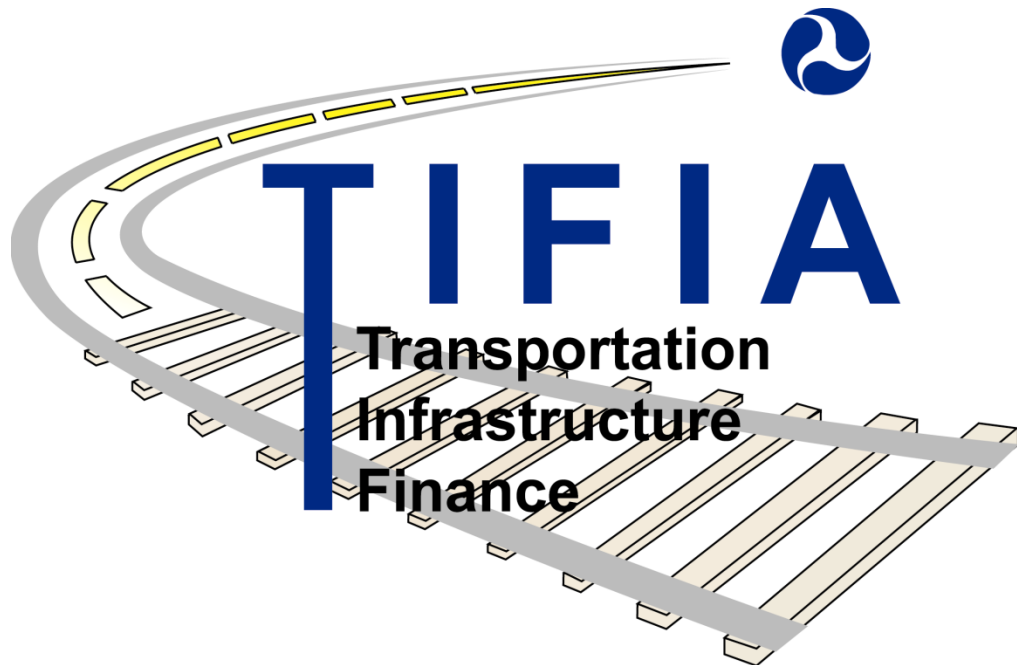


TIFIA Credit Program Overview



*Transportation
Infrastructure
Finance and
Innovation
Act (TIFIA)*

Updated January 2017



Background on TIFIA

- **Strategic goal** – to leverage limited Federal resources and stimulate capital market investment in transportation infrastructure by **providing credit assistance in the form of direct loans, loan guarantees, and standby lines of credit** (rather than grants) to projects of national or regional significance.

- **Key objectives**
 - Facilitate projects with significant public benefits
 - Encourage new revenue streams and private participation
 - Fill capital market gaps for secondary/subordinate capital
 - Be a flexible, “patient” investor willing to take on investor concerns about investment horizon, liquidity, predictability and risk
 - Limit Federal exposure by relying on market discipline



Background on TIFIA (continued)

- **Major requirements**
 - **Minimum Anticipated Project Costs** –
 - \$10 million for Transit-Oriented Development, Local, and Rural Projects
 - \$15 million for Intelligent Transportation System Projects
 - \$50 million for all other eligible Surface Transportation Projects
 - **TIFIA Credit Assistance Limit** – Credit assistance limited to 33 percent of reasonably anticipated eligible project costs (unless the sponsor provides a compelling justification for up to 49 percent)
 - **Investment Grade Rating** – Senior debt and TIFIA loan must receive investment grade ratings from at least two nationally recognized credit rating agencies (only one rating required if less than \$75 million)
 - **Dedicated Repayment Source** – The project must have a dedicated revenue source pledged to secure both the TIFIA and senior debt financing
 - **Applicable Federal Requirements** – Including, but not limited to: Civil Rights, NEPA, Uniform Relocation, Buy America, Titles 23 and 49

- **Rolling application process** – Applicants must submit detailed letters of interest when a project is able to provide sufficient information to satisfy statutory eligibility requirements, such as creditworthiness and readiness to proceed; after invitation from the TIFIA Joint Program Office, a formal application is required



Eligible Sponsors and Projects

ELIGIBLE SPONSORS

State Governments

State Infrastructure Banks

Private Firms

Special Authorities

Local Governments

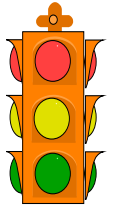
Transportation
Improvement Districts

ELIGIBLE PROJECTS

Highways and Bridges

Intelligent Transportation Systems

Intermodal Connectors



Transit Vehicles and Facilities

Intercity Buses and Facilities

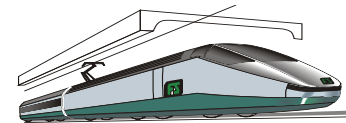
Freight Transfer Facilities



Pedestrian and Bicycle Infrastructure Networks

Transit-Oriented Development

Rural Infrastructure Projects



Passenger Rail Vehicles and Facilities

Surface Transportation Elements of Port Projects

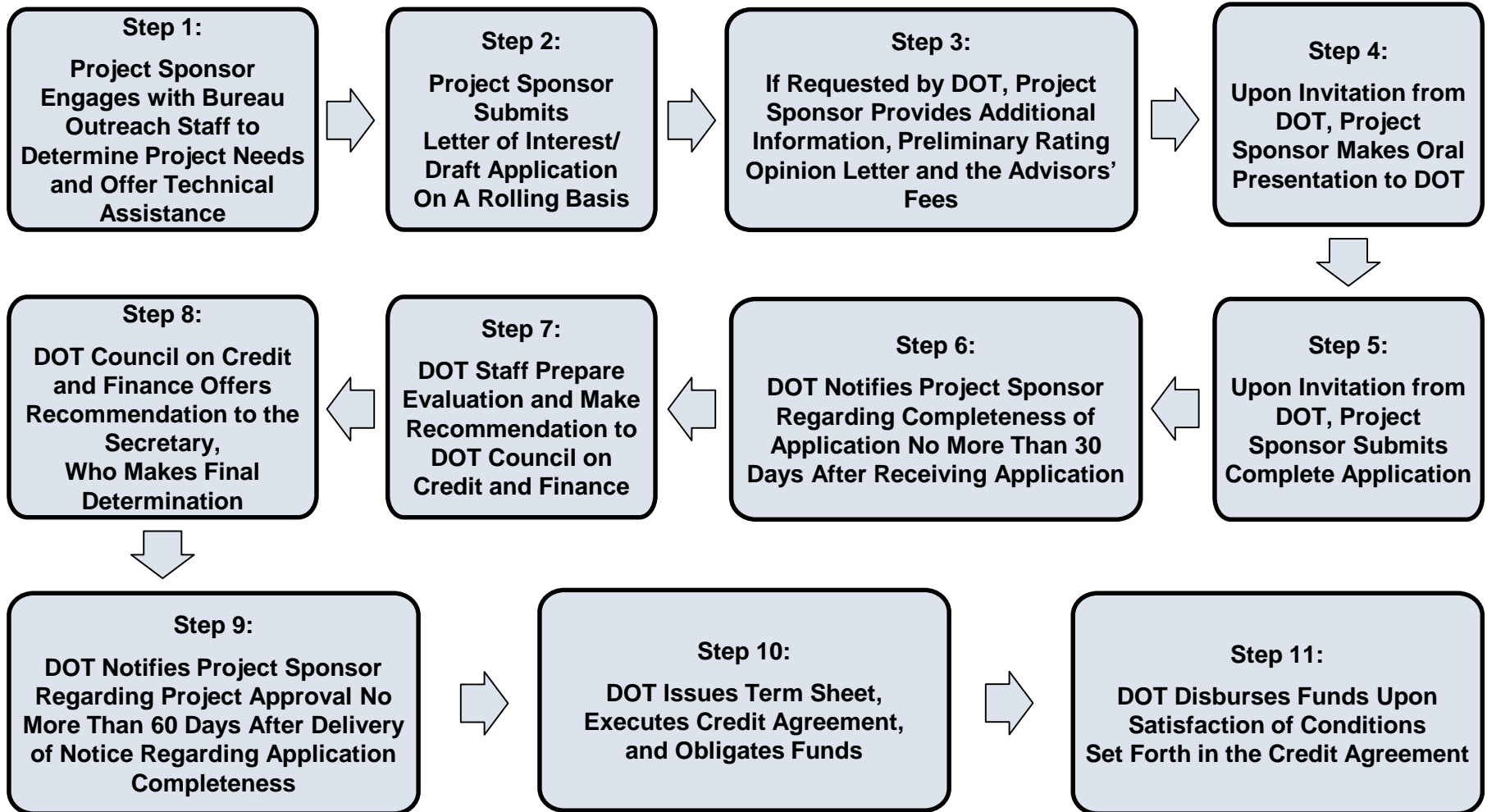


Eligibility Requirements

1. Creditworthiness:
 - a. Ability to satisfy applicable creditworthiness standards
 - b. Rate covenant, if applicable
 - c. Adequate coverage requirements to ensure repayment
 - d. Ability to obtain investment grade ratings on senior debt
2. Foster partnerships that attract public and private investment for the project
3. Ability to proceed at an earlier date or reduced lifecycle costs (including debt service costs)
4. Reduces Contribution of Federal Grant Assistance for the Project
5. Construction contracting process can commence no more than 90 days from execution of a TIFIA credit instrument

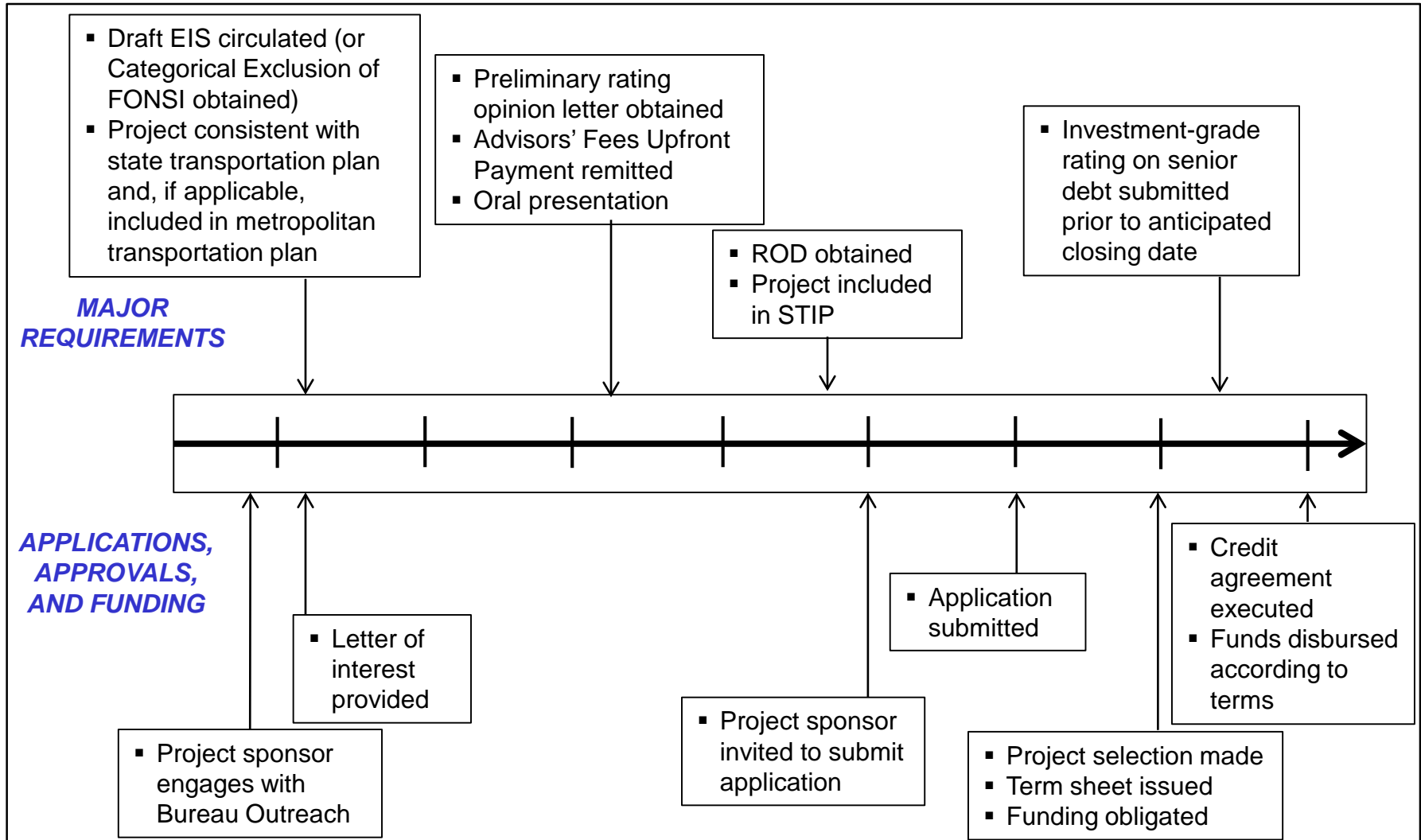


Program Implementation: Selection & Funding of a TIFIA Project





TIFIA Documentation Requirements





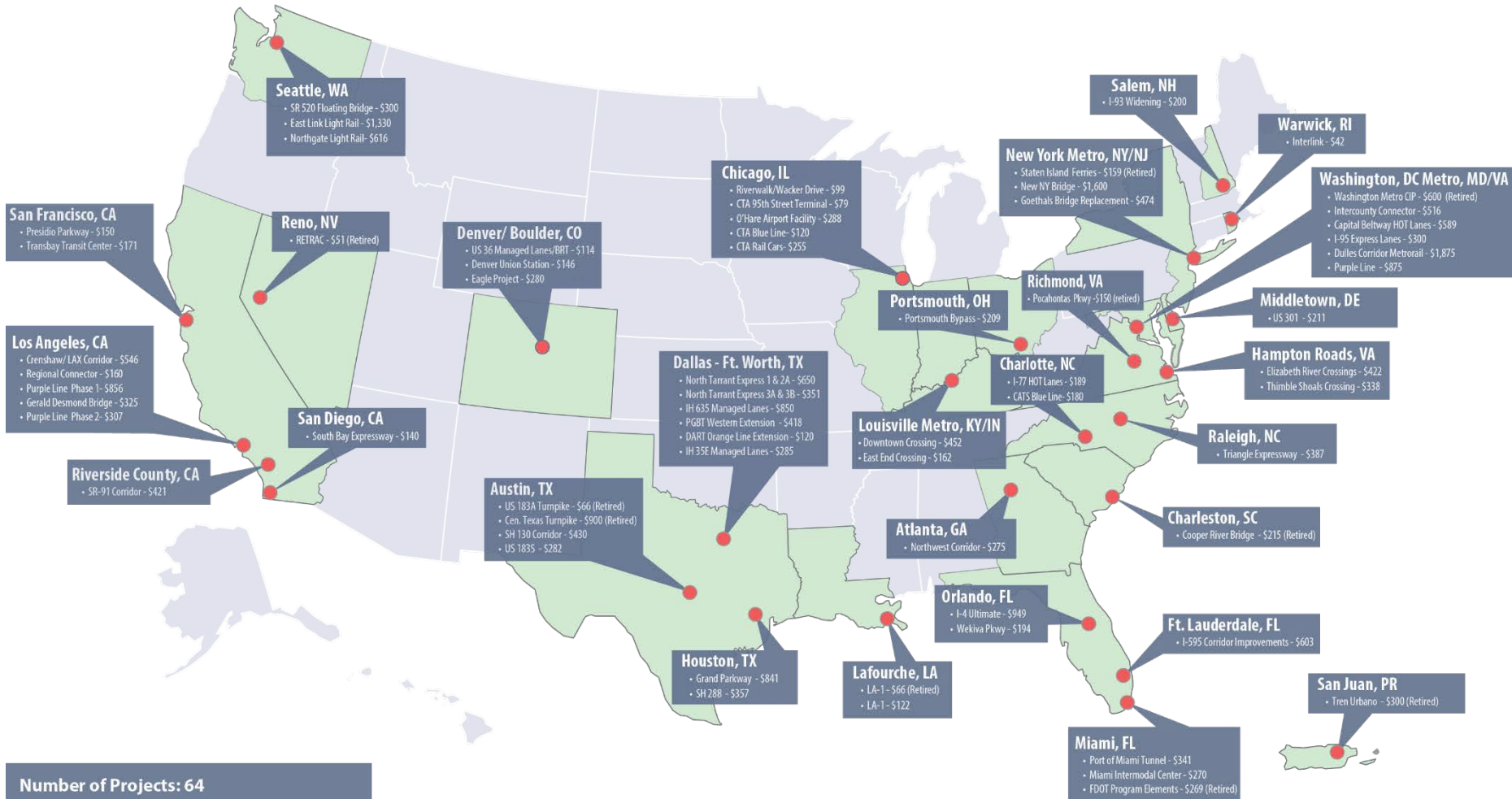
TIFIA Program Fees

- Project sponsors must reimburse DOT for the costs of the outside advisors who advise TIFIA on the transaction.
 - This transaction fee generally ranges between \$400,000 and \$700,000.
 - Fee may vary significantly depending on the complexity of the project.
- Borrowers must pay an annual Loan Servicing Fee, due by November 15, of approximately \$13,000.
- DOT may also charge a Monitoring Fee as defined in the credit agreement (to date this fee has not been charged).



TIFIA Approved Projects

(TIFIA Instruments in Millions)



Number of Projects: 64
Total Assistance \$26.0 billion
Total Project Investment: \$94.6 billion