



CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Thank you

for joining the conversation today. Send us your questions and comments!

Welcome

The Broadcast will begin at 1:00 PM (Eastern)

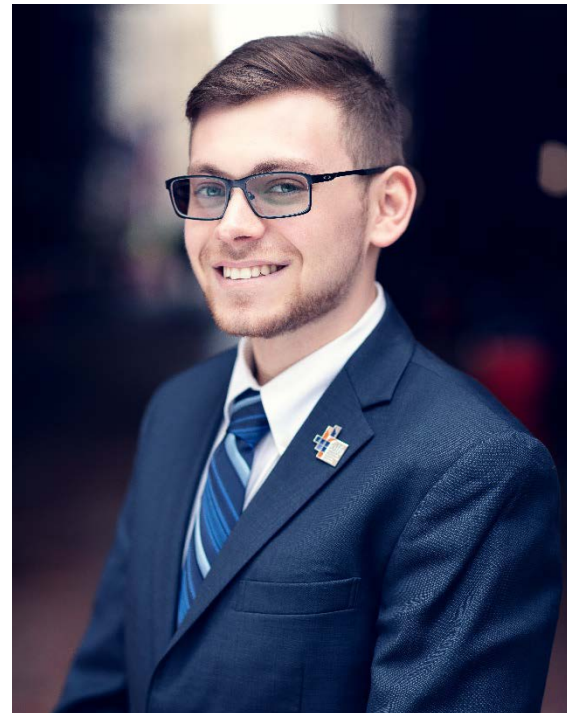




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Moderator

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and comments!



Malcolm Guy

Coordinator, Government & External Affairs
Council of Development Finance Agencies

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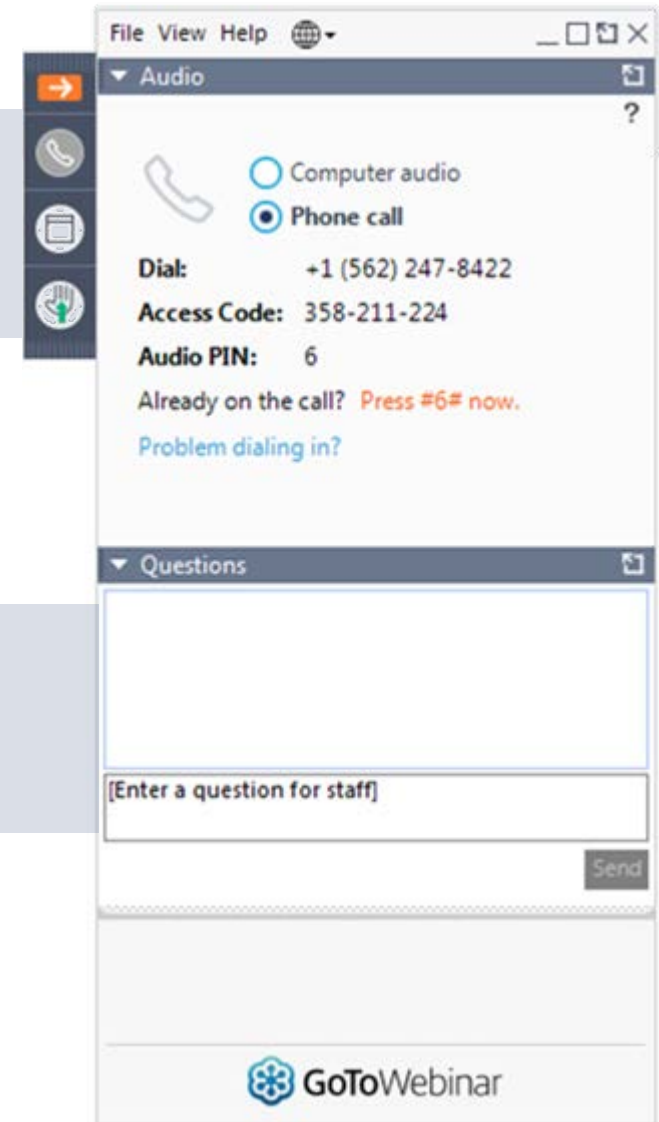
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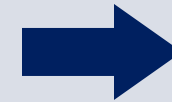


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Using your telephone will give you better audio quality.



Submit your questions to the panelists here.



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CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Panelists



Roger Bohnert

Director, Outreach and Project
Development
Build America Bureau
U.S. Department of Transportation



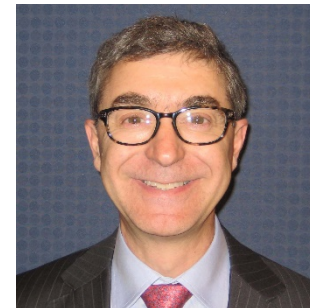
Mark Sullivan

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U.S. Department of Transportation



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 U.S. DEPARTMENT OF TRANSPORTATION



BUILD AMERICA BUREAU

Financing Transportation Projects

Council of Community Development Finance
Agencies: Federal Financing Webinar Series

Roger Bohnert, Director Office of Outreach & Project Development

August 28, 2020



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- About the Build America Bureau
- TIFIA
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- Build It Now
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- RRIF Express
- Private Activity Bonds



About the Build America Bureau

The **Build America Bureau** serves as a single point of contact and coordination for states, municipalities, and private sector project sponsors.

EXPAND

the use of Federal transportation credit programs, such as TIFIA, RRIF, and Private Activity Bonds and diversify the project portfolio

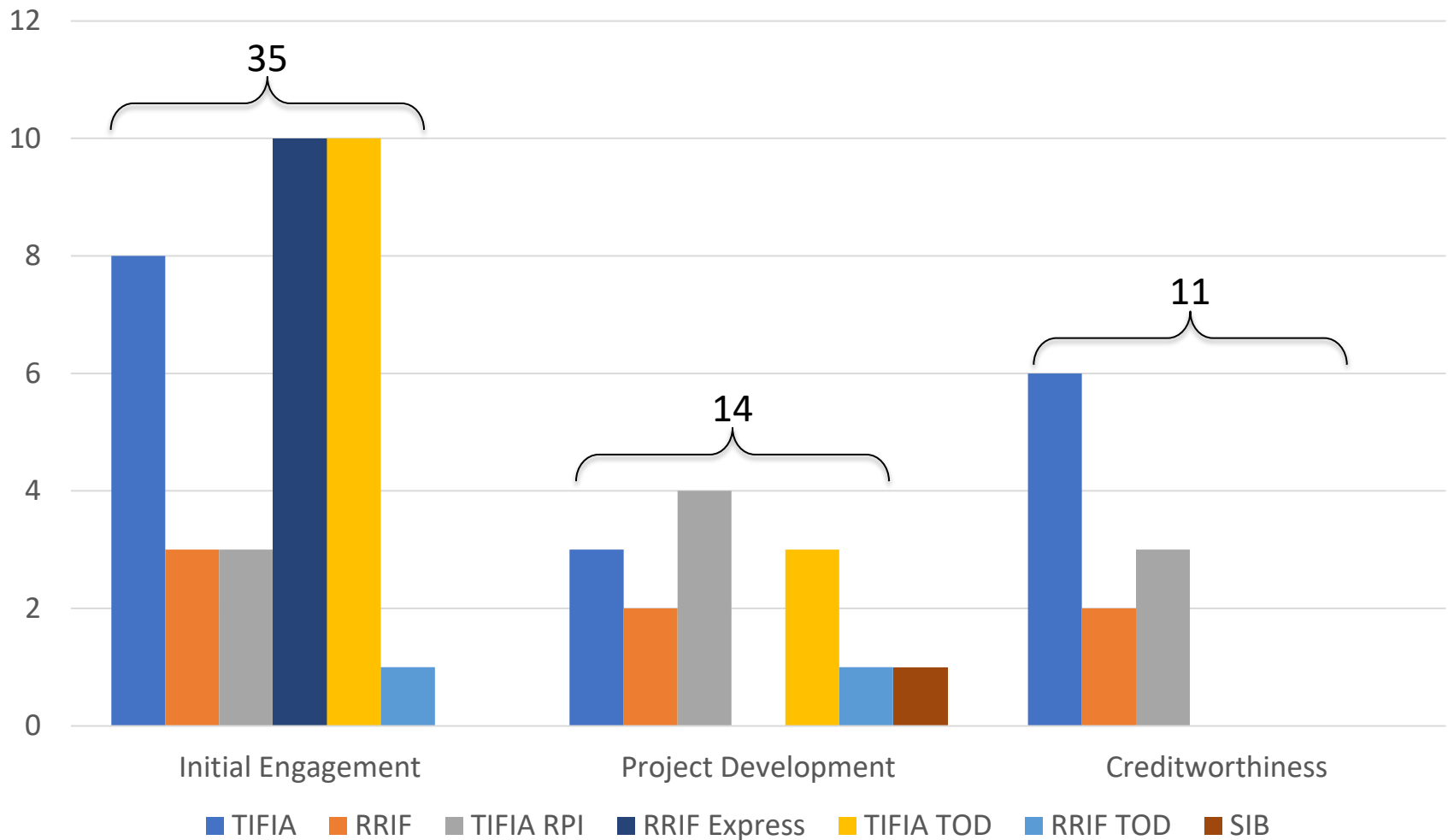
INNOVATE

new approaches to project financing and delivery, and promote best practices across credit programs and modal teams

DELIVER

streamlined technical and financial assistance to accelerate delivery of critical transportation projects

About the Bureau – The Project Pipeline



TIFIA

—Transportation Infrastructure Finance & Innovation Act of 1998

- Long-term repayment period
 - Up to 35 years
 - Can be deferred for five years following substantial completion
 - No pre-payment penalty
- Finance up to 33% of eligible project costs
- Draw funds as needed; only pay interest on drawn funds
- Highly customizable to meet borrower needs

Low Interest Rate

1.38% for a 35-year loan
(on 8/21/20)

TIFIA Rural Project Initiative (RPI)

- Rural: Outside a Census-defined urbanized area of population greater than 150,000
- Project costs between \$10 million and \$100 million
- TIFIA can finance up to **49%** of eligible project costs
- Fixed rate at $\frac{1}{2}$ **Treasury** rate
- DOT can **cover borrower fees**



$\frac{1}{2}$ the U.S. Treasury rate
0.69% as of 8/21/2020



TIFIA State Infrastructure Banks (SIBs)

- A **Rural Projects Fund** can be established (FAST Act) within a SIB and capitalized with a TIFIA loan to provide financing to:
 - Rural surface transportation infrastructure projects
 - Rural: Outside a Census-defined urbanized area of population greater than 150,000
 - Of up to 80% of project costs, **at one-half Treasury rate.**
 - With advisory fee waiver for loans under \$75 million (limited budget availability).
 - With one credit rating agency rating requirement.
- New Jersey Infrastructure Bank (NJIB) and a few other states expressed interest .

Build It Now!

Example: \$100M Rural Multi-Phase Project

No TIFIA

Programmed Funds

\$50M

Year 0

Phase 1

Programmed Funds

\$70M

Year 5

Phase 2

Project

Delivered

Year 7

4% CPI + Additional Overhead

Total Cost = \$120M

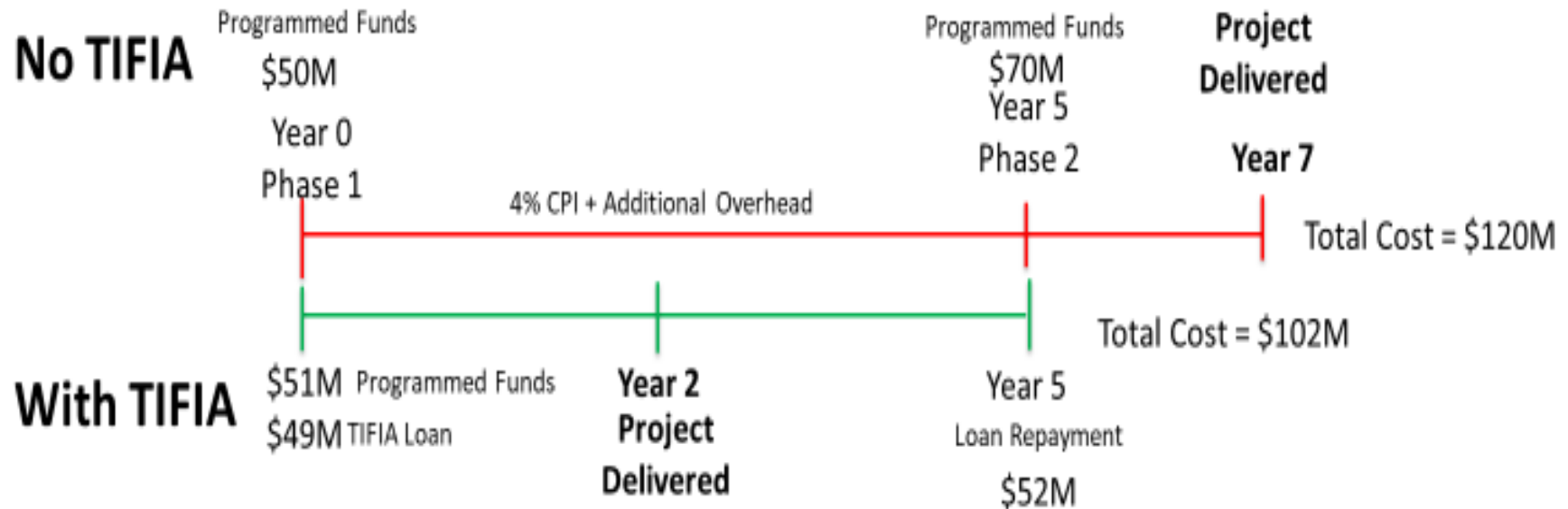


Build It Now!

Example: \$100M Rural Multi-Phase Project

Benefits

- Expedited delivery
- Cost savings



Build It Now!

Example: \$100M Rural Multi-Phase Project

Benefits

- Expedited delivery
- Cost savings

No TIFIA

Programmed Funds

\$50M

Year 0

Phase 1

4% CPI + Additional Overhead

Programmed Funds

\$70M

Year 5

Phase 2

**Project
Delivered**

Year 7

Total Cost = **\$120M**

Total Cost = **\$102M**

Total Savings = **\$102M**

With TIFIA

\$51M Programmed Funds

\$49M TIFIA Loan

Year 2

**Project
Delivered**

Year 5

Loan Repayment

\$52M

Delivered 5 years sooner



RRIF

—Railroad Rehabilitation & Improvement Financing

- Very similar to TIFIA (Long-term, fixed interest, flexible amortization, no pre-payment penalty, etc.)
- Can finance up to 100% of eligible project cost
- The credit risk premium can be offset using
 - Collateral
 - Adjustment to the interest rate

Low Interest Rate

1.38% for a 35-year loan
(on 8/21/20)

RRIF Express

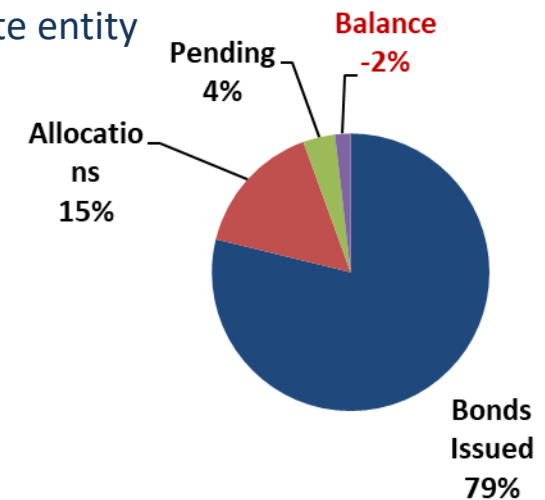
- Very similar to RRIF (Long-term, fixed interest, flexible amortization, no pre-payment penalty, etc.)
- Can finance up to 100% of eligible project costs up to \$50 million
- Eligible borrowers receive
 - Expedited processing
 - Up to 5% CRP cost assistance
 - Up to \$100,000 in fee assistance
 - Applications accepted through August 15, 2020 – first come, first served

Eligible Borrowers:
Class II or III Railroads

Private Activity Bonds (PABs)

PABs provide private developers access to tax-exempt bonds lowering their cost of capital and increasing private sector involvement in transportation projects.

- ❖ Secretary of Transportation is authorized to allocate \$15 billion of PABs for qualified highway or surface freight transfer facilities
- ❖ State or local governments issue tax-exempt bonds on behalf of a private entity
- ❖ Can be used in combination with TIFIA or RRIF credit assistance
- ❖ PABs do not “federalize” the projects (PABs allocation does not require that the developer applies NEPA, for example)
- ❖ To date, nearly \$12.3 billion in PABs have been issued (for 26 projects)
- ❖ \$2.4 billion have been allocated but not yet issued (for five projects)
- ❖ Only \$296.9 million is remaining for allocation. With two requests (totaling \$580 million) being processed and pending allocation, **the program is, currently, oversubscribed by \$283 million.**



Working with us is easy!

Roger Bohnert

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Phone: 202-366-2300

Website:

<https://www.transportation.gov/buildamerica>



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Panelist

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Federal Highway Administration
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Innovative Finance and the Federal Highway Administration



FHWA Financing for State, Local and Tribal Governments

*Council of Development Finance Agencies
Federal Financing Webinar Series
August 28, 2020*



Introduction: who am I?

- Director of the FHWA Center for Innovative Finance Support (CIF\$), which provides oversight and/or capacity building resources for:
 - General Tolling Program
 - GARVEE Bonds (Grant Anticipation Bonds)
 - State Infrastructure Banks (SIBs)
 - Public Private Partnerships (P3s)
 - Value Capture
- FHWA “modal liaison” to the Build America Bureau, supporting the applications of highway projects seeking TIFIA credit assistance and/or Private Activity Bond (PAB) allocation.



And what is “Innovative Finance”?

A term used by FHWA since at least 1994

Innovative Finance Defined~

Any of the techniques and tools available to supplement traditional highway financing methods, improving governments' ability to deliver transportation projects.

“Innovative” and “Traditional”

Innovative Finance

- Project-based revenues (e.g., tolling)
- Federal participation in State/local debt financing
- Expanded private sector role in financing and delivering projects
- Value Capture techniques for State and local projects

Traditional Funding

- Pay-as-you-go
- Fuel taxes (Federal and State)
- State-tax-backed bonds



What are we supplementing?

\$40 billion-plus annually in “formula” funds for States

- often “sub-allocated” by States to local governments
- all subject to Federally-sanctioned planning process
- all spent per Federal-aid administrative requirements
- projects selected (within programs) by State and locals

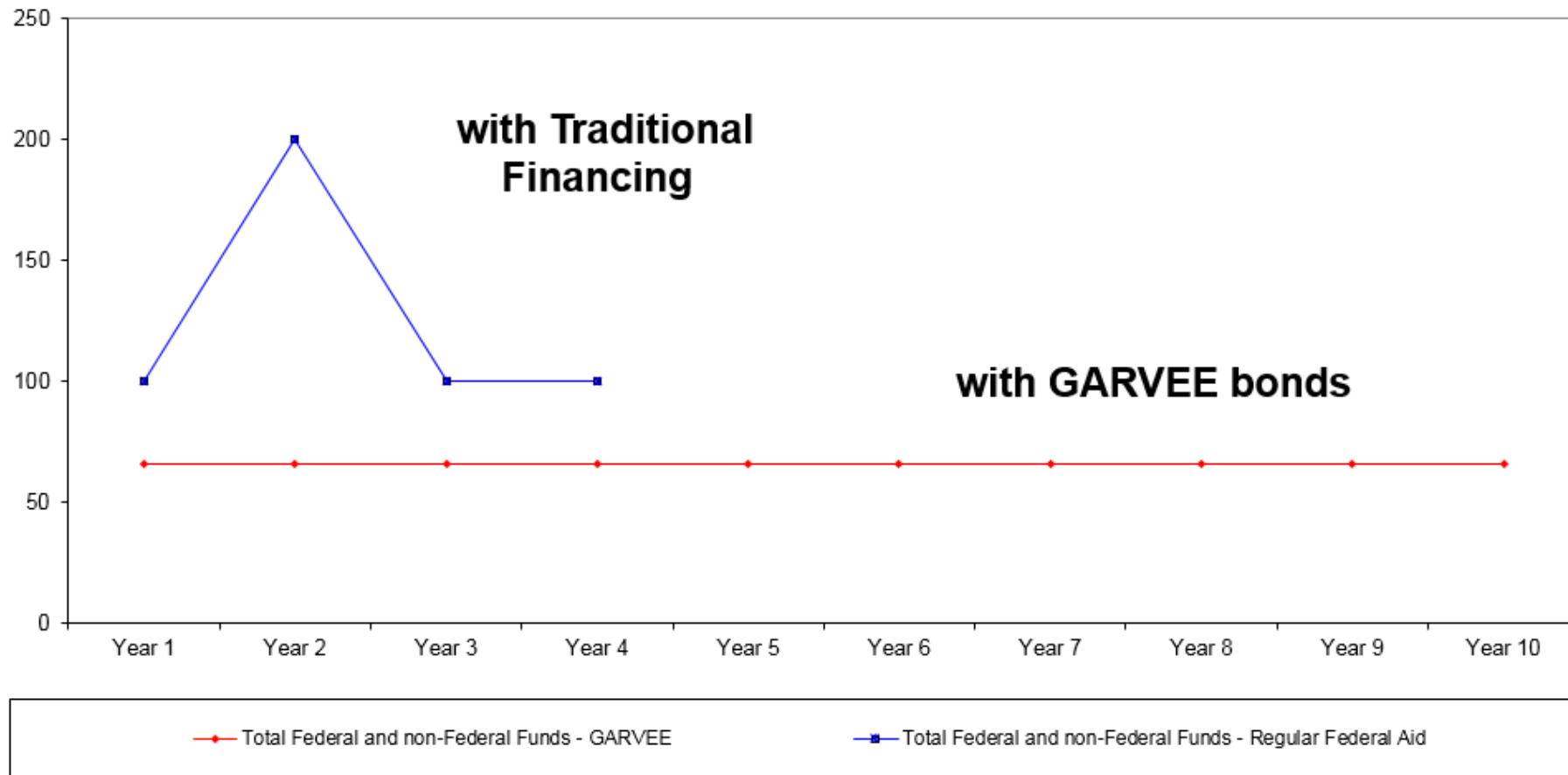
\$2 billion-ish in “discretionary” awards directly to projects

- INFRA, BUILD, Bridges, Ferry Boats, etc.

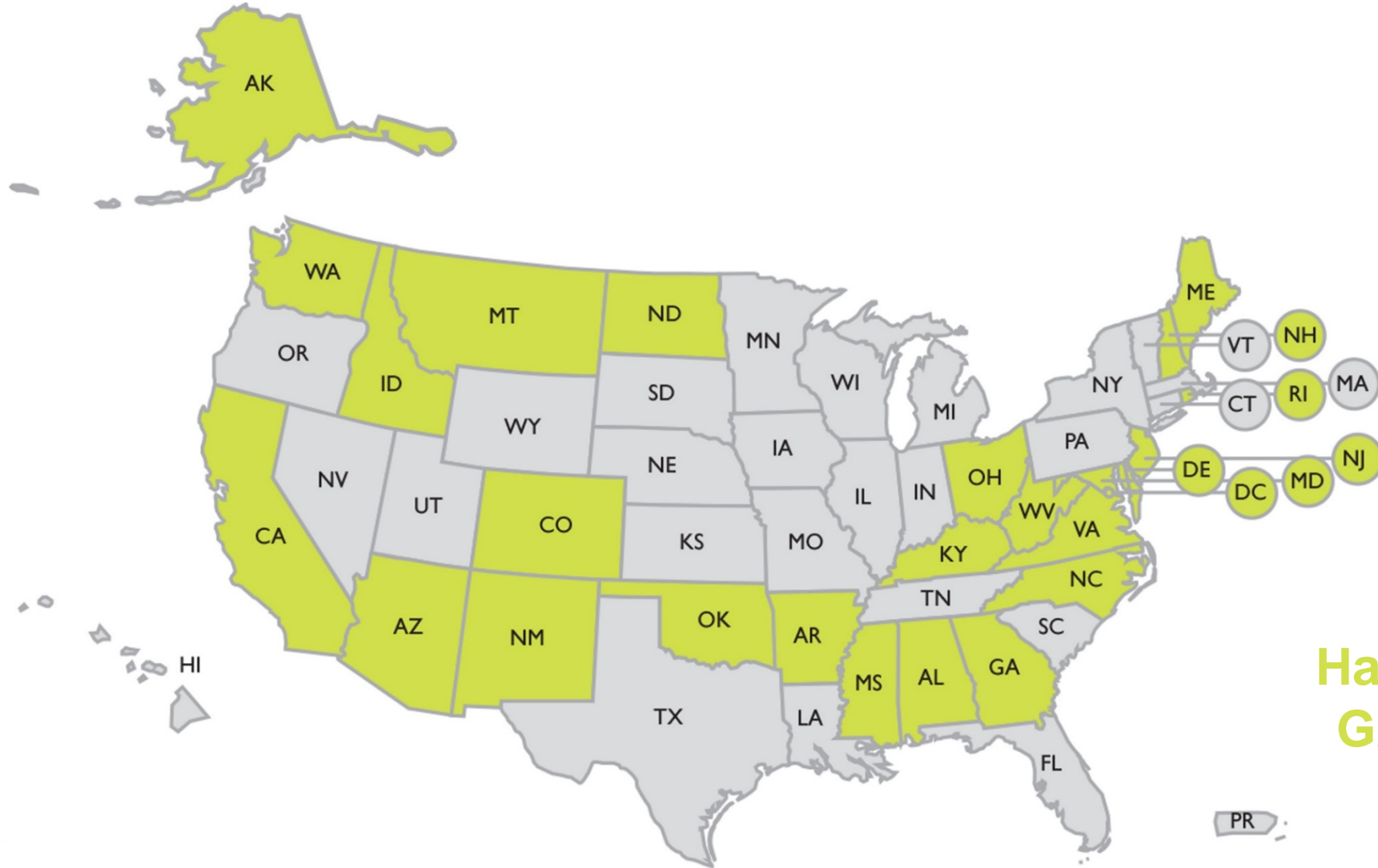
What are GARVEEs?

- **Acronym:** Grant Anticipation Revue Vehice.
- **Definition:** Debt (usually bonds) issued by States, local governments, tribal governments, and territories; backed by, and repaid with, specific Federal-aid funds.
- **Purpose:** To provide capital funding for Federally-eligible projects (new funding) or to refinance existing GARVEE bonds.
- **No Federal Guarantee:** The repayment pledge(s) is the responsibility of the bond issuer.

Cash Flow: Traditional Fed-aid vs. GARVEE Financing



States that issue GARVEEs



Have used
GARVEE



Idaho GARVEE Program

- Launched by legislation in 2005 that identified 13 corridors statewide for possible use of proceeds
- Seven series of bonds were issued, totaling \$858 million
- Maturities: 10-18 years; Average interest rate: 4.1%
- Bonds have funded 59 projects statewide



What are SIBs?

State Infrastructure Banks (SIBs) are revolving loan funds for highway, transit, and rail projects. Usually administered by a State DOT, a SIB can offer a range of loans and credit enhancement products. The typical SIB borrower is a local public agency (LPA), but the program allows a State to lend to a variety public and private entities.



Current SIB Status

- Number of active Federally-capitalized SIBs: 27.
- Total Federal capitalization: \$661 million.
- Number of loans executed to date: 1,192.
- Value of loans executed to date: \$3.1 billion.
- Estimated SIB funds available to lend: \$775 million.

Active Federal SIBs

Alaska

Arkansas

California

Colorado

Florida

Indiana

Iowa

Michigan

Minnesota

Missouri

Nebraska

New Mexico

North Carolina

North Dakota

Ohio

Oregon

Pennsylvania

Puerto Rico

Rhode Island

South Dakota

Tennessee

Texas

Vermont

Virginia

Washington

Wisconsin

Wyoming



SIB Loans for Local Projects

- Can accelerate a local government's transportation program
- Can finance the non-Federal "match" requirement (typically 20%) that comes with FHWA grants, thus allowing a community to spread the budget impact of the match requirement over multiple years.
- Can be used by public or private borrowers.
- Can offer below-market terms, resourceful repayment pledges
- Can offer short-term "bridge" financing or long-term assistance.



Ohio SIB Loan Project

State Route 310

Borrower: Licking County Transportation Improvement District

- Public Obligors
 - Etna Township
 - Licking County
 - Southwest Licking School District
 - JEDD Board
- Pledged Repayment Sources
 - Tax increment financing revenues from Amazon site
 - Two separate JEDDs
 - General Revenue



Ohio SIB Loan Project

State Route 310

Project Funding

○ SIB Bond Issuance	\$4,745,000
○ Jobs Ohio 629	\$1,900,000
○ ODOT Jobs & Commerce	\$500,000
○ ODOT	\$500,000
○ Etna Community Improvement Corp	\$75,000
Total	<u>\$7,720,000</u>

**Created 1,500 Full Time Jobs and 4,000 seasonal jobs
TIF revenues are exceeding initial project estimates.**

SIBs, TIFIA and Rural Projects

TIFIA credit assistance to a rural infrastructure project:

- Direct loan for a project with eligible costs of \$10MM-\$100MM.
- Capitalization loan to establish a Rural Projects Fund administered by a SIB that offers loans to rural infrastructure projects.
- Either loan available at discounted interest rate
- Direct project loan: 49% Federal participation
- Capitalization loan: 80% Federal participation
- Potential new SIB lenders: State Revolving Funds (SRFs)



What are P3s?

- **Acronym:** Public-private partnerships (P3s or PPPs).
- **Purpose:** To allow private participation in the delivery of projects *when it creates greater value and is in the public interest.*
- **Definition:** Long-term contractual agreements between a public agency and a private entity to design, build, finance, operate, and maintain (DBFOM) an infrastructure project. *There are other definitions!*



The P3 Spectrum of Definitions

Project Delivery Options



Degree of ownership, development integration, risk transfer, and extent of private financing

Types of P3s by Project Scope

Greenfield (“new build”): Developer constructs, operates, and maintains a new facility, such as a new toll road.

Brownfield (existing facility): Developer contracts for the right to operate an existing facility and assumes responsibility for operation and maintenance (possibly with future developer enhancements).



Types of P3s by Payment Model

■ Availability Payment Concessions

- Payments made by the public sector sponsor to the developer based on meeting milestones and/or facility performance standards, such as a fixed annual payment for the operation and maintenance of a highway for a term of years.

■ Toll Concessions

- Authorizes the developer to collect and retain tolls from motorists for the term of years as defined in the P3 agreement.

P3 Capacity Building

- Publications: industry summaries and white papers
- Analytical tools for public practitioners
- Customized training for public agencies
- Technical assistance



P3 Toolkit Publications

Fact Sheets	Primers	Guidebooks	Other Reports
<ul style="list-style-type: none"> FHWA P3 Toolkit Risk Valuation & Allocation Value for Money Analysis Financial Structuring Analytical Studies Conducting Procurements Monitoring & Oversight 	<ul style="list-style-type: none"> Highway Concessions Establishing a P3 Program Risk Assessment Value for Money Assessment Financial Structuring & Assessment 	<ul style="list-style-type: none"> Risk Assessment Value for Money Assessment Benefit-Cost Analysis for P3 Delivery P3 Project Financing Model Contracts P3 Procurement Guide 	<p><u>Reports</u></p> <ul style="list-style-type: none"> Highway P3 concessions Successful P3 Practices <p><u>White Papers</u></p> <ul style="list-style-type: none"> Tax issues Early involvement of developers Handback experience Revenue risk sharing Use of performance requirements



P3 Toolkit: Analytical Tools

P3-SCREEN	P3-VALUE	ACM Toolset	Major Project Database
Qualitative analysis of P3 viability	Quantitative analysis (high-level): <ul style="list-style-type: none"> ▪ Risk Assessment ▪ Value for Money Assessment ▪ Financial Feasibility Assessment 	Comprehensive ex-ante evaluation of alternative contracting methods: <ul style="list-style-type: none"> ▪ Short-term (Design-Build, Construction Manager/ General Contractor, Progressive Design-Build) ▪ Long-term: (DBOM, DBFOM toll concession, DBFOM availability payment) 	Database of 137 major highway projects: <ul style="list-style-type: none"> • Case-based evidence • Developing benchmarks



National Highway Institute Training

- Tailored to needs of host agency:
 - Introductory
 - Intermediate
 - Advanced
- Free for public agencies
- Topics are selected by host agency

NHI 231033

Public-Private Partnerships (P3)

The National Highway Institute is offering a new course on Public-Private Partnerships (P3). NHI 231033 was developed in cooperation with USDOT's Build America Bureau and FHWA's Center for Innovative Finance Support (Office of Innovative Program Delivery). This free training consists of 13 modules available to interested state, regional, and local government officials who want to better understand and improve the development, evaluation, and procurement of P3s.

CUSTOMIZED PROGRAMS

NHI's qualified instructors work with agencies to customize training tailored to their unique set of needs from this menu of available modules:

INTRODUCTORY

- Overview of P3s
- Successful P3 Practices

INTERMEDIATE

- Risk Allocation
- P3 Project Financing
- Evaluation Overview
- P3 Model Contracts
- Overview of the P3 Procurement Process:
 - (A) Preparing for a P3 Procurement;
 - (B) Key P3 Procurement Structuring Themes; and
 - (C) Key Procurement Steps
- Tolling and Pricing

ADVANCED ANALYSIS

- Financial Viability Assessment
- Value for Money Analysis
- Project Delivery Benefit-Cost Analysis
- Risk Assessment and Exercise
- Comprehensive Exercise (Custom)

WHO CAN REQUEST THIS TRAINING?

Any state, regional, or local transportation entity can request the training and invite participants.

HOW DO I CUSTOMIZE MY P3 TRAINING?

After discussing your goals with a team of NHI instructors, we will work together to develop an agenda that best addresses your P3 training needs.

WHEN AND WHERE WILL MY PROGRAM BE PRESENTED?

An FHWA-sponsored instructor, along with another subject matter expert, will present this live training event at your site, on your schedule.

HOW ARE THE ADVANCED MODULES DIFFERENT?

P3 modules are a mix of presentations and class discussions. The advanced analysis modules incorporate the use of hands-on computer training with the P3-VALUE tool. This Excel-based set of spreadsheets provides a way to better understand the analysis and evaluation of P3s from the public and private sector perspectives.

HOW LONG IS THE TRAINING?

Your P3 training can range from 1/2 day to 3 full days depending on the modules that you select to reach your specific goals.

ARE THERE SEATING REQUIREMENTS?

You are responsible for filling a minimum of 20 seats for introductory and intermediate level programs, and 5 for advanced programs. Advanced programs also have a maximum of 30 seats.

FOR MORE INFORMATION CONTACT

Patrick DeCoria-Souza | P3 Program Manager
Build America Bureau and FHWA's Center for Innovative Finance Support: (202) 366-4076
Patrick.DeCoria-Souza@dot.gov

What is Value Capture?

A revenue source (fee, tax, assessment, etc.) related to the value created by transportation improvements and investments.

A focus on beneficiaries:

- *Developers*
- *Property owners*
- *Businesses*
 - *Users*

Typical Value Capture Mechanisms

TECHNIQUES SUMMARY



DEVELOPER CONTRIBUTIONS

One-time charges collected by local governments from developers to offset the cost of infrastructure and services necessitated by new development.



SPECIAL ASSESSMENTS

An additional fee or tax assessed on businesses or residents in specified geographic areas benefitting proximity to a highway or other transportation facility or corridor.



FEES

Similar to a utility fee, transportation fees are assessed based on how individual businesses and households use transportation facilities.



INCREMENTAL GROWTH

A mechanism allocating back to infrastructure from some specified portion of increased property tax revenues fostered by new infrastructure—often for a specified period of time.



JOINT DEVELOPMENT

Sale or lease of land or air rights on or adjacent to transportation facilities. This can include donations of land or other in-kind resources from the private sector in ongoing commercial operations.



CONCESSIONS

Sale or lease of government-owned assets—such as toll roads or bridges—to private-sector investors/operators.



ADVERTISING AND NAMING RIGHTS

Sale of advertising space or naming rights on a transportation facility. Note: Commercial uses within Interstate Highway System right of way, including rest areas, is prohibited by law; however, they may be allowed on toll facilities and in transit stations.



Benefits

Value Capture is mostly initiated by local governments.

- Facilitate access to ongoing revenue sources such as new property tax revenue to the City/County/State.
- Value Capture can be a valuable “gap funding” approach for highway improvements:
 - ✓ Sources of revenue.
 - ✓ Revenue = alternative financing.
- Raised capital/revenue helps secure funding from multiple Federal sources and/or Federal matching share: TIFIA, Section 129 Loans, SIBs, INFRA Grants.
- Part of an overall funding strategy.

Challenges

- Require State statutory authority.
- Stakeholders coordination & involvement process can be lengthy:
 - ✓ Local governments and State DOT.
 - ✓ Property owners and/or developers.
 - ✓ Private companies.
 - ✓ Transportation corporation.
 - ✓ Federal agencies.
- Transaction costs.
- Expertise.



Resources

- FHWA Center for Innovative Finance Support Resources:
 - ✓ https://www.fhwa.dot.gov/ipd/value_capture/.
 - ✓ https://www.fhwa.dot.gov/ipd/project_profiles/.
 - ✓ https://www.fhwa.dot.gov/ipd/fact_sheets/.
- FHWA Right of Way Use Policy and Guidance:
 - ✓ https://www.fhwa.dot.gov/real_estate/right-of-way/policy_and_guidance/airguide.cfm.



Thank You!

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Kirk Claussen

Port Finance Agent
Maritime Administration
U.S. Department of Transportation

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A detailed nautical chart of a harbor area, showing depth contours, anchorage areas, and navigational markers. The chart is rendered in shades of blue and white, with a dark blue background for the text.

Port Planning & Investment

August 28, 2020

Office of Ports & Waterways
Maritime Administration

MMARAD
MARITIME ADMINISTRATION

The logo for the Maritime Administration, featuring a stylized 'X' with a white bar, a yellow plus sign, a white bar, and a green bar.



Administrator Mark Buzby



Deputy Administrator Richard Balzano

Mission: To foster, promote and develop the maritime industry of the United States to meet the nation's economic and security needs.

MARAD seeks to increase cargo capacity and reliability of freight moving through ports

- Port development - 46 USC 50302



Maritime Administration

Different cargoes and passengers require different port infrastructure

- Container
- Energy
- Ro/Ro (roll on/roll off)
- Break bulk
- Bulk
- Space



- Cruise / Passenger

Port Planning & Investment Toolkit (PPIT)

A Maritime Industry Joint Initiative

A **joint initiative** between AAPA and MARAD

The Toolkit modules can be used to help ports:

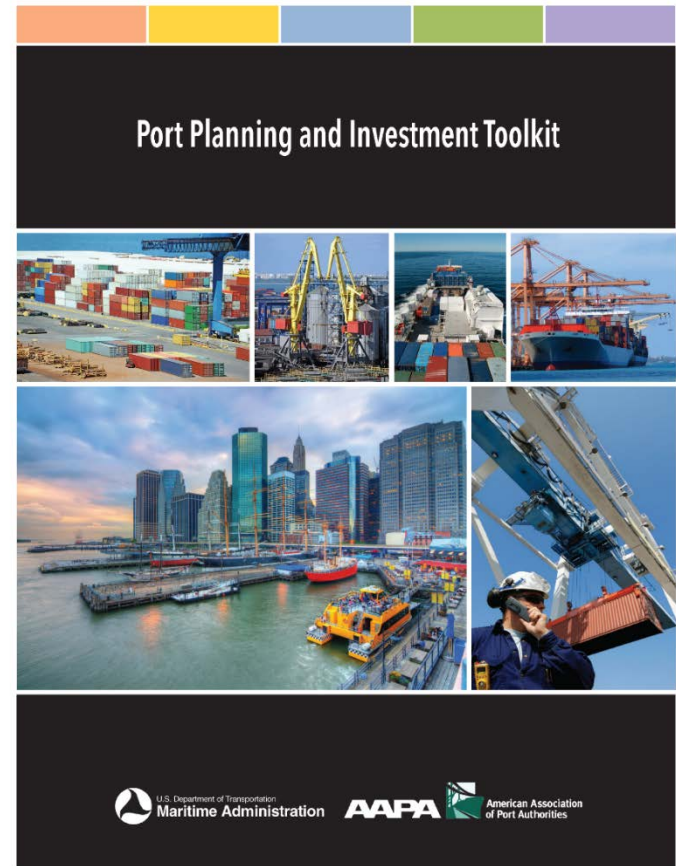
- Evaluate port conditions
- Define problems
- Plan thoroughly
- Navigate the preplanning process
- Engage private partners
- Present actionable needs to administrators
- Access available funding
- Complete project

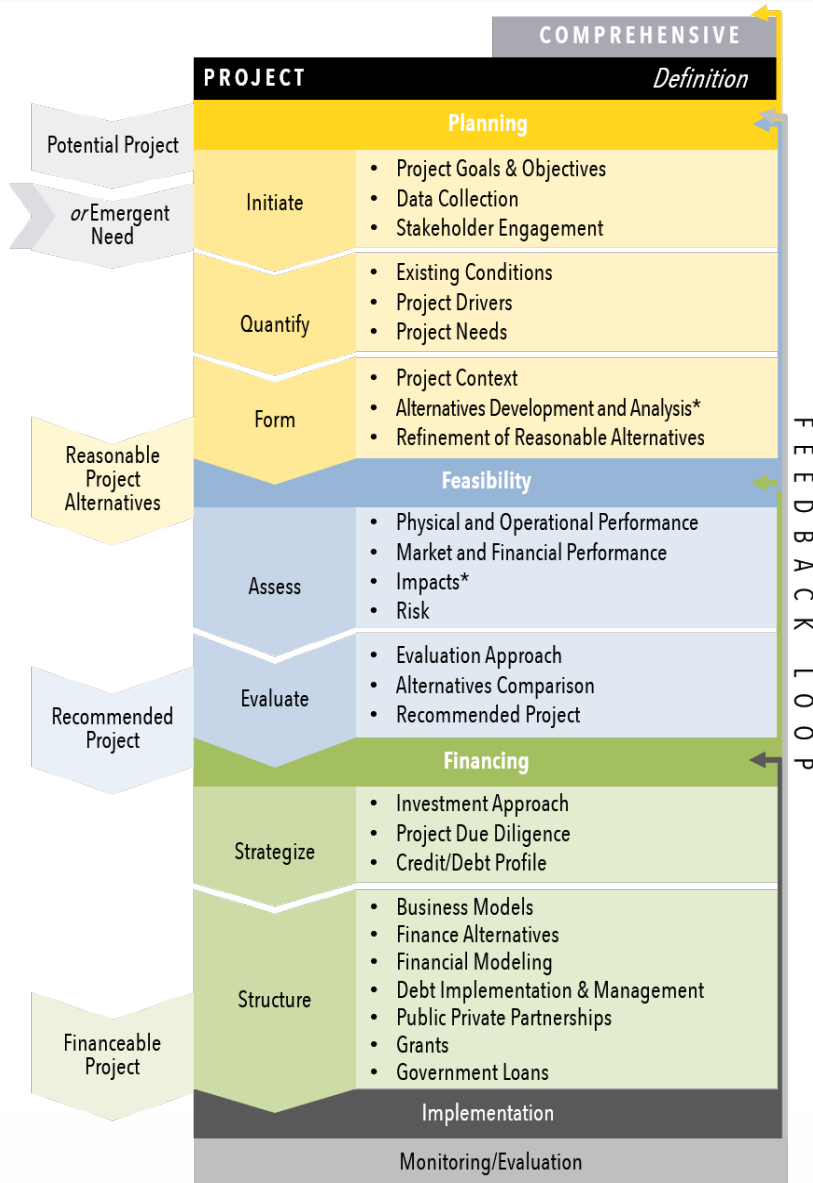
Toolkit helps **ports obtain funding**

ITS Module released 2019

Marine Highways Module under development

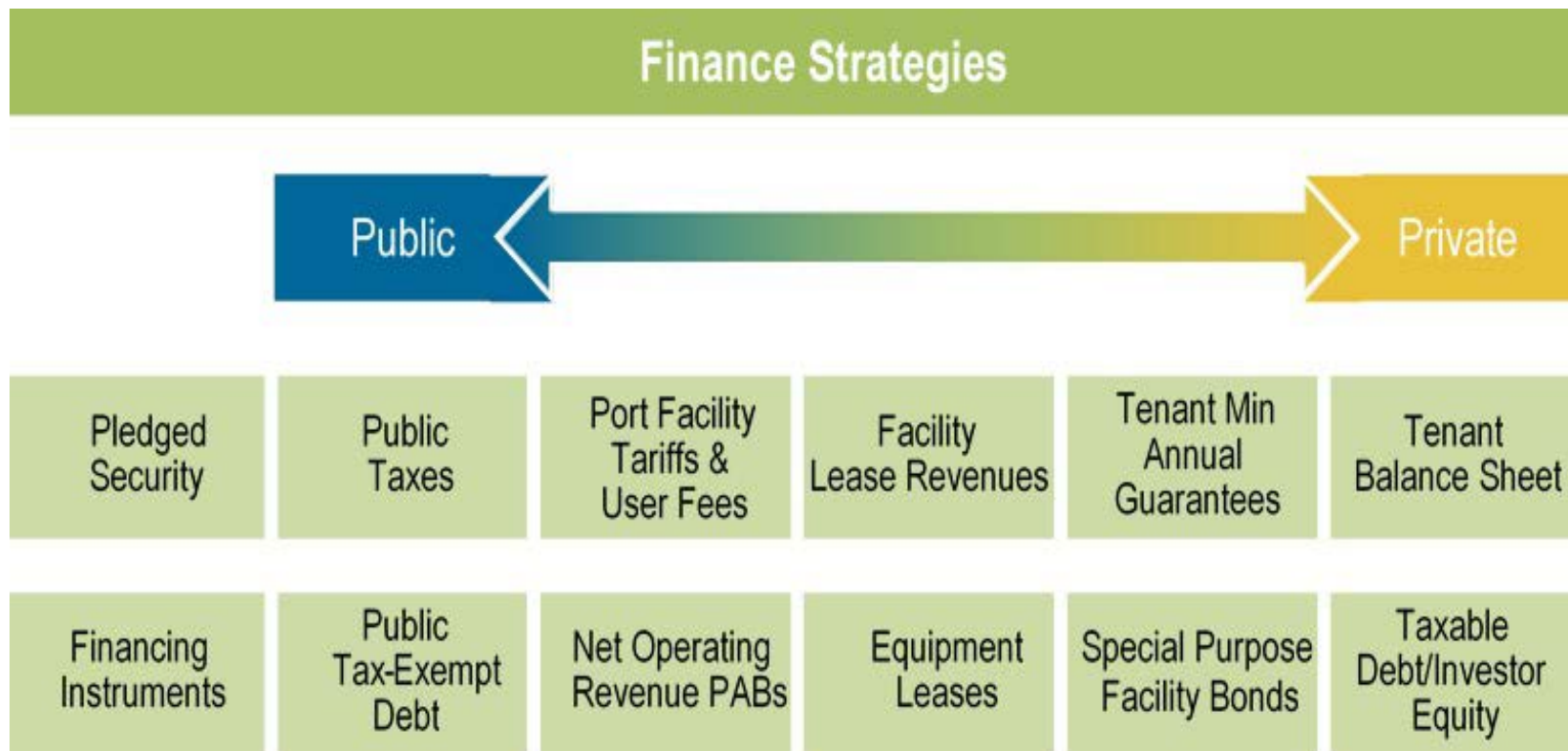
<http://www.aapa-ports.org/PPIT>

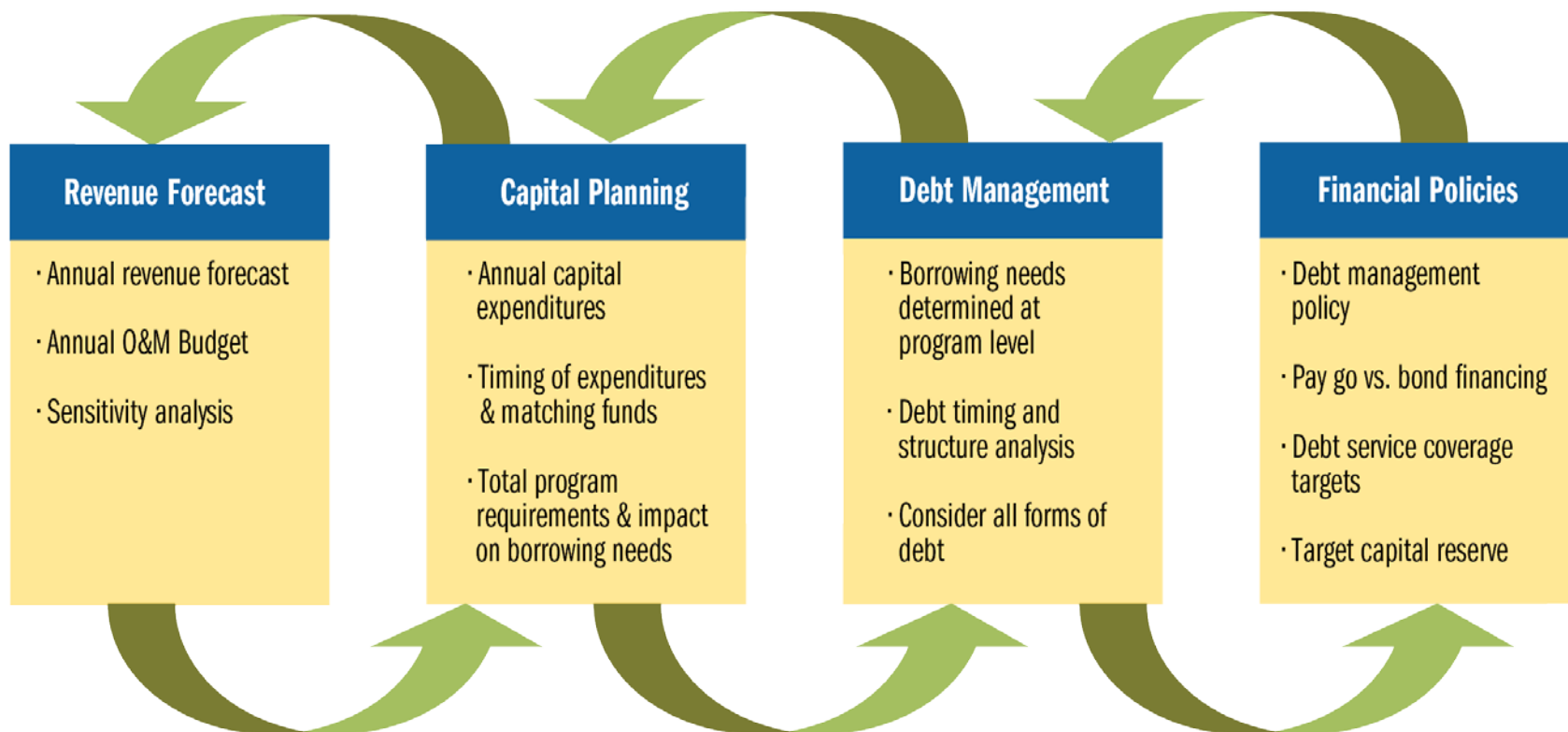




- Planning
- Feasibility
- Funding / Financing
- Implementation

* Consideration of NEPA compliance for projects requiring Federal Action is of particular importance during these efforts.





Why Consider P3s

Leverage Private Sector Expertise

- Expand public sector capacity
- Accelerate delivery
- Transfer risk
- Financial and operational
- Save or reallocate funds
- Reduce debt
- Improve operations
- Transparent regulation of revenues
- Tariffs, fees

How P3 Approach Can Contribute to Project Delivery

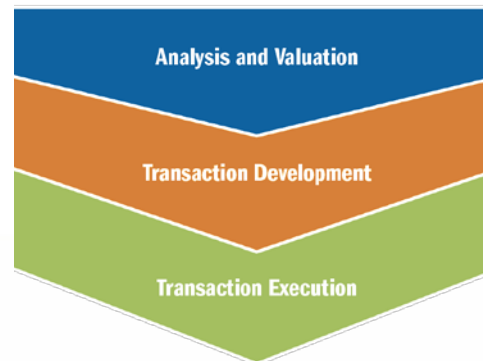
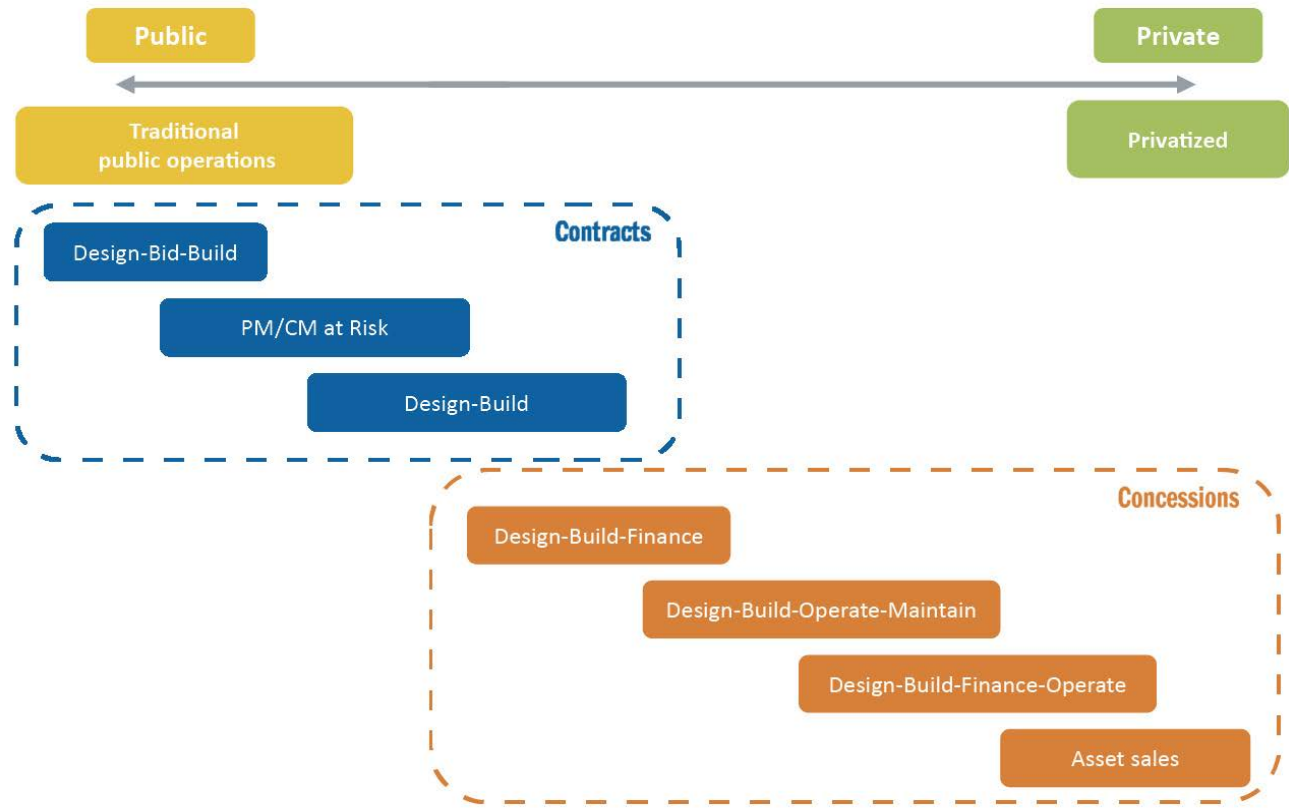
Enhance Financial and Operational Capacity

- Relieve financial pressure(s)
- Operation support from General Fund, debt capacity, pension costs, OPEB
- Streamline operations
- Expand service
- Transfer capital responsibility
- Launch new program or service
- Manage rate setting process

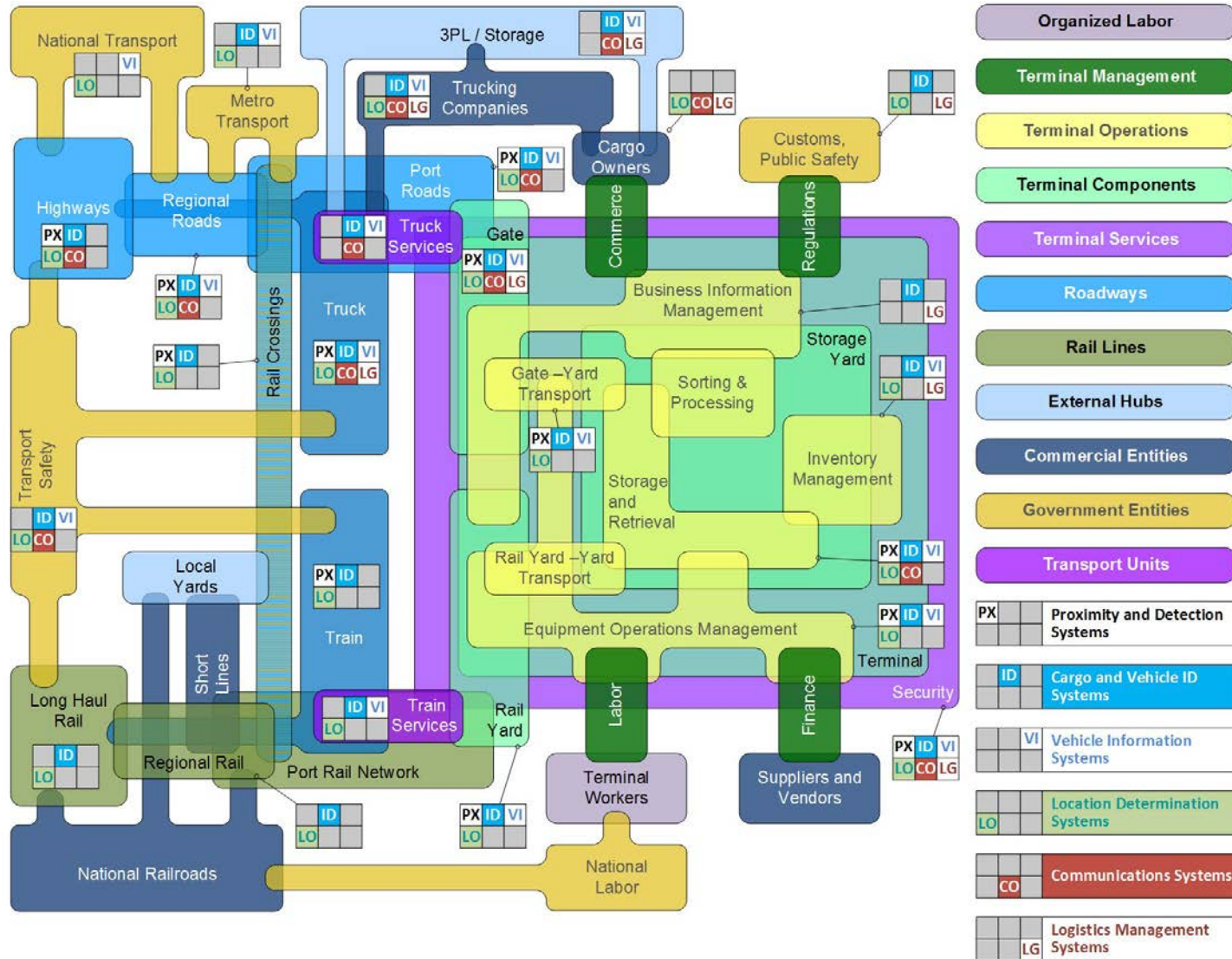
The Value of P3s

Align Public and Private Interests

- A well structured and executed P3 can:
- Increase agency operating capacity
- Heighten accountability
- Value time and performance
- Value innovation and efficiency
- Stimulate competition
- Enhance revenues



Technology Interactions at a Port Terminal



PPIT and ePrimer ITS for Port Operations Module online

- **PPIT information, updates, and resources are available at:**
 - AAPA website at <http://www.aapa-ports.org/PPIT>
- **ITS Professional Capacity Building Program – ITS ePrimer Modules at <https://www.pcb.its.dot.gov/eprimer/default.aspx>**

- **Infrastructure For Rebuilding America (INFRA)**
 - <https://www.transportation.gov/buildamerica/infragrants>
- **Better Utilizing Investments to Leverage Development (BUILD)**
 - <https://www.transportation.gov/BUILDgrants>
- **Port Infrastructure Development Program (PIDP)**
 - <https://www.maritime.dot.gov/PIDPgrants>
- **Transportation Infrastructure Finance and Innovation Act (TIFIA)**
 - <https://www.transportation.gov/buildamerica/financing/tifia>
- **Railroad Rehabilitation & Improvement Financing (RRIF)**
 - <https://www.transportation.gov/buildamerica/financing/rrif/railroad-rehabilitation-improvement-financing-rrif>
- **Private Activity Bonds (PABs)**
 - <https://www.transportation.gov/buildamerica/financing/private-activity-bonds-pabs/private-activity-bonds>
- **Port Conveyance Program**
 - <https://www.maritime.dot.gov/ports/port-conveyance/port-conveyance>
- **America's Marine Highway (AMH)**
 - <https://www.maritime.dot.gov/grants/marine-highways/marine-highway>
- **Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD)**
 - <https://www.fhwa.dot.gov/fastact/factsheets/advtranscongmgmtfs.cfm>



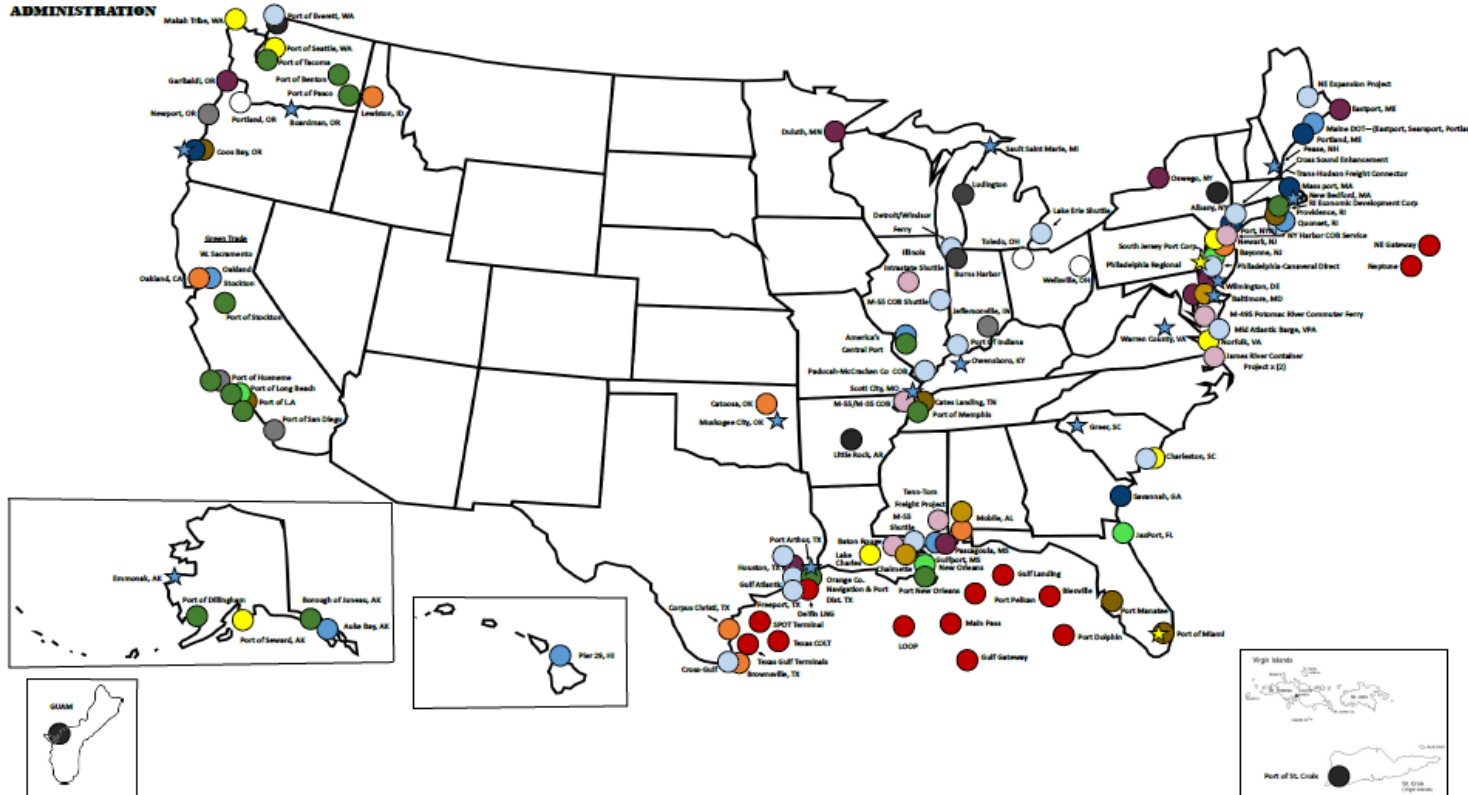
U.S. Department of Transportation

MARITIME

ADMINISTRATION

PORTS & WATERWAYS

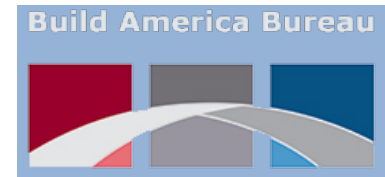
INFRASTRUCTURE PROJECTS & SERVICES



○ ARRA Grants 2009 (3)	● TIGER IV FY 2012 (7)	● TIGER VIII FY 2016 (5)	● DEEP WATER PORTS (13)	★ INFRA FY 17/18 (2)
● TIGER I FY 2009 (7)	● TIGER V FY 2013 (8)	● TIGER VIII FY 2017 (3)	● PORT CONVEYANCE (14)	★ BUILD 2018 (14)
● TIGER II FY 2010 (6)	● TIGER VI FY 2014 (7)	● FASTLANE 2016 (5)	● MH PROJECTS (23)	
● TIGER III FY 2011 (4)	● TIGER VII FY 2015 (4)	● FASTLANE II 2017 (2)	● MH GRANTS (12)	

MARAD facilitates development of port infrastructure by coordinating with various funding and financing programs

Collaboration with Build America Bureau on RRIF and TIFIA loan projects



- **\$5.95 million RRIF loan closed October 31, 2018**
 - First “Inside the Gate” port RRIF loan by the Bureau
- **TIFIA Letter of Interest submitted for \$400+ million intermodal freight connector project**
 - Currently in “creditworthiness” review
- **RRIF loan draft application submitted for \$800+ million on-dock rail support facility**
 - MARAD is lead agency for the NEPA/EIS
 - EIS process underway
- **TIFIA Letter of Interest submitted for \$200+ million bulk terminal project**
 - Currently in preliminary review
- **RRIF Letter of Interest submitted for \$30+ million on-dock rail project**
 - Currently in preliminary review

- The FAST Act Provides Port Eligible Funding (5 years)
 - Surface Transportation Block Grant Program (\$58B)
 - Congestion Mitigation and Air Quality (CMAQ) Program (\$12B)
 - National Highway Freight Program (\$6.3B)
 - INFRA Competitive Grant Program (\$4.5B)
 - Advanced Transportation and Congestion Management Technologies Deployment Grants (\$300M)



Marine Transportation Asset Management Planning State of Practice

Findings:

- Significantly deferred maintenance is common and remains a primary concern to ports
- Limited risk-based decision-making is often undertaken as part of asset planning
 - The magnitude of and vulnerability to all risks (deterioration, extreme weather, rising sea level, competitiveness) are unknown and unmanaged
- Greatest concerns
 - weather and earthquake resilience
 - deferred maintenance
 - advanced deterioration of very old structures (circa 1920s) and,
 - inadequate maintenance funding

Transportation System Benefits

- Over the past decade, DOT has awarded \$1B+ in grant funds leveraging \$2B+ in port projects
- Hundreds of millions of dollars in grant funding is anticipated to be awarded to fund future port construction, leveraging even more non-federal dollars
- Providing a publicly-available asset management tool is necessary to protect this public investment

To that end, MARAD is developing an asset management tool for domestic port planning

- Phase 1 - Asset Registry (i.e. berth and pier registry tool)
- Phase 2 - Risk Registry
- Phase 3 - Decision Making Tool

Thank you!



U.S. Department of Transportation





CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Panelist

Thank you

for joining the conversation today. Send us your questions and comments!



David Valenstein

Senior Advisor
Federal Railroad Administration
U.S. Department of Transportation

See all of CDFA's resources online at www.cdfa.net/resources



FRA Funding Programs Overview

**Council of Development Finance Agencies Webinar
August 2020**

David Valenstein, Senior Advisor, FRA Office of Infrastructure Investment



**U.S. Department of Transportation
Federal Railroad Administration**

USDOT and FRA Strategic Framework

U.S. Department of Transportation Strategic Goals

SAFETY • INFRASTRUCTURE • INNOVATION • ACCOUNTABILITY

Federal Railroad Administration's Mission

"To enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future."

Office of Railroad Development Focus Areas



SAFETY
INNOVATION



INFRASTRUCTURE
INVESTMENTS



AMTRAK
REFORM



PROJECT DELIVERY
STREAMLINING



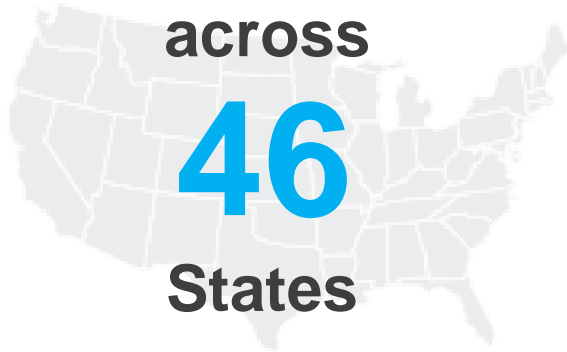
WORKFORCE DEVELOPMENT &
STAKEHOLDER ENGAGEMENT

Infrastructure Investment

DOT and FRA Discretionary Grants under FAST Act (since 2017)



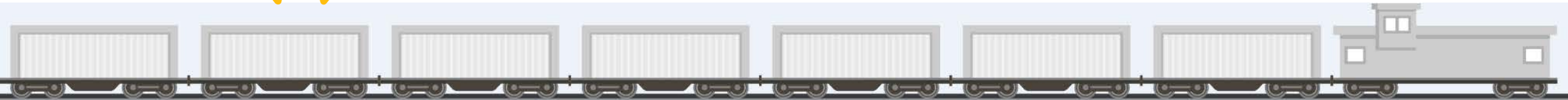
195
projects
selected



across
46
States



totaling
\$1.96B



89
Freight
\$722.01M



57
Mixed Use
\$420.44M



49
Passenger
\$818.64M



80
Rural
\$557.45M



54 Grade
Crossing
projects

Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program

Grant Purpose

- To fund projects that improve the safety, efficiency, and/or reliability of intercity passenger and freight rail systems

CRISI – Recent & Upcoming Funding Opportunities

Authorization & Appropriations (M)

	FY17	FY18	FY19	FY20
Appropriation	\$68	\$592.5	\$255	\$325

Status of Funding Opportunities

Year	Available Funding (M)	Status	
FY17	\$65	<input checked="" type="checkbox"/>	Awards announced February 2019
FY18 (PTC)	\$250	<input checked="" type="checkbox"/>	Awards announced August and December 2018
FY18	\$318	<input checked="" type="checkbox"/>	Awards announced June 2019
FY19	\$244	<input checked="" type="checkbox"/>	Awards announced March 12, 2020
FY20	\$311	<input type="checkbox"/>	Application period closed

FY20 CRISI – Program Overview

Eligible Applicants

- State entities
- Public agencies or publicly chartered authorities
- Local governments
- Amtrak or other intercity passenger rail carrier
- Class II or III railroads
- Any rail carrier or equipment manufacturer in partnership with at least one state entity, public agency, and/or local government
- The Transportation Research Board (TRB)
- A university transportation center engaged in rail-related research
- A non-profit labor organization

FY17-19 CRISI Selections Overview



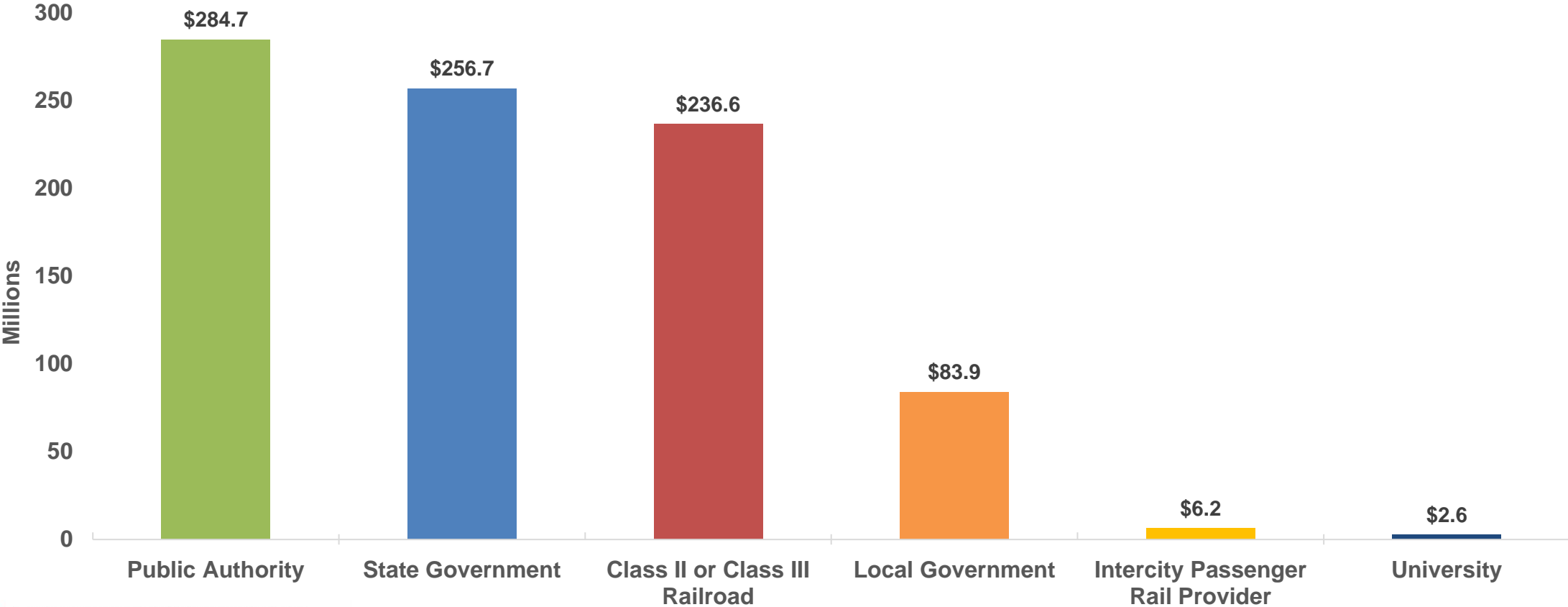
132
projects



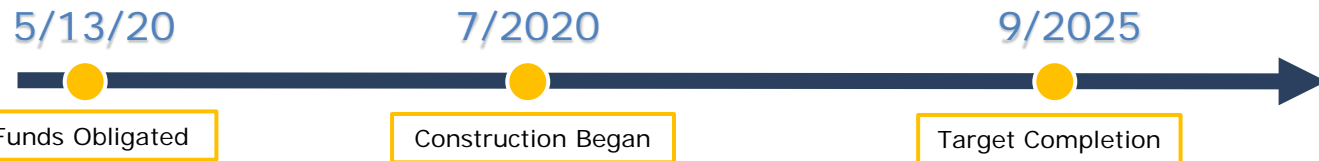
\$870.7M



55
Rural
projects



Sierra Northern Railway Track Rehab Project



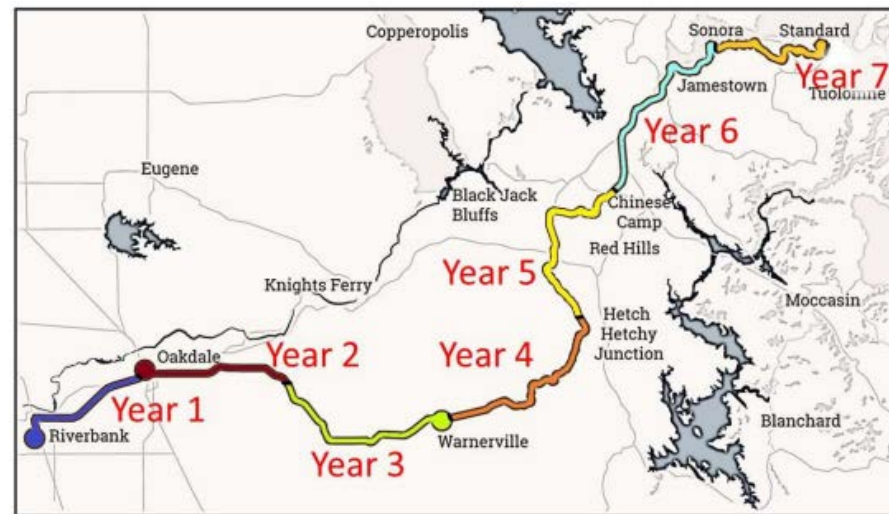
Award
\$17.42M

Grantee Contribution
\$18.34M

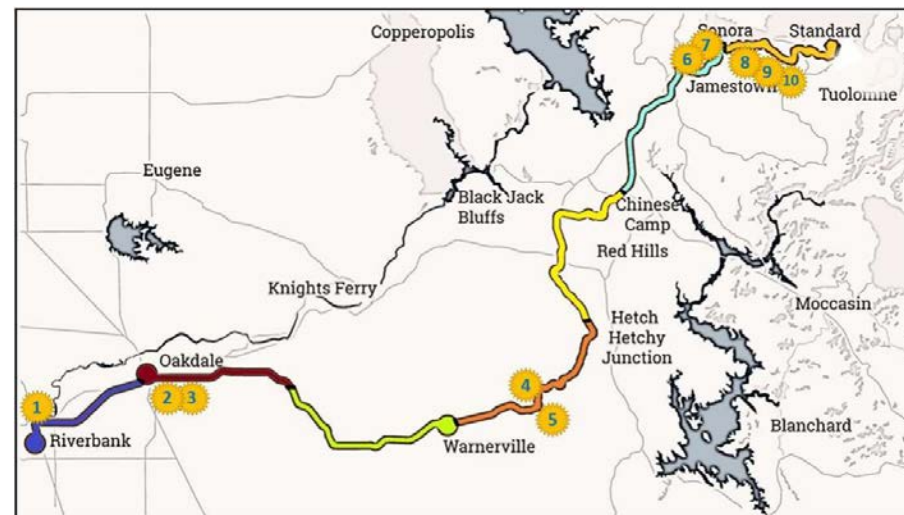
Anticipated Benefits



- Improvements to 10 at-grade crossings
- 90,000 ties replaced
- Rehabilitation of 10 miles of rail to raise the line to Class II standards – reduction in slow order miles; travel time is expected to be reduced by half (from 5 to 2.5 hrs)



Project Phases (By year)



Crossing Locations

Georgia Southwestern Railroad Project

12/15/20

03/2021

12/2022

Target Obligation Date

Construction Begins

Target Completion



Award
\$2.6M

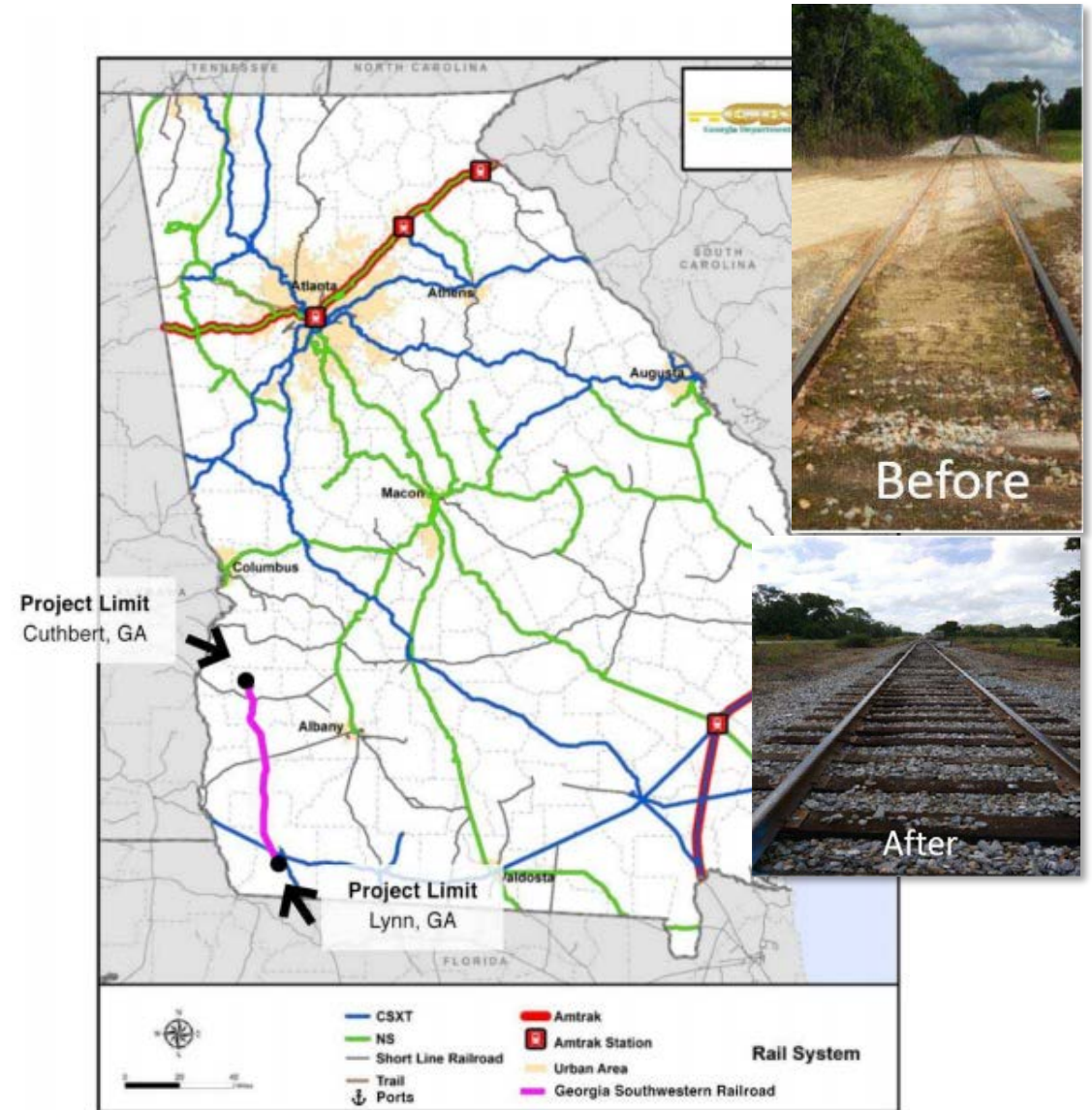


Grantee Contribution
\$2.6M

Anticipated Benefits



- 13 bridges upgraded or improved
- Upgraded 11,000 crossties with stronger materials
- Weight of railcars reaches standard of 286K lbs at 25 mph
- State of Good Repair Benefit Estimated at \$5-10M



Booneville Bridge Replacement Project

6/27/19

2020

TBD

Funds Obligated

Construction Began

Target Completion



Award
\$3.47M



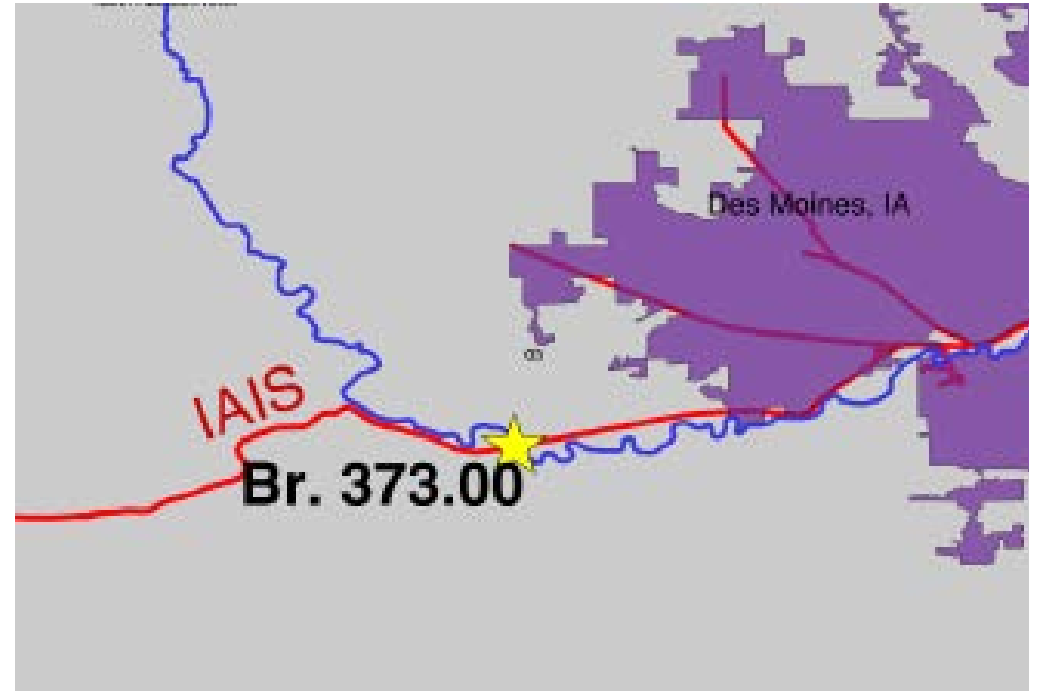
Grantee Contribution
\$3.47M



Anticipated
Benefits



- Replacement of old Booneville Bridge over Raccoon River
- Preserve major intermodal connection linking Chicago and eastern U.S. with Omaha-Council Bluffs market
- Transportation cost savings: \$4.51M
- Trip time savings: 2 hrs 40 min



FY20 CRISI – Program Overview

Eligible Project Criteria

- **Wide Range of Rail Capital Projects**
 - Congestion mitigation
 - Ridership growth facilitation
 - Enhancements to multimodal connections
 - Improvements to short-line or regional railroad infrastructure
- **Railroad Safety Technology**
- **Track, Station, and Equipment Improvements for Intercity Passenger Rail**
- **Grade Crossing Improvements**
- **Rail Line Relocation and Improvement**
- **Regional, State, Corridor Planning and Environmental Analyses**
- **Safety Programs and Institutes**
- **Research, Workforce Development, and Training**

At least 25% of funds is reserved for rural projects

\$45M is set aside for new intercity passenger rail route right-of-way acquisition, track, or track structure projects

FY20 CRISI – Program Overview

Evaluation Criteria

- **Technical Merit:** Readiness, private sector participation, consistency with planning documents
- **Project Benefits:** Effects on system performance, safety, integration with other modes, ability to meet demand

Selection Criteria

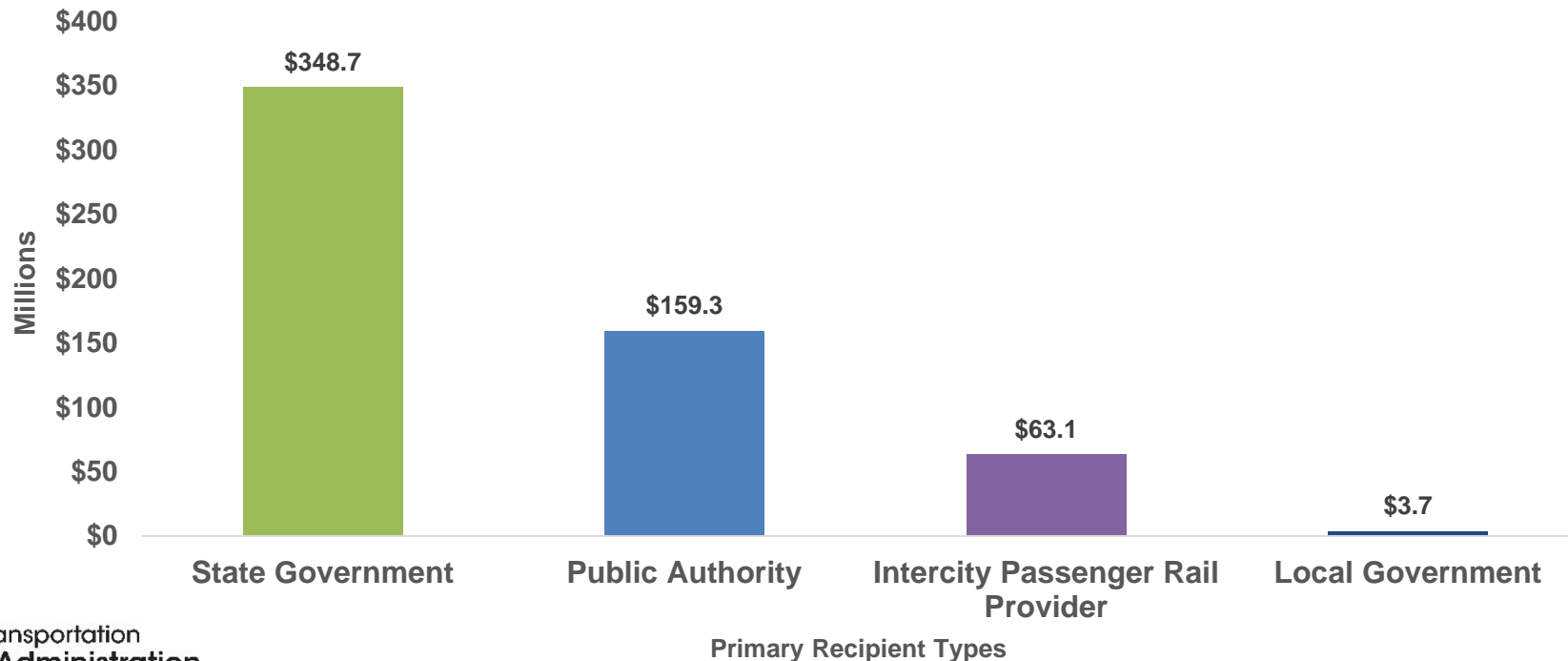
- **Preference** for higher matching funds from multiple sources, maximized net benefits, and private sector participation
- **Key Departmental Objectives:**
 - Supporting Economic Vitality
 - Leveraging Federal Funding
 - Preparing for Future Operations/Maintenance Costs
 - Innovative Approaches to Safety and Project Delivery
 - Accountability

Federal-State Partnership for State of Good Repair Grant Program Overview

Purpose

- To fund **Capital Projects** across the United States to **repair, replace, or rehabilitate Qualified Railroad Assets** to reduce the state of good repair backlog and improve Intercity Passenger Rail performance

FY17-19 Fed-State Partnership Selections Overview



FY20 Partnership Key Definitions

Capital Project

- Primarily intended to **replace, rehabilitate, or repair** major infrastructure assets used in Intercity Passenger Rail service
- Primarily intended to **improve Intercity Passenger Rail performance**
- **Major Capital Project** is a project with a proposed total project cost of \$300 million or greater

State of Good Repair

- Condition in which physical assets are performing at a level at least equal to their as-built or as-modified design specification
- The life cycle cost of maintaining the assets is lower than the cost of replacing them
- Assets are sustained through regular maintenance and replacement programs

Northeast Corridor

- Main rail line between Boston, MA, and the District of Columbia, and branch lines to Harrisburg, PA, Springfield, MA, and Spuyten Duyvil, NY

FY20 Partnership Eligible Applicants

Eligible Applicants

- States (*including the District of Columbia*)
- Groups of States
- Interstate Compacts
- Public Agencies or Publicly Chartered Authorities established by one or more States
- Political Subdivisions of States
- Amtrak
- Any combination of the above

Selection preference for applications submitted by multiple eligible applicants

Ineligible entities may be included as a partner on an application submitted by one or more eligible applicants

FY20 Partnership Eligible Projects

Eligible Project Criteria

1 Capital Project

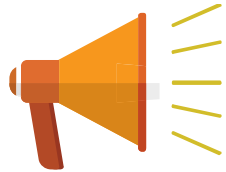
- May include final design, but only in conjunction with an award for project construction
- Planning, PE/NEPA are not eligible

2 Meets the Qualified Railroad Asset definition

3 Executes one or more of the following activities

- Replace existing assets in-kind, or with assets that increase capacity or provide a higher level of service
- Ensure that service can be maintained while existing assets are brought to a state of good repair
- Bring existing assets into a state of good repair

Competitive Grants Application Process



**NOTICE OF FUNDING
OPPORTUNITY (NOFO)
ANNOUNCED**

PHASE 1

TYPICAL TIMEFRAME: UP TO 1 MONTH

STEP
1

Get a Dun&Bradstreet
Number (DUNS)



866-705-5711

OR

fedgov.dnb.com

Register with System for
Award Management (SAM)



To register, go to
www.sam.gov

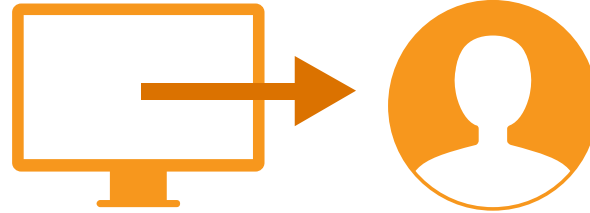
After registering, send SAM:

- A notarized letter
- An Employer Identification Number (EIN)/
Tax Identification Number (TIN)

STEP
2

STEP
3

Create an Authorized Organization Representative (AOR) profile on Grants.gov



Grants.gov will send Email containing a temporary registration code to AOR

AOR must respond to the registration email to complete the registration process

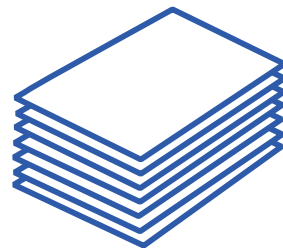


PHASE 2

TYPICAL TIMEFRAME: 1 MONTH

STEP
4

Complete and submit application to Grants.gov addressing all NOFO requirements



APPLICATION RESOURCES

- FRA NOFO
- Workspace on Grants.gov
- FRA Training and Guidance

PHASE 3

TYPICAL TIMEFRAME: 4-5 MONTHS

Verify FRA's receipt of application using Grants.gov number



STEP
5

STEP
6

Project selections announced



PHASE 4

TYPICAL TIMEFRAME: 6-15 MONTHS

Grant Pre-Obligation Period

Grantee works with FRA to complete required documentation before funds can be obligated.



- Grant Agreement
- Terms and Conditions
- NEPA Requirements



Grant Funds Obligated

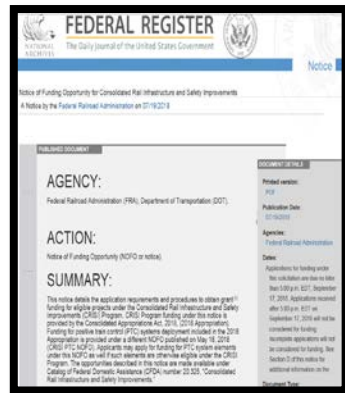
FRA reimburses grantee for eligible expenses.*



** Once funds are obligated, grantee follows Grant Agreement/Terms and Conditions to ensure grant compliance.*

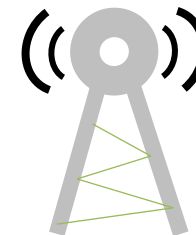
Best Practices – Helpful Hints

- Make sure project is well-developed and ready for implementation



- Read the Notice of Funding Opportunity (NOFO) completely and carefully
- **FOLLOW THE DIRECTIONS & CHECKLISTS**

- Align projects to DOT priorities



Best Practices – Helpful Hints

- Exceed minimum match requirements



- Identify multiple funding sources and project partners

- Obtain letters of support from a variety of stakeholders



- The required benefit-cost analysis is integral to the evaluation and funding decision process

FRA Technical Assistance for Grantees

In-person/Virtual Training

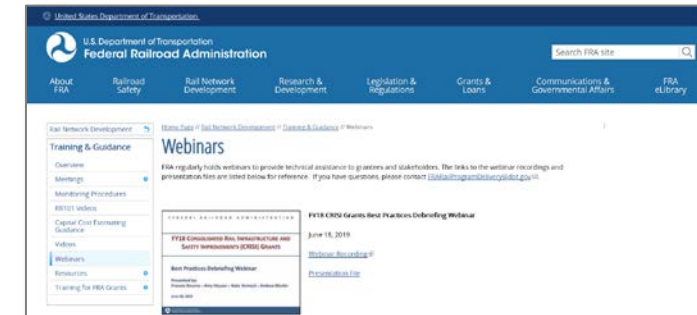
FRA conducts workshops and webinars for various industry stakeholders throughout the year to educate grantees about the application and program delivery process.



On-demand Training

FRA's [Training and Guidance](#) webpage has a wealth of videos and webinar recordings on topics such as:

- Cost estimating
- Environmental streamlining
- Grade crossing project planning tools
- Grant application process





CONTACT US

Federal Railroad Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

For more information visit us at
www.fra.dot.gov



Connect with us **USDOTFRA**



U.S. Department of Transportation
Federal Railroad Administration



CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Questions?

Thank you

for joining the conversation today. Send us your questions and comments!



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CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Upcoming Events



Intro Infrastructure Finance WebCourse

In Partnership with Frost Brown Todd and FBT Project Finance Advisors

Register >>>

September 23-24, 2020
12:00 - 5:00 PM Eastern

Thank you

for joining the conversation today. Send us your questions and comments!

Intro Infrastructure Finance WebCourse

September 23-24, 2020 | 12:00 – 5:00 PM Eastern

Federal Financing Webinar Series

September 11, 2020 | 1:00 PM Eastern

Register online at www.cdfa.net



CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Upcoming Events

CDFA // BNY Mellon Development Finance Webcast Series: Understanding The Municipal Liquidity Facility

September 15, 2020 | 1:00 PM Eastern

CDFA-Bricker PACE Webinar Series: PACE Program Capitalization

September 22, 2020 | 11:00 AM Eastern

Intro Infrastructure Finance WebCourse

September 23-24, 2020 | 12:00 – 5:00 PM Eastern

CDFA Food Systems Finance Webinar Series: Financing Food Systems Entrepreneurs

September 29, 2020 | 2:00 PM Eastern

Register online at www.cdfa.net

Thank you

for joining the conversation today. Send us your questions and comments!



CDFA Federal Financing Webinar Series: Resources for Resilient Infrastructure from the DOT

Thank you
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conversation
today. Send us
your questions
and comments!



Malcolm Guy
Coordinator, Government
& External Affairs
614-705-1306
mguy@cdfa.net

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