



Build America Bureau

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About the Bureau

U.S. DOT's “one-stop-shop” for Federal transportation finance programs and technical assistance

Delivering More Good Projects Faster

Low-interest, long-term loans for transportation infrastructure

Outreach

\$100 Billion to lend

Non-traditional and underserved borrowers

Advocacy

Clearing roadblocks

Streamlining processes

Technical Assistance

Training
Education
Information
Best practices



Major Bureau Programs

TIFIA

Transportation Infrastructure Finance & Innovation Act of 1998

- Surface transportation and public infrastructure
- Finance up to 33% of eligible project costs

RRIF

Railroad Rehabilitation & Improvement Financing

- Passenger, freight, and commuter rail and transit-oriented development (TOD)
- Finance up to 100% of eligible project costs

Private Activity Bonds

- State/local governments issue tax-exempt bonds
- Private entity responsible for debt service
- Can be used alone or in combination with TIFIA and RRIF

Key Features

- Long-term repayment period
 - Up to 35 years (some 75!)
 - Optional five-year deferral following completion
 - No pre-payment penalty
- Highly customizable to meet borrower needs
- Also offer loan guarantees and lines of credit

LOW INTEREST RATE

2.23%

for 35-year loan as of 3/2/22



Eligible Projects and Borrowers

TIFIA

Eligible Projects

- Roadways and bridges
- Transit vehicles & facilities
- Bicycle & pedestrian infrastructure
- Intelligent transportation systems
- **Transit-oriented development**
- Intermodal connectors
- Intercity rail/bus vehicles & facilities
- Commercial seaports
- **Airports (New)**

Eligible Borrowers

- State, tribal, county, municipal governments
- State Infrastructure Banks
- Private entities/developers
- Special authorities
- Transportation improvement districts

RRIF

Eligible Projects

- Freight rail facilities
- Freight transfer facilities
- Passenger rail vehicles, stations & equipment
- **Transit-oriented development**
- Intermodal rail equipment or facilities

Eligible Borrowers

- Railroads
- State and local governments
- Government-sponsored authorities and corporations
- Interstate compacts
- Joint ventures



RRIF Express

RRIF Express

Benefits

- Streamlined application process & reduced fees for smaller projects
- DOT pays Credit Risk Premium (up to 10% loan value)
- Expedited Processing
- Advisory fee assistance
- Up to 35-year term (some up to 75)

Eligible Borrowers

- Class II & III Railroads
- Commuter Railroads
- Joint Ventures

Eligible Projects

- Total project cost up to \$150 million
- Track improvement
- Bridge rehabilitation
- Rolling stock acquisition
- Planning and design
- Refinancing eligible debt (up to 75%)

Project Outlook

- 10 letters of interest received
- First two loans expected to close soon

TIFIA Lite

Eligible Borrowers

- Public or publicly-sponsored entity
- Experienced with debt financing, such as prior TIFIA, RRIF, or commercial loans
- Accepts terms of standard TIFIA loan agreement template with little to no negotiation

Eligible Projects

- Shovel-ready with all permits and licensing completed
- Investment grade rating from a nationally-recognized agency
- Loan repayment source must be a general obligation pledge, dedicated tax revenue pledge, or government appropriations



BelRed Street Network



- 90 ADA improvements
- Sidewalks
- Dedicated bike lanes
- Bike signals



TIFIA Rural Project Initiative (RPI)

**Rural: Outside urbanized area of population
> 150,000**

Project costs between \$10 million and \$100 million

TIFIA can finance up to 49% of eligible project costs

Fixed rate at one-half Treasury rate

DOT can cover borrower fees



**ONE-HALF
THE U.S.
TREASURY
RATE
1.12%
as of 3/2/22**

Webinar recording available:

<https://www.transportation.gov/office-policy/rural/routes-webinar-tifia-rpi>



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RPI Success Stories

(Four loans closed to date)

Monterey-Salinas Transit District

“MST partnered with the Bureau and took this project from concept to reality with ... a 35-year loan at 0.78 percent interest rate, saving taxpayers over \$5 million.”



- Mayor of King City
Mike LeBarre

San Luis Obispo Regional Transit Authority

“We are extremely pleased to deliver this important project... [and] it truly would not have been possible without the Bureau’s assistance.”



- RTA Exec. Director
Geoff Straw

State Infrastructure Banks (SIBs)

TIFIA loans can capitalize “Rural Project Funds” within a SIB between
\$10 million - \$100 million

SIBs then lend to project sponsors with rural projects
(e.g., local and regional governments)

Eligibility

- Entities with authority to establish a SIB and execute a cooperative agreement with DOT
- Surface transportation projects in statutorily defined “rural” areas (outside of a census-defined urbanized area with population >150,000)

Benefits

- Financing for multiple projects for up to 80% of project costs, at one-half Treasury rate
- Can lend to projects too small for regular TIFIA
- Quicker application process for loan from a SIB



Coming Soon!

Innovative Finance Partnership



Collaboration between FHWA, Build America Bureau and
Five Prominent Universities

Innovative delivery, P3 and finance training
Best practices and peer to peer exchange
Improved environmental review and permitting processes



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BUILD AMERICA BUREAU

Regional Infrastructure Accelerators (RIA)

- Funds pre-planning resources & capacity
- Expedites regional transportation projects
- Improves access to billions in Bureau financing
- \$10 Million in Grants - \$5 Million Awarded
- **\$5 Million Coming soon!**
 - NOFO issued – Applications due 4/11/22

Current Accelerators:

- Fresno COG
- Chicago Metropolitan Agency for Planning
- Northeast Ohio Areawide Coordinating Agency
- San Diego Association of Governments
- Pacific NorthWest Economic Region

Visit:

[Transportation.gov/BuildAmerica/Accelerators](https://www.transportation.gov/BuildAmerica/Accelerators)

[Informational video](#)



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BUILD AMERICA BUREAU

Bipartisan Infrastructure Law Changes

TIFIA

- Loans for new types of projects including airports
- Expands transit-oriented development eligibility
- Relaxes the requirements for investment-grade ratings

RRIF

- Credit Risk Premium to be repaid to the borrower with interest when the loan is repaid
- Discretionary credit assistance \$50 million per year for each fiscal year 2022 through 2026

BOTH TIFIA AND RRIF:

Expands loan terms from 35 years to up to 75 years for some projects

- Lowering payments
- More than doubling loan length

Streamlines processing and increases transparency



BIL New Grant Programs

Rural & Tribal Assistance Pilot Program

- \$12 million, five-year pilot program for rural state, local and tribal governments to provide:
 - Technical, legal, and financial advisory assistance
 - Evaluate projects to be delivered through alternative methods
 - Pay for early development activities such as:
 - Feasibility studies
 - Revenue forecasting
 - Prelim. engineering
 - Environmental review

Technical Assistance Grants for Innovative Financing of Projects

- Total of \$100 million over five years
- Fund state and local government technical, financial, and legal advisory service costs for alternative project delivery
- Covers pre-implementation costs, including:
 - Identifying appropriate assets or projects for concessions
 - Developing and issuing requests for proposals
 - Risk analysis



Bureau Implementation of BIL

Underway

Immediately implement some changes, such as additional capacity for private activity bonds

Coming

Engage with partners and stakeholders on implementing provisions i.e. new TOD eligibilities and longer repayment terms

Early 2022

Release fact sheets and guidance materials



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Thank You!

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



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