



**Virginia Transportation Infrastructure Bank
(VTIB)
Status Update May 2012**

May 16, 2012

John W. Lawson

Chief Financial Officer

VTIB General Overview

- ❑ **Chapters 830 and 868 of the 2011 Acts of Assembly is the legal framework**
- ❑ **Special non-reverting, revolving loan fund**
 - Subfund of the Transportation Trust Fund
- ❑ **Capitalized with \$282.7 million**
 - \$32.7 million of General Fund dollars
 - \$250 million from Commonwealth Transportation Fund
- ❑ **Administered by CTB and the Virginia Resources Authority (VRA)**
 - CTB is the policy and programmatic administrator - acting through VDOT staff
 - VRA serves as the financial manager
- ❑ **CTB approved the Program Overview, Guidelines & Selection Criteria at its September 21, 2011 meeting**

Route 17/Dominion Boulevard Project

City of Chesapeake

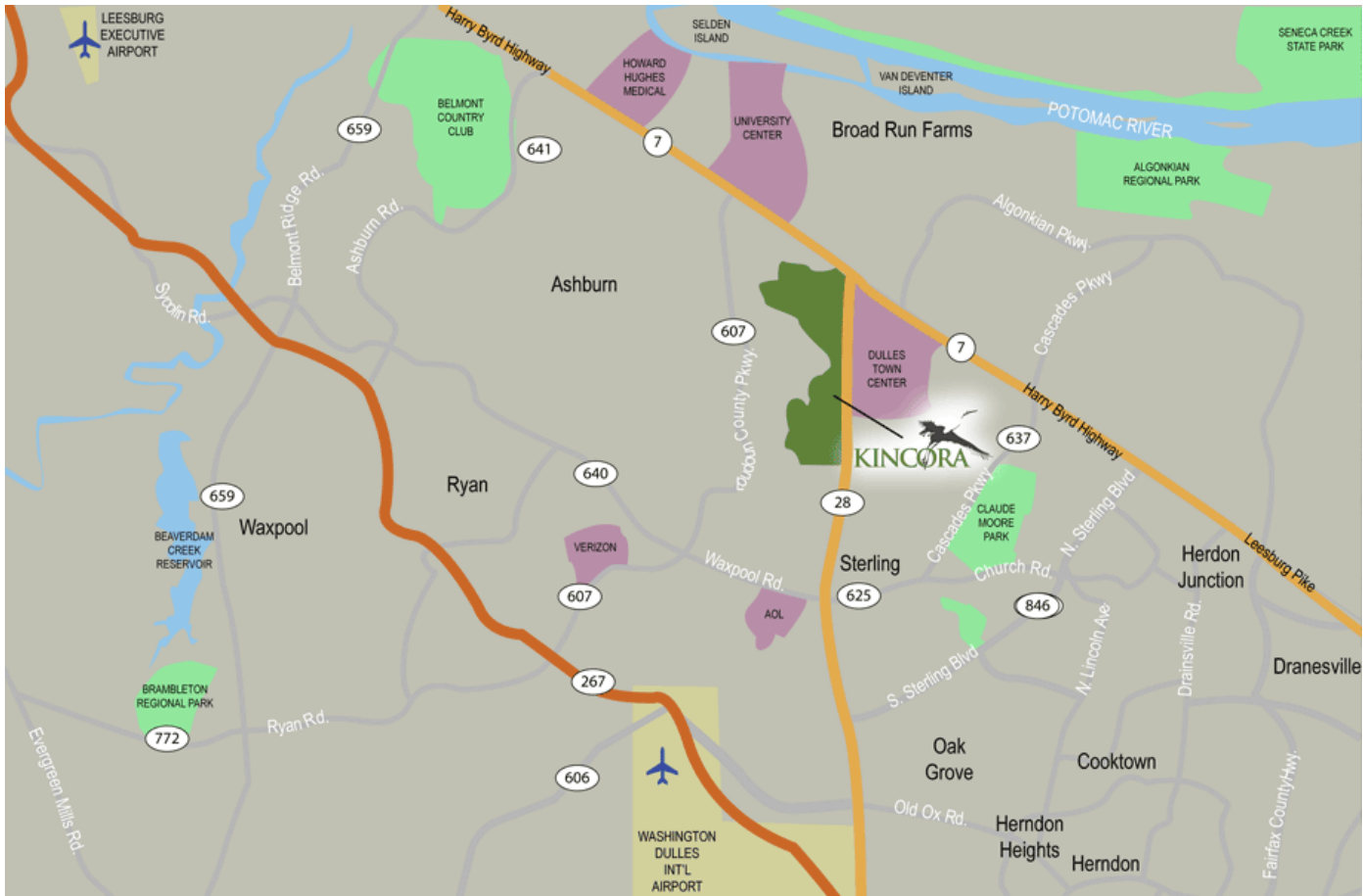
- ❑ The first application was received from the City of Chesapeake on December 2, 2011 requesting a loan of \$151,893,495, with a subsidized interest rate of 3% from the Bank.
- ❑ Total cost estimate of \$411.7 million
- ❑ The project is partially funded in the current Six-Year Improvement Program.
- ❑ Senior lien toll revenue bonds are intended to be sold by the City to finance the project.
- ❑ The City requested the VTIB loan to finance the remaining amount needed to advance this project.
- ❑ After negotiations with the City, the loan was approved in January 2012 at the standard interest rate of 3.33%.
- ❑ Financial close projected for Fall 2012.

Gloucester Parkway – Pacific Boulevard

IDA of Loudoun County/Kincora

- ❑ The second application was received from the IDA of Loudoun County (IDA) in January 2012 for a loan of \$60 million with an interest subsidy.
- ❑ The loan request is in collaboration with Kincora/NA Dulles Real Estate Investor LLC.
- ❑ Kincora is an early stage 400-acre mixed use development located in the southeast quadrant of the intersection of Route 7 and Route 28.
- ❑ A Community Development Authority is proposed to collect a special assessment on multifamily residential units to repay the loan.
- ❑ After review and discussion with VRA, a revised application was submitted in February 2012 requesting a loan of \$80 million.
- ❑ The loan would be repaid by special assessments on residential and non-residential property.

Project Location

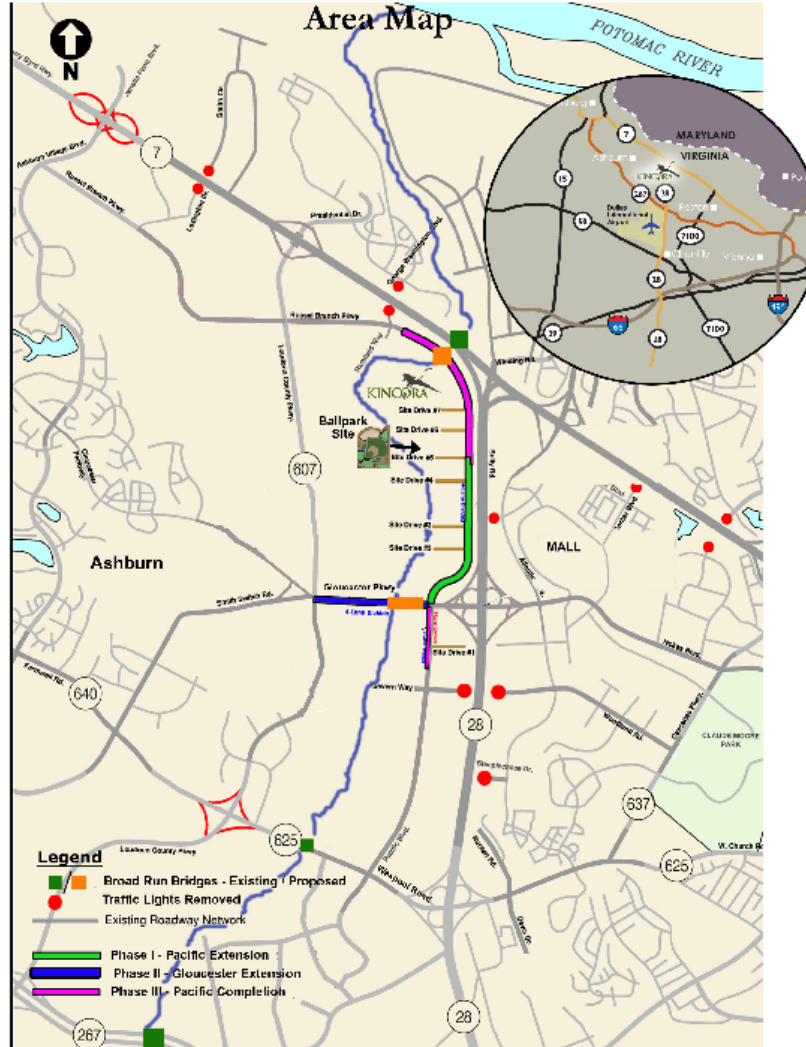


Project Description

- **The loan would finance a 3-phase project with extensions to Gloucester Parkway and Pacific Boulevard.**
 - Phase 1 – 5,885 foot extension of Pacific Boulevard north at its intersection with Gloucester Parkway.
 - Phase 2 – 3,600 foot extension of Gloucester Parkway west from its intersection with Pacific Boulevard to Loudoun County Parkway.
 - Phase 3 – 2,300 foot extension of Pacific Boulevard north at its existing terminus to Russell Branch Parkway and a 1,700 foot extension south to Severn Way.

Project Details

Kincora Regional Road Network



Project Details

- ❑ **The Project is a local transportation priority.**
 - Relieves severe congestion on Route 7, Route 28 and Waxpool Road.
 - NOVA District indicates it is number one transportation priority for the County.
- ❑ **Project could not be undertaken without VTIB assistance.**
 - County has competing debt financed infrastructure needs at this time and does not have programmed debt capacity to fund the Project.
- ❑ **VTIB loan assistance will represent 100% of the total project financing.**
- ❑ **Project provides for a strong potential of economic development benefits.**
- ❑ **The construction schedule has also been reviewed by VDOT and appear to be reasonable and achievable.**
 - Phase 1 has all approvals and permits in place and is ready to move to construction.
 - Phase 2 design must be completed, right-of-way and permits need to be obtained.
 - Schedule reflects construction to commence in March 2013.
 - Phase 3 must be designed, right-of-way and permits need to be obtained.
 - Schedule reflects construction to commence in September 2013 for the Pacific Boulevard to Severn Way segment and December 2013 for the Pacific Boulevard to Russell Branch Parkway segment.

Next Steps for Kincora Application

- Application evaluation and credit analysis nearly complete.
- Finalize terms with applicant.
- VTIB Advisory Panel will meet to consider the application.
- The application will be presented to the CTB in June for action as requested by the Panel.
- If approved, financial close projected as soon as possible following CTB action (late summer/early fall 2012).

Rt. 460 Application

- An application is expected from the OTP3 for an \$80 million line of credit for the project.
- They will submit the application as a project sponsor, with the intent of making the line of credit available to the 63-20 corporation created to finance the project.
- Review of this application by staff, VRA and the VTIB Advisory Panel is expected to be completed to support CTB presentation and action in June.

Projected Status of Bank

Initial Capitalization	\$283M
Increase from FY 2012 Budget	<u>29M</u>
Total Available	<u>\$312M</u>
Dominion Blvd	\$152M
Kincora	80M
Rt. 460	<u>80M</u>
Total	<u>\$312M</u>