

Mount Vernon Library Commons Project

TIFIA Loan

U.S. DOT's FIRST Transit-Oriented Development Loan Is a Game Changer

Project Summary

In a significant stride toward enhancing public infrastructure and community development, the U.S. Department of Transportation's (DOT) Build America Bureau (the Bureau) approved its first **Transit-Oriented Development (TOD) loan** for \$26.8 million for the Mount Vernon Library Commons Project in Washington State. TOD is a new but fast-growing category within the Bureau, which offers below-market rate financing on infrastructure projects.

Spanning half a city block, the Mount Vernon Project contains a multi-use building that will include a public library, community center, meeting rooms, commercial kitchen, parking garage, public restrooms, STEM center, computing space, and a network of electric vehicle (EV) chargers.

With its blend of accessibility, sustainability, and community engagement, the Mount Vernon Library Commons Project stands to set a new standard for transit-oriented development and urban revitalization.

Mount Vernon is the most populous city in Skagit County, Washington. Located one hour north of Seattle, Mount Vernon is home to over 35,000 residents with a median age of 35 years old. The median household income in the city is \$69,227 (as of the 2020 U.S. census).



Rendering of the Mount Vernon Library Commons Project from the southeast corner (Image: HKP Architects).

"Having a library, public restrooms, a community center, and a kitchen all under one roof—and only steps away from Skagit Station—will be a game-changer for the people of Mount Vernon."

"This is the first of what we hope will be many TOD loans that will make vital resources more accessible to more people, especially historically overlooked communities."

U.S. Transportation Secretary Pete Buttigieg



Key Benefits

- Situated just a short walk from Skagit Station, the county's multimodal transportation center, the project is strategically positioned to promote connectivity and accessibility.
- The project will have EV chargers along the I-5 Alternative Fuel Corridor, providing equitable access to EV charging for nearby multi-family housing residents.
- The building design uses low-carbon architecture and solar power generation, minimizing the community's ecological footprint and promoting environmentally conscious practices by using 80% less energy for heating or cooling than the average existing library in the state.
- Sidewalk and signalized crosswalk improvements will provide safe walking routes and Americans with Disabilities Act (ADA) compliant design.
- The economic catalyst from the parking infrastructure is expected to yield a hotel, mixed use development on the waterfront and enhance the value of adjacent private properties, expecting to generate between \$550,000 and \$1,250,000 in additional spending in the county.

Innovative Funding

In utilizing the ultra-low interest loan received from the Bureau, Mount Vernon was able to save \$3 million on the project. The project is financed through the [TIFIA Rural Project Initiative](#) for up to 49 percent of the project costs with an interest rate equal to half the Treasury rate. And as a rural project, DOT provided additional financial support by waiving advisor fees.

"The TIFIA loan product is the absolute best financing that a small rural city like ours can utilize. The length of the loan and incredible interest rate made our project doable with our city budget. The interest rate saved \$3 million over traditional financing. Our project would not have been possible without this tool."

Jill Boudreau,
Mayor Emerita,
Project Administrator,
Mount Vernon
Library Commons

Total Project Cost:
\$54.75 million

TOD Loan:
Up to \$26.8 million

Loan Close: FY 2024

Website: <https://www.mountvernonwa.gov/933/Mount-Vernon-Library-Commons-Project>

Funding Use

\$10.42 million

Prelim. Engineering/
Environmental Review/
Design Costs

\$44.33 million

Construction

\$54.75 million

Total Eligible
Project Costs

Funding Sources

\$9.27 million

State grants: **16.9%**

\$7.16 million

Municipal government funds: **13.1%**

\$6 million

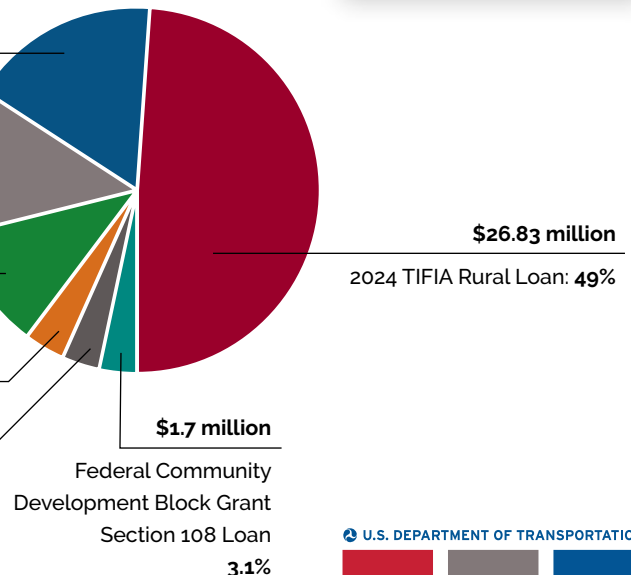
Federal grants/funds: **11%**

\$1.98 million

Local government funds: **3.6%**

\$1.82 million

Private contributions: **3.3%**



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www.transportation.gov/buildamerica/tod

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