

TIFIA Airport Eligibility Guidance/FAQs

1. What types of airport projects are eligible for TIFIA credit assistance?

Airport projects that are eligible for TIFIA are defined at 23 U.S.C. § 601(a)(12)(G) as “eligible airport-related project” as that term is defined at 49 U.S.C § 40117(a)(3). Eligible projects include any of the following:

- A project for airport development, such as airfield pavement construction or rehabilitation.
- A project for terminal development, such as construction of a new terminal building.
- A project to carry out noise compatibility measures, such as implementation of a residential sound insulation program.
- A project for constructing gates and related areas at which passengers board or exit aircraft, such as construction of a terminal building expansion or additional gates.
- A project to convert vehicles and ground support equipment used at a commercial service airport.

Other types of projects at airports may be eligible for TIFIA credit assistance under other authorities, including but not limited to “public infrastructure” projects as defined at 23 U.S.C. § 601(a)(12)(E), such as a Consolidated Rental Car facility, highway and transit projects as defined at 23 U.S.C. § 601(a)(12)(A), such as a new bus or rail station at an airport, and under the Railroad Rehabilitation and Improvement Financing (RRIF) program if there is an Federal Railroad Administration (FRA) regulated passenger or freight rail service at an airport.

2. How is eligibility for airport projects analyzed and determined?

Since TIFIA airport project eligibility is based on a definition in the Passenger Facility Charges (PFC) statute (49 U.S.C § 40117(a)(3)), the analysis to determine a project’s eligibility for TIFIA is the same as the analysis the Federal Aviation Administration (FAA) conducts to determine a project’s eligibility to use PFCs. Consistent with PFC eligibility requirements, to the extent a project includes elements that are not PFC-eligible, airport sponsors will need to prorate total projects costs based on the percentage of the PFC eligible portion within the overall project to arrive at total eligible project costs for TIFIA.

3. What are considered eligible project costs?

The TIFIA statute, codified at 23 U.S.C. §§601-609, defines eligible project costs as those expenses associated with the following.

- Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other pre-construction activities.
- Construction, reconstruction, rehabilitation, replacement, and acquisition of real property (Including land related to the project and improvements to land), environmental mitigation, construction contingencies, and acquisition of equipment.
- Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.
- Capitalizing a rural projects fund.

Capitalized interest on TIFIA credit assistance may not be included as an eligible project cost.

Also, TIFIA administrative charges, such as application fees, transaction fees, loan servicing fees, credit monitoring fees, and the charges associated with obtaining the required preliminary rating opinion letter, will not be considered among the eligible project costs. In all cases, eligible project costs should be calculated and presented on a cash basis (that is, as year-of-expenditure dollars) with the year of planned expenditure clearly identified.¹

4. Is there a minimum or maximum total eligible project cost threshold for airport TIFIA projects?

Yes, there is a minimum. TIFIA airport projects are subject to a minimum total eligible project cost threshold of \$10 million in the case of projects in which the applicant is a local government, public authority, or instrumentality of local government; the airport is located on a facility owned by a local government; or a local government is substantially involved in the development of the project. In all other cases, the minimum total eligible project cost threshold is \$50 million.

No, there is no maximum. The TIFIA program does not specify a maximum loan amount or total eligible project cost threshold in dollars. However, TIFIA loans typically cover up to 33 percent of total eligible costs. In the case of airport projects in rural areas (not in an urban area with a population of 150,000 or more in the latest decennial Census) with total eligible costs between \$10 million and \$100 million, TIFIA loans may cover up to 49 percent of total eligible costs. Additionally, total federal assistance including grants and loans cannot exceed 80% of total project costs.

¹ For more information on TIFIA cost eligibility, see 49 CFR § 80.5.

5. What federal requirements will airport project sponsors be required to meet to be eligible for TIFIA credit assistance?

Airport project sponsors will be required to comply with FAA Airport Improvement Program (AIP) grant assurances. Compliance with AIP grant assurances is not directly required by the TIFIA Program, but is, as a matter of policy, a condition of receiving federal assistance from the Department of Transportation. For more information, please refer to the FAA AIP grant assurances and FAA AIP Handbook (FAA Order 1500-38D, Change 1) at:

- https://www.faa.gov/airports/aip/grant_assurances,
- https://www.faa.gov/airports/aip/aip_handbook/.

6. Do airport projects seeking a TIFIA loan need to follow surface transportation planning and programming requirements, such as inclusion in the Transportation Improvement Program and the State Transportation Improvement Program (TIP/STIP)?

It depends on the project. Not all TIFIA-eligible or airport projects must be included in a TIP/STIP. Contact the Bureau to discuss your project and the applicable planning and programming requirements.

7. Where can I find more information about TIFIA and the application process?

You can find more information in the Credit Programs Guide on the Bureau's website. <https://www.transportation.gov/buildamerica/financing/program-guide>

8. We're interested! How do we begin the application process?

Great! Please start by contacting the Bureau at BuildAmerica@dot.gov to set up an initial consultation with one of our Project Development Leads.