



# **U.S. Route 58 Corridor Transportation Revenue Bonds, Series 2023**

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# Authorization and History of Transportation Revenue Bonds

## U.S. Route 58 Corridor Development Program

- **The U.S Route 58 Corridor Development Fund was established by the General Assembly in 1989 by Virginia Code Section 33.2-2300**
  - Authorized \$600 million in revenue bonds
  - Dedicated first \$40 million of recordation taxes for program funding
- **The General Assembly increased authorization in the 1999 session by \$104.3 million to \$704.3 million**
  - Identified projects to receive funding
  - Required the Secretary of Transportation and Governor to propose funding to support debt service on the additional authorization
- **The General Assembly increased authorization in the 2013 session by \$595.7 million to \$1.3 billion**
  - Prioritized completion of Crooked Oak, Vesta and Lover's Leap sections
  - Provided \$20 million to the fund from the highway construction share of the Transportation Trust Fund beginning in FY 2020
  - Required any additional debt be supported by the Route 58 Program's existing revenue stream

# Authorization and History of Transportation Revenue Bonds

## U.S. Route 58 Corridor Development Program

- **Chapter 1230 of the 2020 Acts of Assembly**
  - Provides \$40 million from the Commonwealth Transportation Fund rather than directly from recordation tax collections
  - Added the completion of Corridor Q of the Appalachian Development Highway System to the prioritized list of projects
  - Note: \$20 million transfer to the fund from Transportation Trust Fund continues annually
- **All authorizations prior to the 2013 Acts of Assembly have been issued**
- **In March 2022, CTB issued \$119.5 million (*par value*), the first series under the increased authorization**
  - \$28.7 million of proceeds remain as of 3/13/2023; Majority of Proceeds applied to Lover's Leap Project to date
- **After the 2023 bond issue, remaining authorization planned to be issued in FY 2026/2027, depending on project spending**

# Transportation Revenue Bonds, Series 2023

## U.S. Route 58 Corridor Development Program

- Bond proceeds are fully allocated in the SYIP to projects in accordance with prioritization set forth in Code of Virginia
- The current sale and future sales are timed to support project spending
  - Most of the proceeds are planned for Lover’s Leap Project on Route 58 and Corridor Q

Summary Terms of U.S. Route 58 Offering*	
Issuer	Commonwealth Transportation Board
Series	2023
Anticipated Ratings	AA+/Aa1/AA+
Planned Sale Date	June 7, 2023
Security	The Series 2023 bonds are payable from and secured by revenues (i) first, from the U.S. Route 58 Corridor Development Fund, (ii) to the extent required, other revenues legally available from the TTF, and (iii) to the extent required, other legally available funds, and from moneys in certain funds established under the U.S. Route 58 Trust Agreement
Target Proceeds (in millions)	\$236.3
Structure	Fixed rate serial bonds maturing annually
Final Maturity (years)	25

\*Preliminary; subject to change

## Next Steps

