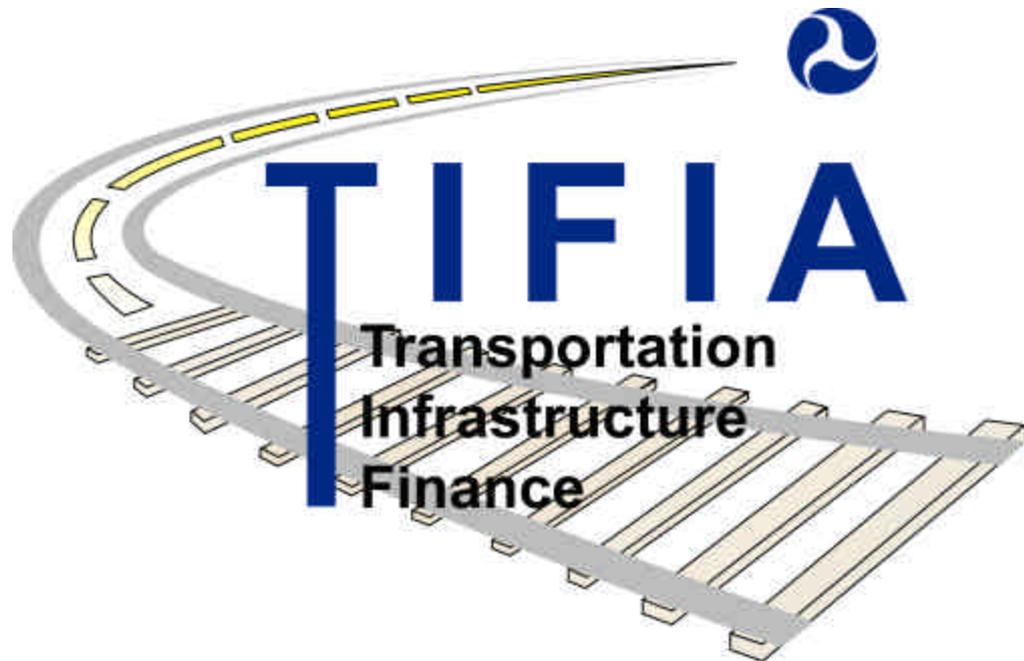


TIFIA Credit Program Overview



***Transportation
Infrastructure
Finance and
Innovation
Act (TIFIA)***

Updated May 23, 2003



Background on TIFIA

- **Strategic goal** – to leverage limited Federal resources and stimulate private capital 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)

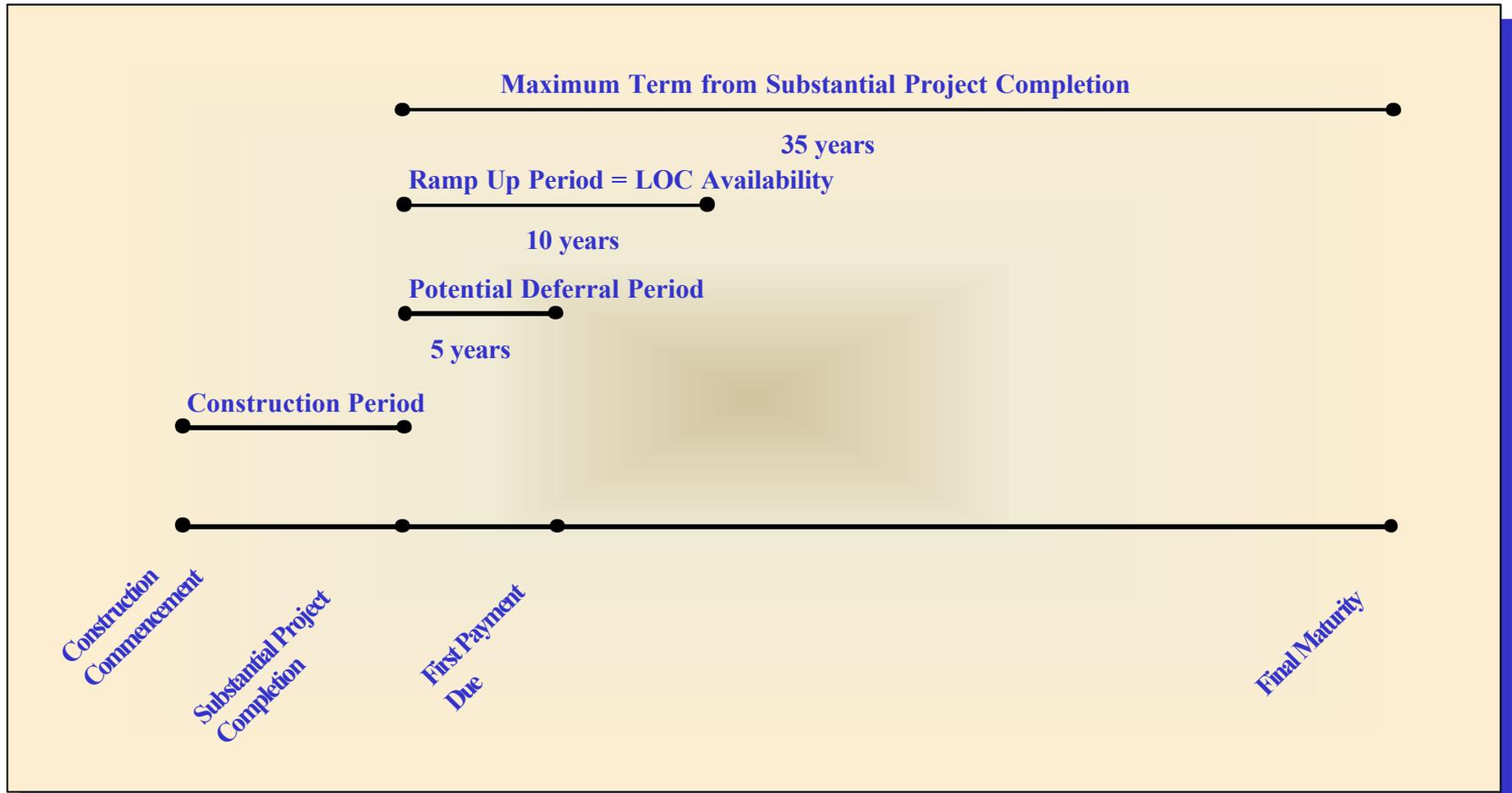
➤ **Major requirements**

- Large surface transportation projects (\$100M generally, \$30M for intelligent transportation systems – ITS)
- TIFIA contribution limited to 33 percent
- Investment grade rating requirement
- Dedicated revenues for repayment
- Applicable Federal requirements (Civil Rights, NEPA, Uniform Relocation, Titles 23/49)

- **Application process** – project sponsors must submit proposals, including financial plans, to USDOT for consideration.



Basic Financing Terms Illustrated





Eligible TIFIA Sponsors and Projects



Highways and Bridges
Intelligent Transportation Systems
Intermodal Connectors

Transit Vehicles and Facilities
Intercity Buses and Facilities



Freight Transfer Facilities
Passenger Rail Vehicles and Facilities

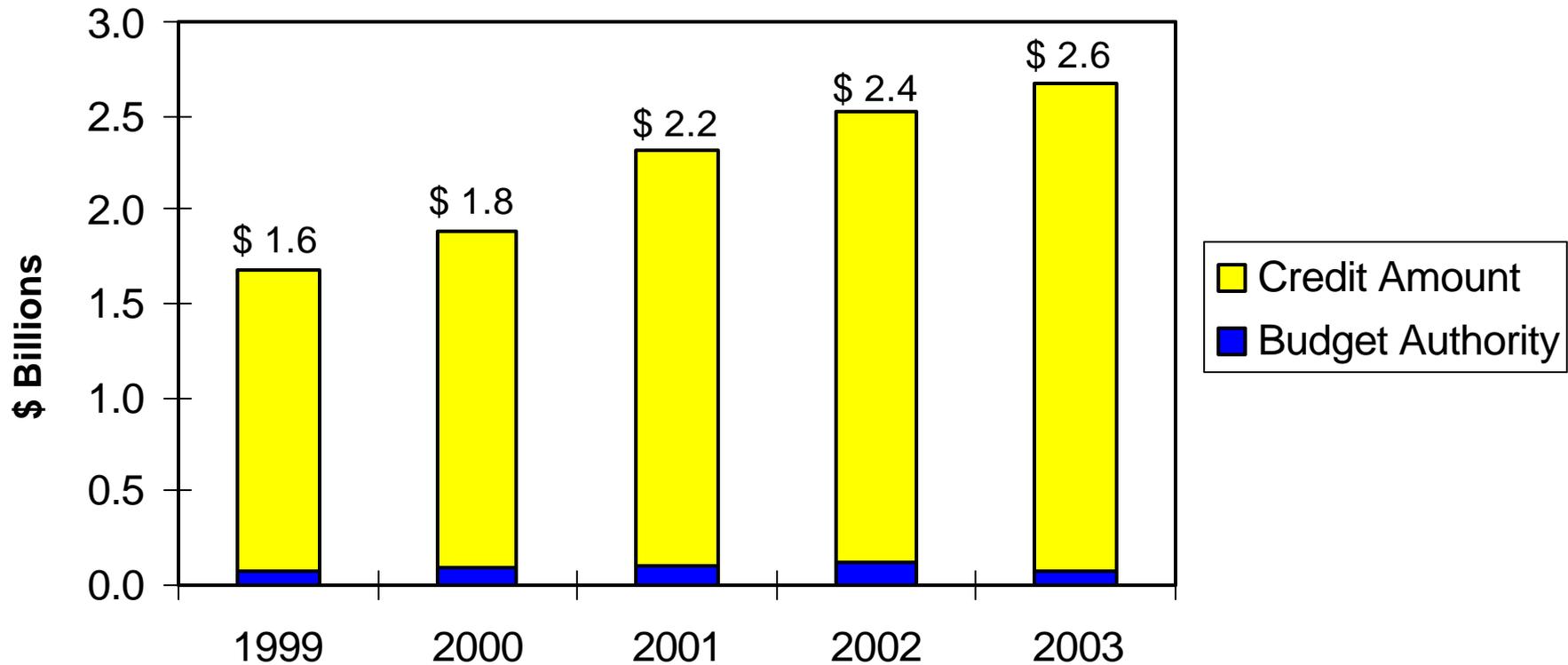




Credit Amount and Budget Authority Limitations

FY 1999 - 2003 (5 Years)

Maximum Credit Amount: \$10.6 Billion
Maximum Budgetary Cost: \$530 Million





Capital Allocation for Federal Programs

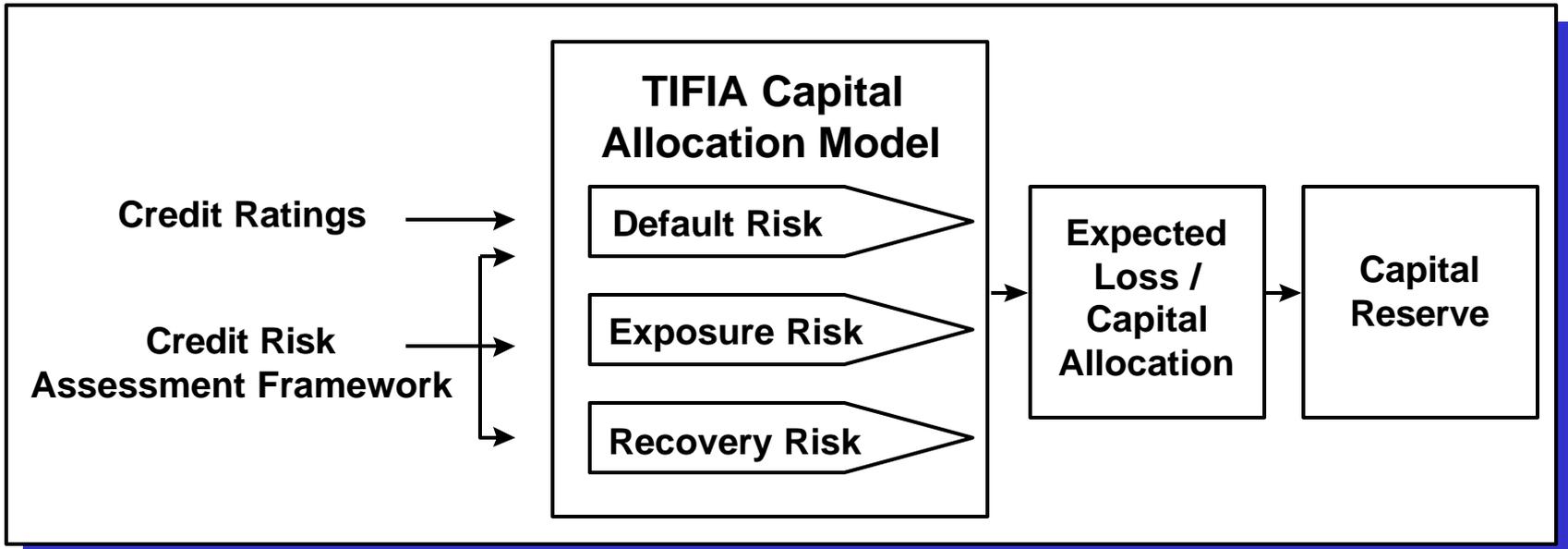
The Federal Credit Reform Act of 1990 (FCRA) governs the budgetary and accounting treatment of Federal credit.

Subsidy Costs

- The subsidy cost is the estimated long-term cost to the Government of providing a direct loan, loan guarantee, or line of credit.
- For the TIFIA program, the subsidy cost generally represents the present value of the Government's expected credit loss, excluding interest rate subsidies.
- The project risk profile, not the form of credit assistance, determines the subsidy cost.

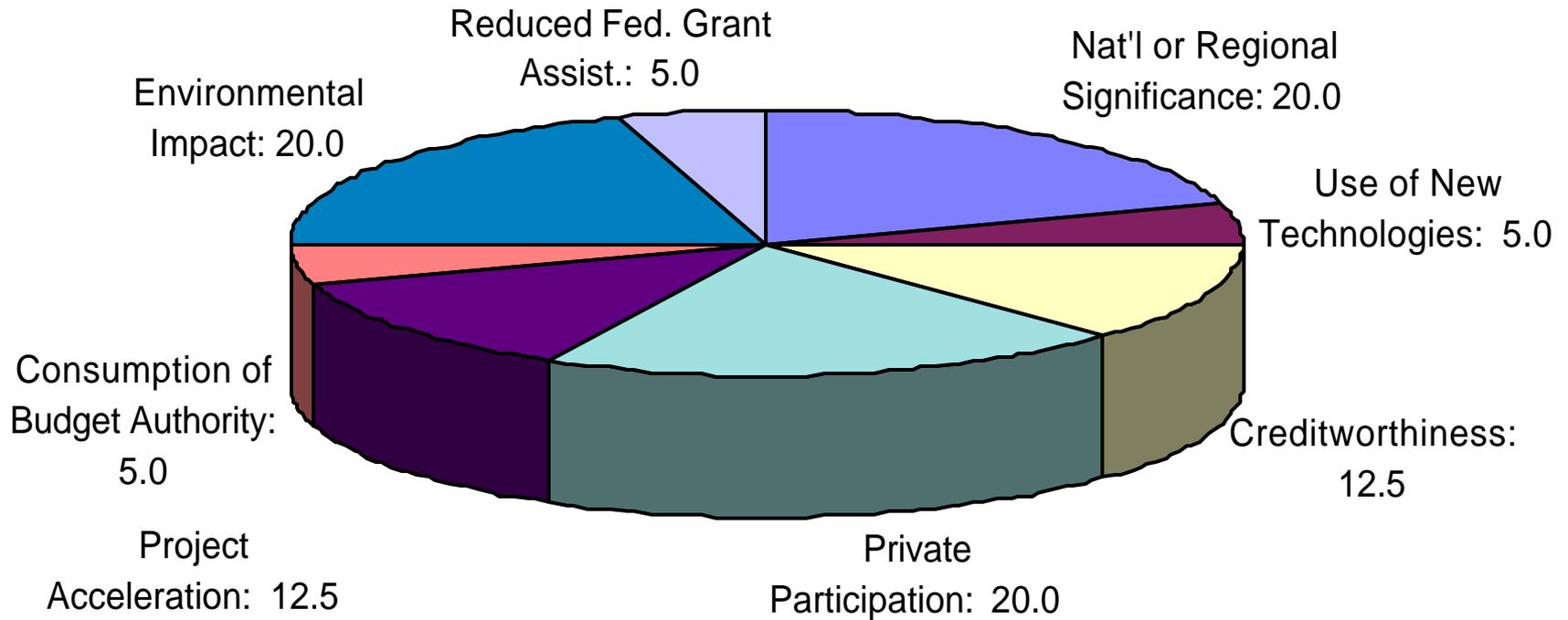


Program Implementation: TIFIA Capital (Subsidy) Allocation Framework



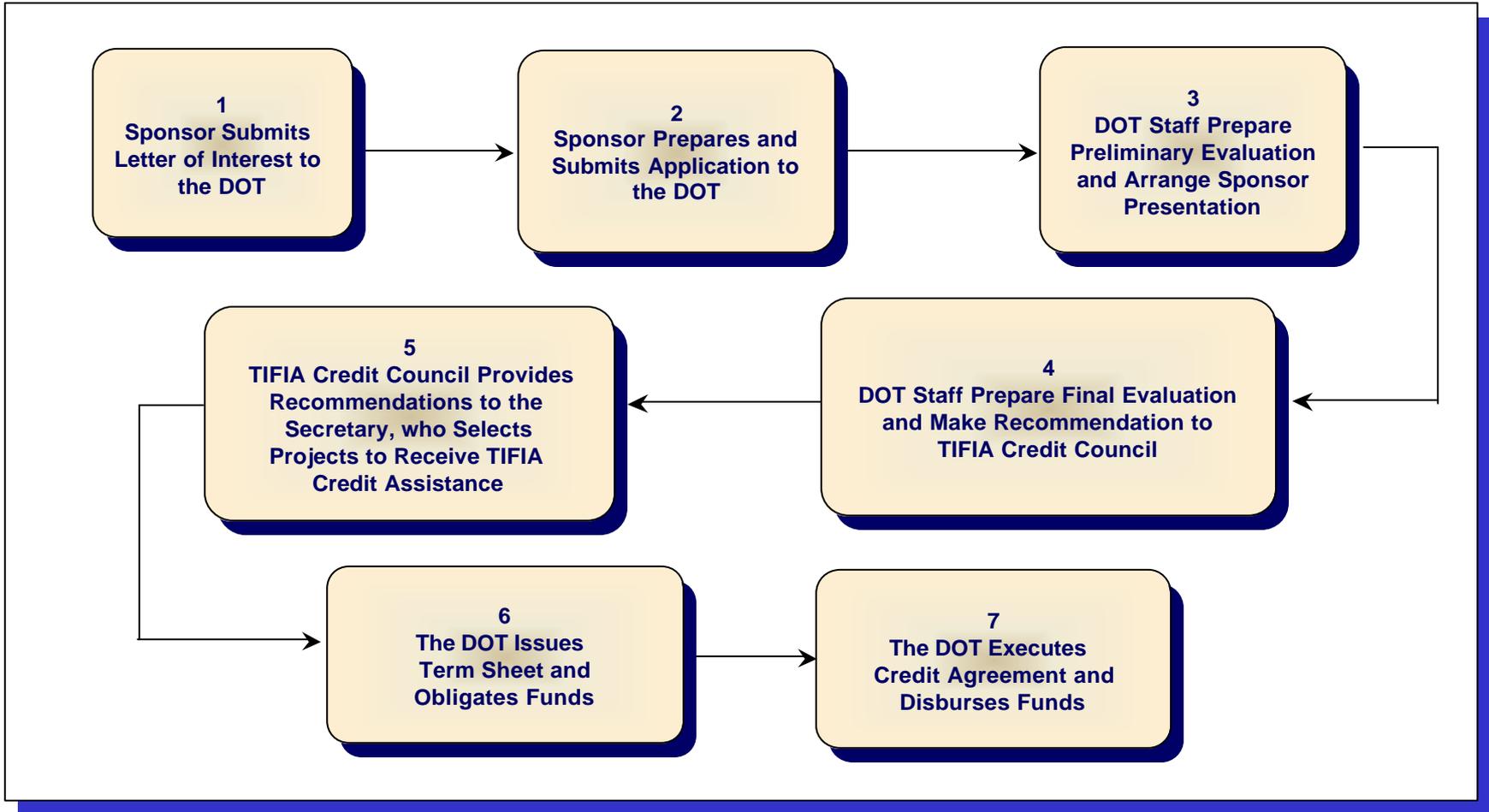


Statutory Selection Criteria Weighting (percentage amounts)



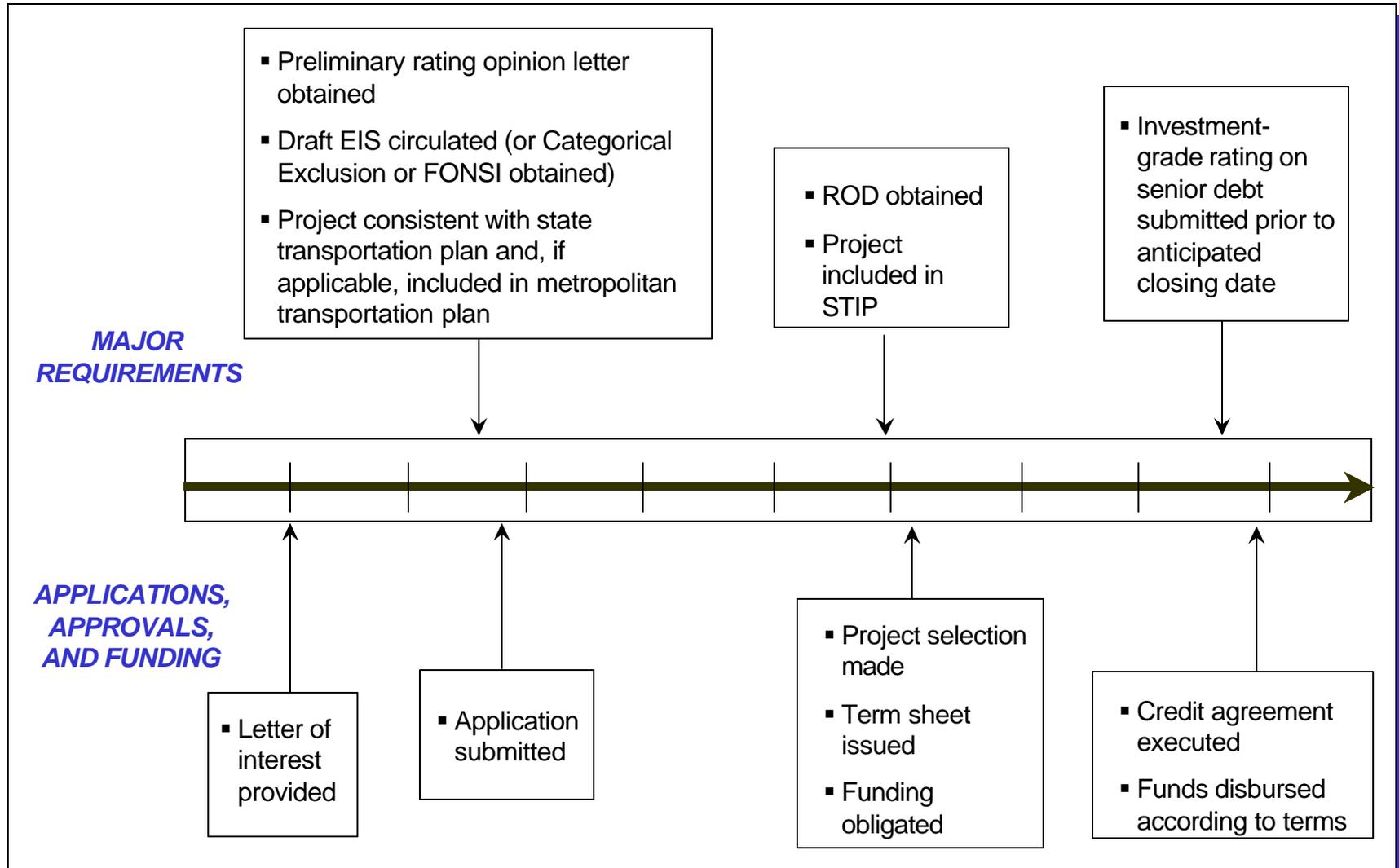


Program Implementation: Selection & Funding of a TIFIA Project





TIFIA Documentation Requirements





TIFIA Program Fees

- **The TIFIA JPO will require each applicant to pay a non-refundable application fee of \$30,000.**
- **In addition each borrower will be required to pay a credit processing fee equal to a portion of the costs incurred by the TIFIA JPO in negotiating the credit agreement. This fee will typically range from \$100,000- \$300,000.**
- **Borrowers will also be required to pay a \$10,000 loan servicing fee annually.**



TIFIA: Approved Projects

(TIFIA Instruments in Millions)

Tacoma Narrows Bridge \$270
(Withdrawn)

Reno Rail
Corridor
\$74

San Francisco-
Oakland
Bay Bridge
\$450

SR 125
Toll Road
\$140

Total \$3.5 Billion

Source: FHWA, May 2003

Farley Penn Station
\$160

Staten Island Ferries
\$159

Warwick Train
Station
\$58

Washington
Metro CIP
\$600

Cooper River
Bridge
\$215

Central Texas
Turnpike
\$917

Miami Intermodal
Center
\$432

Tren Urbano
\$300
*Paid in
Full*

PR



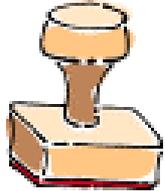
TIFIA: Commitments to Date

(May 2003)

Project	Project Type	Project Cost	Instrument Type	Credit Amount
Miami Intermodal Center	Intermodal	\$1,349 million	Direct Loan	\$269 million
			Direct Loan	\$163 million
SR 125 Toll Road	Hwy/Bridge	\$642 million	Direct Loan	\$140 million
Farley Penn Station	Passenger Rail	\$800 million	Direct Loan	\$140 million
			Line of Credit	\$20 million
Washington Metro CIP	Transit	\$2,324 million	Guarantee	\$600 million
Tren Urbano (PR)	Transit	\$1,676 million	Direct Loan	\$300 million
Cooper River Bridge	Hwy/Bridge	\$668 million	Direct Loan	\$215 million
Staten Island Ferries	Transit	\$482 million	Direct Loan	\$159 million
Central Texas Turnpike	Hwy/Bridge	\$3,700 million	Direct Loan	\$917 million
Reno Rail Corridor	Intermodal	\$280 million	Direct Loan	\$51 million
			Direct Loan	\$5 million
			Direct Loan	\$18 million
San Francisco Oakland Bay Bridge	Hwy/Bridge	\$3,305 million	Direct Loan	\$450 million
Warwick Train Station	Intermodal	\$216 million	Direct Loan	\$58 million
TOTAL		\$15 billion		\$3.5 billion



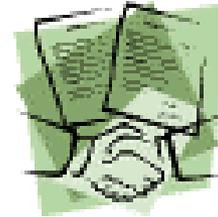
TIFIA Project Updates



Approved



Pre-financing Negotiations



Credit Agreements

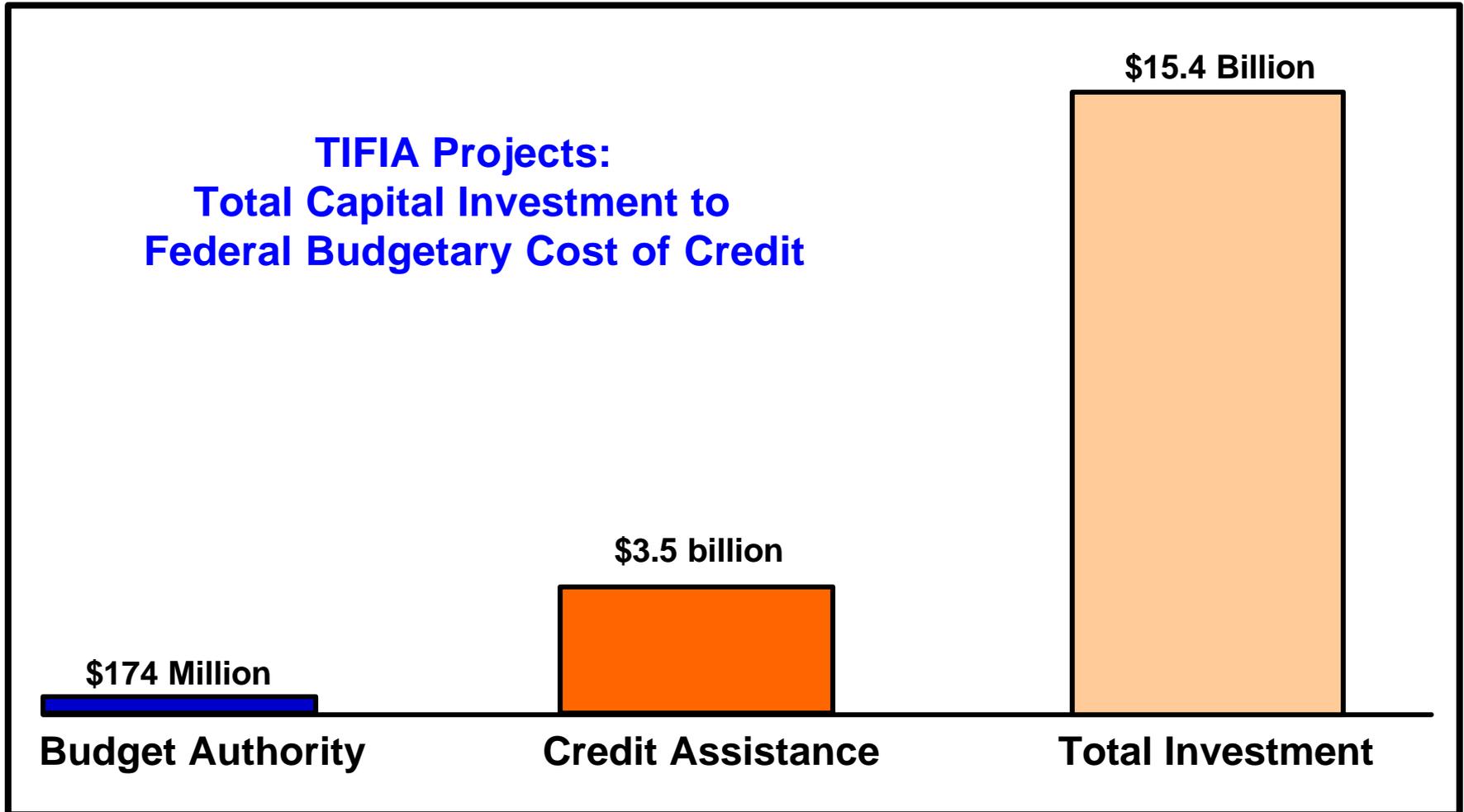


Paid in Full

- Warwick Train Station
 - Reno Rail Corridor (Series 3)
- Farley-Penn Station
 - Miami Intermodal Center (Rental Car Facility)
 - Reno Rail Corridor (Series 2)
 - San Francisco- Oakland Bay Bridge
- Central Texas Turnpike
 - Reno Rail Corridor (Series 1)
 - Miami Intermodal Center (MIC Core)
 - Cooper River Bridge
 - Staten Island Ferries & Terminals
 - Washington Metro CIP
 - SR-125 Toll Road South
- Tren Urbano

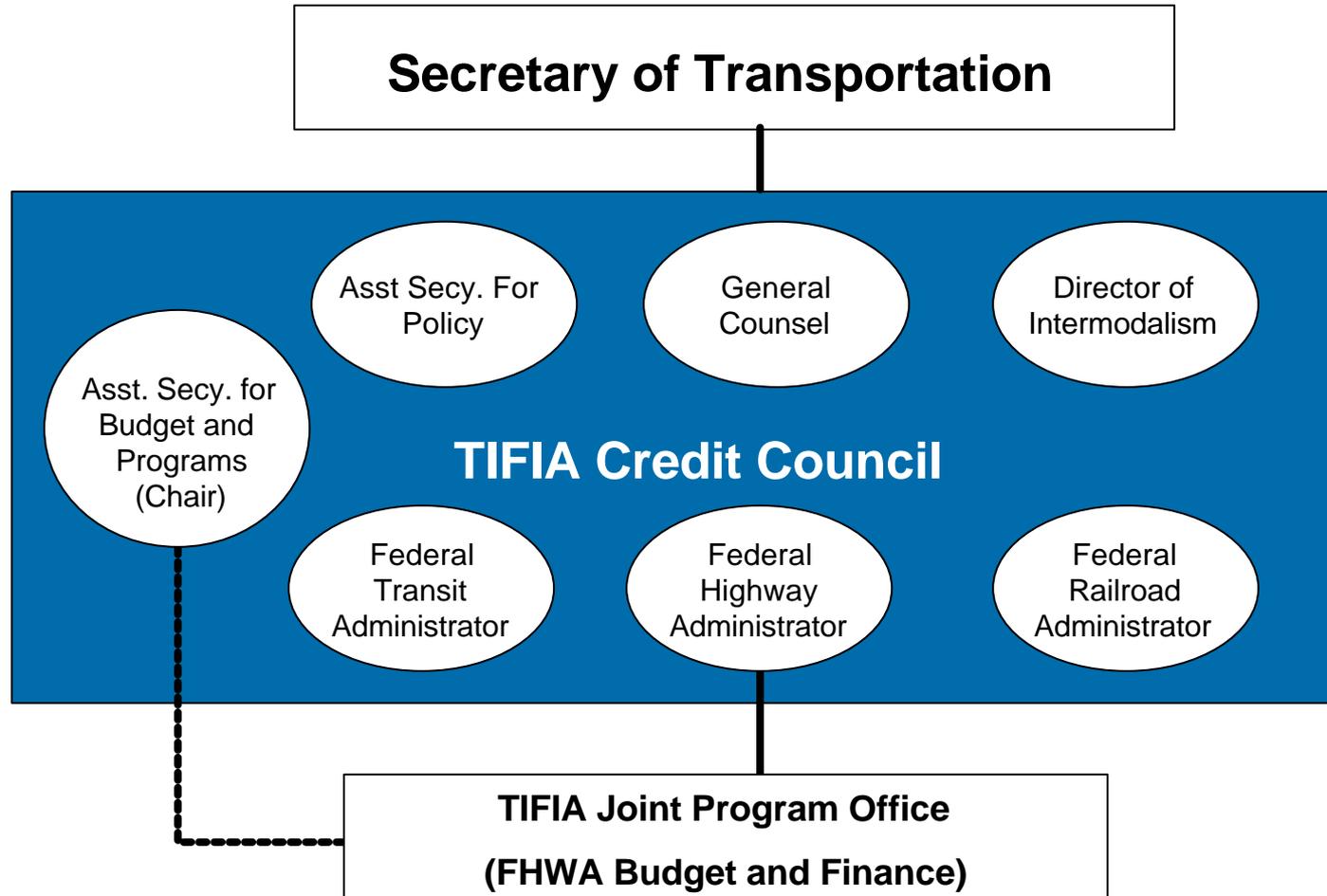


TIFIA: Potential Leveraging - 89:1





TIFIA JPO Organizational Framework





TIFIA Oversight: Credit Instrument Life Cycle

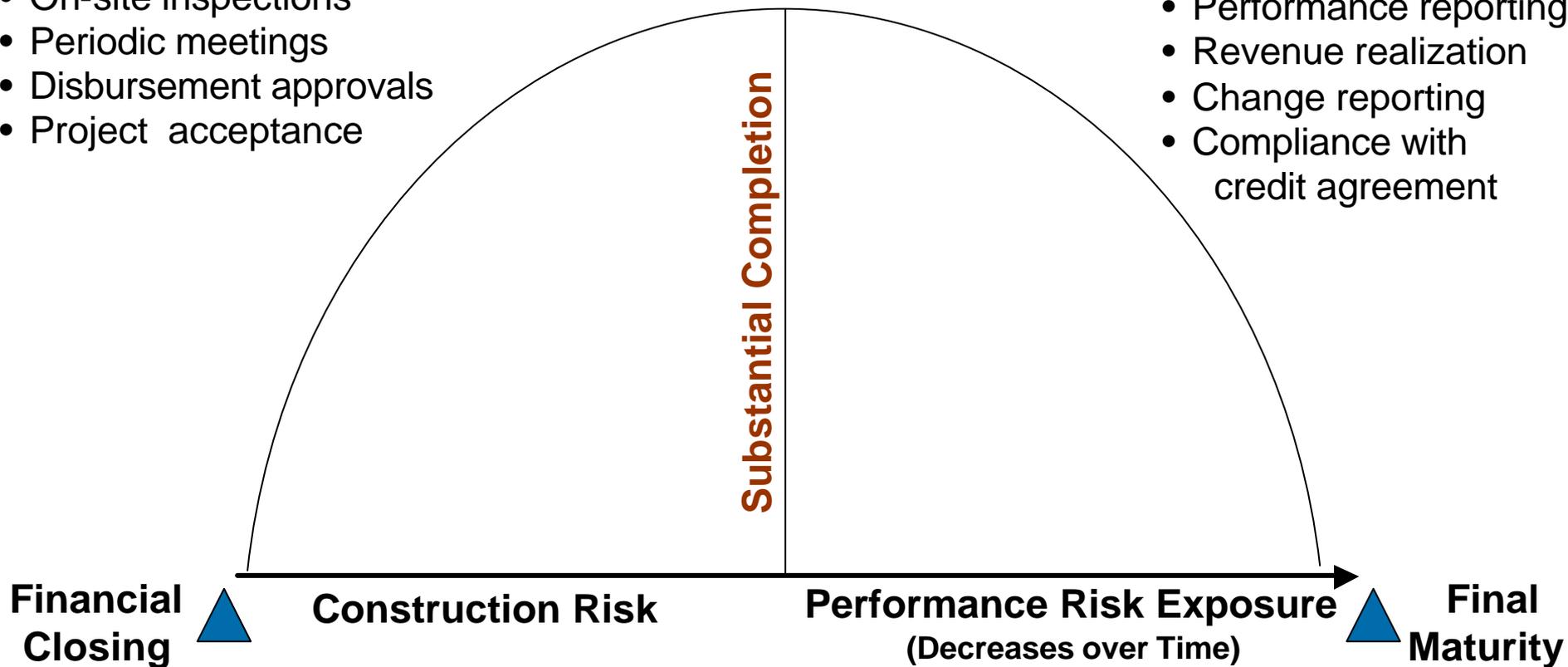
Construction Oversight and Performance Monitoring

Design / Construction

- On-site inspections
- Periodic meetings
- Disbursement approvals
- Project acceptance

Operations/Post Construction

- Performance reporting
- Revenue realization
- Change reporting
- Compliance with credit agreement





TIFIA JPO Contact Information

Additional information can be obtained from the TIFIA website:

<http://tifa.fhwa.dot.gov>

And from the following TIFIA Joint Program Office staff:

Mark Sullivan, Chief	mark.sullivan@fhwa.dot.gov	202 366-5785
Duane Callender, Program Analyst	duane.callender@fhwa.dot.gov	202 366-9644
Theresa Stoll, Sr. Credit Analyst	theresa.stoll@fhwa.dot.gov	202 366-9649
Robert C. Brown, Capital Markets Advisor	robert.c.brown@fhwa.dot.gov	202 366-6813
Cheryl Jones, Project Finance Advisor	cheryl.jones@fhwa.dot.gov	202 366-0317
Suzanne Sale, Senior Financial Advisor	suzanne.sale@fhwa.dot.gov	602 379-4014

The TIFIA JPO fax number is: 202 366-2908

Mailing address:

TIFIA Joint Program Office

U.S. Department of Transportation

HABF-50, Room 4301

400 Seventh Street, SW

Washington, DC 20590