves
Chairman
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Graves:

With this letter, I am transmitting the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) Application Process Report to Congress, as required by 23 U.S.C. § 609(b). The provision requires the Secretary of Transportation to submit a report to Congress that includes a list of all letters of interest (LOI) and applications for TIFIA assistance received from project sponsors during the preceding fiscal year (FY). The report must also include copies of the correspondence provided to project sponsors regarding the status of their applications and approval. The attached report provides information for FY 2023.

A similar letter has been sent to the Ranking Member of the House Committee on Transportation and Infrastructure and the Chair and Ranking Member of the Senate Committee on Commerce, Science, and Transportation.

Sincerely,

Morteza Farajian, Ph.D.

Enclosure



Report to Congress:

Transportation Infrastructure Finance and
Innovation Act (TIFIA) Credit Assistance
Letters of Interest and Applications

Fiscal Year 2023

Title 23, United States Code, Section 609(b)

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Abbreviations, Acronyms, and Phrases Used in this Report

Build America Bureau or Bureau	National Surface Transportation and Innovative Finance Bureau
FY	Fiscal Year
LOI	Letter of Interest
Pub. L.	Public Law
Secretary	U.S. Secretary of Transportation
Sound Transit	Central Puget Sound, Washington, Regional Transit Authority
TIFIA	Transportation Infrastructure Finance and Innovation Act, Pub. L. 105-178, §§1501-1504
U.S.C.	United States Code
DOT	U.S. Department of Transportation

Legislative Direction

Source: Title 23, United States Code (U.S.C.), Section 609(b)

Application Process Report.—(1) In general.—Not later than December 1, 2012, and annually thereafter, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that includes a list of all of the letters of interest and applications received from project sponsors for assistance under the TIFIA [Transportation Infrastructure Finance and Innovation Act of 1998] program during the preceding fiscal year. (2) Inclusions.—(A) In general.—Each report under paragraph (1) shall include, at a minimum, a description of, with respect to each letter of interest and application included in the report—

- (i) the date on which the letter of interest or application was received;*
- (ii) the date on which a notification was provided to the project sponsor regarding whether the application was complete or incomplete;*
- (iii) the date on which a revised and completed application was submitted (if applicable);*
- (iv) the date on which a notification was provided to the project sponsor regarding whether the project was approved or disapproved; and*
- (v) if the project was not approved, the reason for the disapproval.*

(B) Correspondence.—Each report under paragraph (1) shall include copies of any correspondence provided to the project sponsor in accordance with section 602(d) [informing the applicant whether its application is complete or incomplete and whether the Secretary approved or disapproved the application].

Introduction

This document responds to the legislative direction that the Secretary report on TIFIA letters of interest and applications DOT receives each fiscal year (FY). This report covers FY 2023. The body of the report summarizes the information, and Appendix A contains copies of Bureau correspondence regarding application completeness and approval.

TIFIA Background

The Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA)² established the program under which USDOT may provide three forms of credit assistance—secured (direct) loans, loan guarantees, and standby lines of credit—for eligible transportation projects. Unlike traditional grant programs, TIFIA aims to leverage Federal funds by attracting substantial private and other non-Federal co-investment in transportation projects, by providing long-term supplemental or subordinate financing on flexible repayment terms. Eligible borrowers include

² Pub. L. 105-178, §§1501-1504.

state departments of transportation, transit operators, toll road authorities, special purpose authorities, local governments, and private entities.

TIFIA assistance can equal up to 49 percent of eligible project costs, with the balance of funding coming from other lending, equity investment, user charges, tax revenues, and federal, state, and local grants. USDOT policy typically limits TIFIA assistance to 33 percent of eligible costs. Project sponsors often combine TIFIA loans with other debt, including the Bureau's private activity bond allocations.

TIFIA eligibility includes the following project types: highways, bridges and tunnels; transit facilities and vehicles; operations and maintenance facilities; intercity bus and passenger rail vehicles and stations; intermodal freight facilities; intelligent transportation systems; port access and transfer facilities; rural infrastructure; state infrastructure banks rural projects funds; natural habitats that mitigate impact of transportation projects; transit-oriented development; and airports.

Borrowers must repay TIFIA credit assistance and interest from pledged revenue streams, such as project-based revenues, general obligation bonds, or future tax revenue. USDOT can tailor repayment terms to borrower needs and preferences, construction schedules, and useful lives of project elements. Borrowers must achieve investment-grade credit ratings and meet other statutory and USDOT project and financial requirements.

The Build America Bureau (Bureau) within USDOT's Office of the Secretary of Transportation, Under Secretary of Transportation for Policy, manages the TIFIA program and other programs offering project sponsors credit support, tax-advantaged debt, targeted grant funding, and technical assistance.

Credit Assistance Process

Reflecting statute and USDOT policy and practice, the credit assistance process formally begins when a project sponsor submits a draft letter of interest (LOI) to the Bureau. The Bureau provides its [LOI template on the public website](#),³ which asks the sponsor to describe the project location, purpose, and cost; demonstrate the sponsor's ability to fulfill federal requirements for transportation projects and TIFIA eligibility; and outline the proposed financial plan, including requested TIFIA credit assistance, federal grants, state and local funds, and private investment. Bureau staff work with the project sponsor to ensure all requirements are met and identify statutory, regulatory, financing, timing, or other issues that could prevent or delay TIFIA assistance. This engagement between the Bureau and project sponsor helps the sponsor refine and complete its final LOI for USDOT consideration.

³ <https://buildamerica.dot.gov/buildamerica/financing/forms/rif-and-tifia-letter-interest-form-doc>.

After DOT accepts the LOI, the Bureau begins creditworthiness review, underwriting, and negotiating assistance terms and conditions.⁴ External financial and legal professionals help the Bureau evaluate the proposed credit assistance terms and borrower creditworthiness. In most cases, project sponsors pay the cost of the Bureau’s external advisors. Creditworthiness reviews involve evaluation of the plan of finance, financial model, feasibility of the anticipated pledged revenue, and other considerations.

The Bureau invites the project sponsor to apply formally for credit assistance after the Bureau confirms the borrower’s and project’s eligibility, creditworthiness, ability to repay federal credit assistance, and agreement on terms to protect the public interest, such as appropriate debt to income coverage ratios, rate covenants, and reserves. Project sponsors typically begin preparing their applications during creditworthiness review. The Bureau provides its [application template on the public website](#).⁵ Within 30 days of receipt of an application, the Bureau notifies the potential borrower whether its application is complete. The Bureau recommends the application for the Secretary’s consideration, through the Council on Credit and Finance, after the Bureau determines the application is complete. The Bureau notifies the applicant in writing whether the Secretary approves or disapproves its application.

Letters of Interest and Applications

In FY 2023, the Bureau received 11 LOIs and accepted 8 applications, and USDOT approved 7 applications ([Table 1](#)). The Secretary did not disapprove any applications in FY 2023.

Table 1. Number of Letters of Interest and Applications, FY 2023

Fiscal Year	LOIs Received	Applications Received	Applications Approved
2023	11	8	7

The 11 LOIs requested \$2.7 billion in TIFIA credit assistance ([Table 2](#)). USDOT provided \$554 million in loans for the 7 approved applications. For six projects in Table 2, the Bureau did not send formal notices of application approval due to a processing lapse. Nevertheless, the Secretary approved the applications, and the Bureau executed the loans.

⁴ In practice, Bureau staff often conduct steps concurrently, such as beginning creditworthiness reviews as the project sponsor is completing its final LOI.

⁵ <https://buildamerica.dot.gov/buildamerica/financing/forms/rrif-and-tifia-application-form-doc>.

TIFIA Credit Assistance Letters of Interest and Applications—FY 2023

Table 2. Project Information and LOI and Application Dates, FY 2023, by LOI Received Date

Italics: Estimated date.

FY 2021	FY 2022	FY 2023
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Project				Requested Assistance (\$ millions)	LOI Received	Application		
Name	Sponsor	Location	Type			Received	Completeness Notice	Approval Notice
I-25 North Tolled Express Lanes	Colorado High-Performance Transportation Enterprise	Denver to Fort Collins, Colorado	Highway	191	4/29/2021	6/9/2023	6/23/2023	Not sent
I-81 (Regular TIFIA Program)	Virginia Department of Transportation	I-81 corridor	Highway	83	7/16/2021	10/7/2022	10/12/2022	Not sent
I-81 (Rural Projects Initiative)	Virginia Department of Transportation	I-81 corridor	Highway	15	7/16/2021	10/7/2022	10/12/2022	Not sent
Highway 14 Expansion	Minnesota Department of Transportation	New Ulm to Nicollet, Minnesota	Highway	48	10/20/2021	9/7/2022	10/7/2022	Not sent
Hilltop Tacoma Link Extension	Sound Transit	Tacoma, Washington	Transit	93	6/17/2022	4/9/2023	Not sent	Not sent
NE 130 th Street Infill Station	Sound Transit	Seattle, Washington	Transit	79	6/17/2022	4/9/2023	Not sent	Not sent
Rural 2-Lane Advancement and Management Plan, Package 2	Oklahoma Department of Transportation and Oklahoma Capitol Improvement Authority	Multiple locations in Oklahoma	Highway	45	10/3/2022	3/10/2023	6/6/2023	6/6/2023
Mount Vernon Library Commons	City of Mount Vernon	Mount Vernon, Washington	Transit-oriented development	26	11/15/2022	In process		

TIFIA Credit Assistance Letters of Interest and Applications—FY 2023

Table 2. Project Information and LOI and Application Dates, FY 2023, by LOI Received Date

Italics: Estimated date.

FY 2023

Project				Requested Assistance (\$ millions)	LOI Received	Application		
Name	Sponsor	Location	Type			Received	Completeness Notice	Approval Notice
Red and Purple Line Modernization	Chicago Transit Authority	Chicago, Illinois	Transit	427	12/1/2022	In process		
BUR Replacement Passenger Terminal	Hollywood Burbank Airport	Burbank, California	Airport	476	12/14/2022	In process		
I-64 Hampton Roads Express Lanes Network, Segment 4C	Hampton Roads, Transportation Accountability Commission	Hampton Roads, Virginia	Highway	143	1/23/2023	9/7/2023	9/13/2023	In process
Package #3: LA 1/LA 415	Louisiana Department of Transportation and Development	West Baton Rouge, Louisiana	Highway	88	5/4/2023	9/7/2023	9/13/2023	In process
Pierce Transit Service and Infrastructure Improvements Project	Pierce County Public Transportation Benefit Area Corporation	Tacoma, Washington	Transit	140	6/28/2023	In process		
Port of Alaska Modernization Program Phase I and Phase II	Municipality of Anchorage	Anchorage, Alaska	Seaport	500	8/9/2023	In process		
Industrial Rail Corridor Expansion	Port of Longview	Longview, Washington	Seaport	38	8/9/2023	In process		
LAX Terminal Roadways Project	Los Angeles World Airports	Los Angeles, California	Airport	503	8/9/2023	In process		

TIFIA Credit Assistance Letters of Interest and Applications—FY 2023

Table 2. Project Information and LOI and Application Dates, FY 2023, by LOI Received Date

Italics: Estimated date.

FY 2023

Project				Requested Assistance (\$ millions)	LOI Received	Application		
Name	Sponsor	Location	Type			Received	Completeness Notice	Approval Notice
I-70 Floyd Hill to Veterans Memorial Tunnels Improvements	Colorado High-Performance Transportation Enterprise	Clear Creek and Jefferson Counties, Colorado	Highway	275	8/23/2023	In process		

Appendix A: Bureau Correspondence on Application Completeness and Approval



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1200 New Jersey Ave. SE
Washington, DC 20590

October 7, 2022

Via E-Mail

Mr. Brian Gage
Manager of Capital Programming & Performance Measures
Minnesota Department of Transportation
395 John Ireland Boulevard
Saint Paul, MN 55115
brian.gage@state.mn.us

Re: Highway 14 Four-lane Expansion Project

Dear Mr. Gage:

Thank you for submitting a Transportation Infrastructure and Financing Innovation Act (“TIFIA”) loan application on September 7, 2022, for the Highway 14 Four-lane Expansion Project (“Project”). The Department of Transportation has reviewed this information and has determined that the TIFIA loan application is complete. As required by statute, we will notify you within 60 days of the date of this letter as to whether the TIFIA loan application has been approved or disapproved. We look forward to continuing to work with you on this Project.

Sincerely,

Morteza Farajian, Ph.D.



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1200 New Jersey Ave. SE
Washington, DC 20590

October 12, 2022

Via E-mail

Ms. Laura Farmer
Chief Financial Officer
Virginia Department of Transportation
1401 E. Broad Street
Richmond, VA 23219
Laura.Farmer@vdot.virginia.gov

Re: 2022 Regular Project and 2022 Rural Project

Dear Ms. Farmer:

Thank you for submitting Transportation Infrastructure and Financing Innovation Act (“TIFIA”) loan applications for each of the 2022 Regular Project and 2022 Rural Project (“Projects”). The Department of Transportation has reviewed this information and has determined that each TIFIA loan application is complete. As required by statute, we will notify you within 60 days of the date of this letter as to whether each TIFIA loan application has been approved or disapproved. We look forward to continuing to work with you on these Projects.

Sincerely,

Morteza Farajian, Ph.D.



U.S. Department
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1200 New Jersey Ave. SE
Washington, DC 20590

June 6, 2023

Via E-Mail

Ms. Chelley Hilmes
Director of Finance and Administration
Oklahoma Department of Transportation
200 N.E. 21st Street
Oklahoma City, OK 73105
chilmes@odot.org

Re: Rural 2-Lane Advancement And Management Plan (“RAAMP”) Package 1

Dear Ms. Hilmes:

The Department of Transportation (“Department”) has reviewed the Transportation Infrastructure and Financing Innovation Act (“TIFIA”) loan application for the RAAMP Package 1 Project (“Project”). This letter confirms that, on March 10, 2023, the Department received a final application from Oklahoma Department of Transportation (“ODOT”), and, on March 29, 2023, the Department determined the application to be complete.

We further hereby notify you that on May 1, 2023, the Deputy Secretary, exercising the authority of the Secretary pursuant to 49 CFR §1.22, approved the TIFIA loan application on the basis of terms reviewed and approved by the Department’s Council on Credit and Finance. Closing on the TIFIA loan and obligation of funds for the Project are subject to agreement of terms and conditions acceptable to the Department. We look forward to continuing to work with you on this Project.

Sincerely,

Morteza Farajian, Ph.D.



U.S. Department
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Office of the Secretary
Build America Bureau

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1200 New Jersey Ave. SE
Washington, DC 20590

June 23, 2023

via E-mail

Ms. Piper Darlington
Enterprise Budget & Special Projects Manager
High-Performance Transportation Enterprise (HPTE)
2829 W. Howard Pl.
Denver, CO 80204
piper.darlington@state.co.us

Re: I-25 North Tolled Express Lanes Project

Dear Ms. Darlington:

Thank you for submitting a Transportation Infrastructure and Financing Innovation Act (“TIFIA”) loan application on June 9, 2023, for the I-25 North Tolled Express Lanes Project (“Project”). The Department of Transportation has reviewed this information and has determined that the TIFIA loan application is complete. As required by statute, we will notify you within 60 days of the date of this letter as to whether the TIFIA loan application has been approved or disapproved. We look forward to continuing to work with you on this Project.

Sincerely,

Morteza Farajian, Ph.D.



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1200 New Jersey Ave. SE
Washington, DC 20590

September 13, 2023

Via E-Mail

Kevin Page

Hampton Roads Transportation Accountability Commission

723 Woodlake Drive

Chesapeake, Virginia 23320

kpage@hrtac.org

Re: Hampton Roads Express Lane Network – Segment 4C Project

Dear Mr. Page:

Thank you for submitting a Transportation Infrastructure and Financing Innovation Act (“TIFIA”) application for Hampton Roads Transportation Accountability Commission’s Hampton Roads Express Lane Network – Segment 4C Project. The Department of Transportation has reviewed this information and has determined that the TIFIA loan application is complete. As required by statute, we will notify you within 60 days of the date of this letter as to whether the TIFIA loan application has been approved or disapproved. We look forward to continuing to work with you on this Project.

Sincerely,

Morteza Farajian, Ph.D.
Executive Director
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1200 New Jersey Ave. SE
Washington, DC 20590

September 13, 2023

Via E-Mail

Ms. Lela Folse

Director

State Bond Commission on behalf of the State of Louisiana

900 North Third Street

Baton Rouge, LA 70802

LFolse@la.gov

Re: LA 415 Interconnector Project

Dear Ms. Folse,

Thank you for submitting a Transportation Infrastructure and Financing Innovation Act (“TIFIA”) application for the Louisiana Department of Transportation and Development’s LA 415 Interconnector Project. The Department of Transportation has reviewed this information and has determined that the TIFIA loan application is complete. As required by statute, we will notify you within 60 days of the date of this letter as to whether the TIFIA loan application has been approved or disapproved. We look forward to continuing to work with you on this Project.

Sincerely,

Morteza Farajian, Ph.D.
Executive Director
Build America Bureau