
Financing Transportation Infrastructure

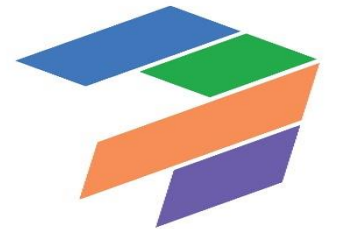


***Rural Community Infrastructure
Public Private Partnership Roundtable
Atlanta, Georgia - August 28, 2018***



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Center for Innovative Finance Support (CIF\$)

- Provides FHWA program oversight for Tolling, GARVEEs, SIBs, and Public Private Partnerships (P3s).
- Builds technical capacity among Federal, State and local infrastructure partners
 - P3 Toolkit and hands-on training
 - In-depth innovative finance training
- Provides real-time technical assistance
 - Identify financing and funding solutions for your projects
 - Develop P3 strategies
 - Assist with SIB applications
 - Represents FHWA to Build America Bureau/TIFIA Credit Program

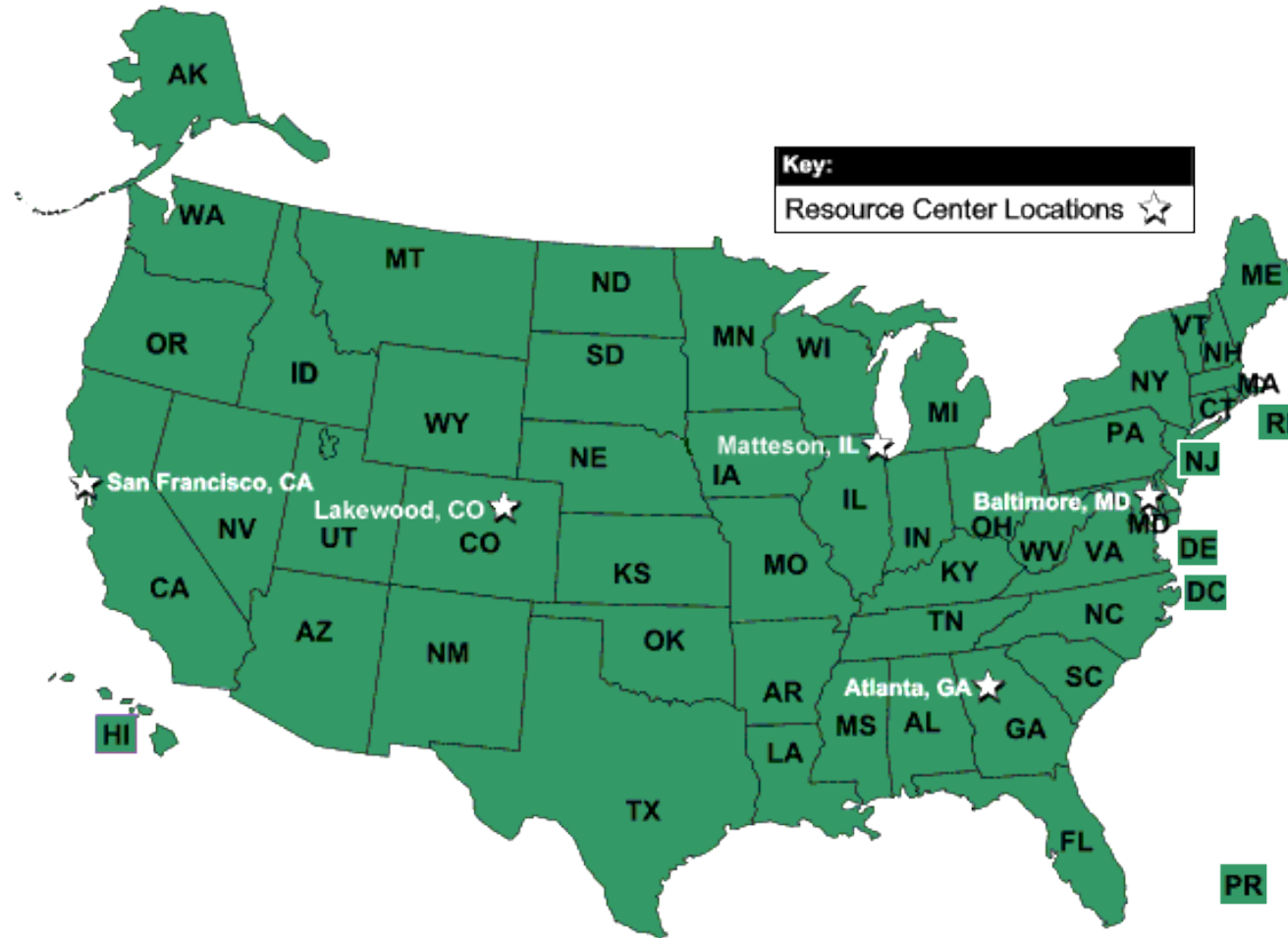


How does “regular” FHWA Funding Work?

- A reimbursable grant program: “pay as you go”
- Most grants require “matching” non-Federal share
- All grants administered through State DOTs
- ~\$40 billion annually distributed to States by formula
- Interstate, Bridge, National Highway System.
- Capital grants: operations and maintenance are not eligible



FHWA Division Office Locations



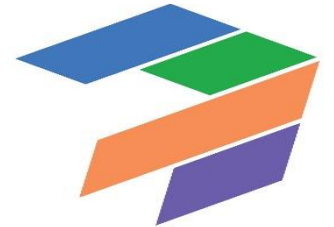
Leveraging Federal Resources

- Federal-aid Revenue Bonds (GARVEEs)
- State Infrastructure Banks (SIBs)
- Tolling
- Value Capture
- Public Private Partnerships (P3s)
- Private Activity Bonds (PABs)
- TIFIA Credit Program / Build America Bureau
- DOT Rural Project Initiative



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TIFIA - Direct Lending

- ❖ Long term, fixed cost, permanent, up-front financing
- ❖ Borrower/Revenue source may be minimum investment grade
- ❖ Non recourse financing — project cash flow supported
- ❖ Funds drawn as needed
- ❖ Senior or Subordinate lien
- ❖ Flexible amortization
- ❖ No pre-payment penalty
- ❖ Low interest rates

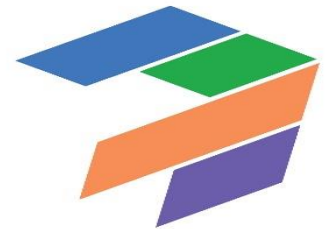
Low Interest Rate

As of 6/12/2018:
3.00% for
a 35-year loan



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TIFIA Opportunities for Rural Projects

- **Rural Area Eligibility** – A rural project is defined as a “surface transportation infrastructure project located outside of an urbanized area with a population greater than 150,000 individuals, as determined by the Bureau of the Census”
- **Relief from Credit Fees** – For projects less than \$75 million
- **Project Cost Limits** – Minimum \$10 million, maximum \$100 million
- **Rural Project Interest Rate** – A rural project between \$10MM-\$100MM is eligible to receive a TIFIA loan at the discounted rate of one-half Treasury rate
- **SIB Rural Projects Fund** – TIFIA can now lend up to \$100 million for rural projects, at discounted rate of one-half Treasury rate



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TIFIA Rural Rate
as of 8/21/2018:
1.50% for
a 35-year loan

What Can We Do for You?

- CIF\$ can assist USDA and partners by facilitating relationships with State DOT and FHWA Division offices.
 - Identify potential grant funds and credit programs
 - Answer eligibility questions
 - Assist with SIB applications
 - Develop public private partnerships (P3s)





Questions?

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