

Build America Transportation Investment Center

**Office of the Secretary
U.S. Department of Transportation**



UNITED STATES
DEPARTMENT OF TRANSPORTATION

Background

On July 17, 2014 the President announced the **Build America Investment Initiative**: a government-wide effort to increase infrastructure investment and economic growth by engaging with state and local governments and private sector investors to encourage collaboration, expand the market for public-private partnerships (PPPs) and put federal credit programs to greater use.

As a part of this initiative, USDOT created a tool to serve as a one-stop-shop for state and local governments, public and private developers and investors seeking to utilize innovative financing and P3s to deliver transportation projects: the **Build America Transportation Investment Center**.



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Build America Transportation Investment Center

Housed at the USDOT, the **Build America Transportation Investment Center (BATIC)** draws upon and elevates the expertise and resources of each of USDOT's modal administrations and combines their perspectives to provide a multi-modal approach to project financing.

By engaging with project sponsors early on, the BATIC can help them understand the most advantageous strategies for financing their projects as well as assist with navigating through the various federal and regional processes.



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Build America Transportation Investment Center Mandate

The BATIC will harness the potential of private capital to complement existing government funding by:

- Providing a navigator service and advocate for the public and private sector, including hands-on technical support and expertise;
- Providing information and improving understanding of existing USDOT credit programs and resources;
- Streamlining and fast-tracking the permitting and review processes;
- Providing technical assistance, e.g. through sharing of best practices and case studies on successful projects, a new website, standard operating procedures/documents and toolkits, etc.



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Training, Toolkits, and Technical Assistance

The Department has developed extensive guides and other resources for project sponsors and private sector investors alike, including:

- A Guide to model contract provisions for toll highway concessions
- A P3 toolkit which includes a value-for-money analytical component
- An RRIF toolkit which will help project sponsors understand the application process as well as provide tips to ensure a successful application
- Project highlights profiling the financing stories of P3 projects across the United States

These resources are accessible from www.dot.gov/buildamerica



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DOT Credit/Financing Programs

The BATIC can connect interested in project sponsors with DOT credit programs such as TIFIA, RRIF, and Private Activity Bonds:

- Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Program: long term low interest loans with flexible terms
 - Up to 35 years after substantial completion of project
 - Maximum 49% of “eligible” total project cost
 - Highway, Transit, and some Port Infrastructure are eligible
- Railroad Rehabilitation Improvement Financing (RRIF) Loan Program: Similar TIFIA, only unsubsidized by Congress
 - Can be up to 100% of eligible costs
 - Public or private borrower, must own or operate a railroad
- Private Activity Bonds: Tax-exempt bond financing for transportation infrastructure



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Some States and localities have already found success in using project financing, such as loans and bonds, alongside traditional public resources.

For example:

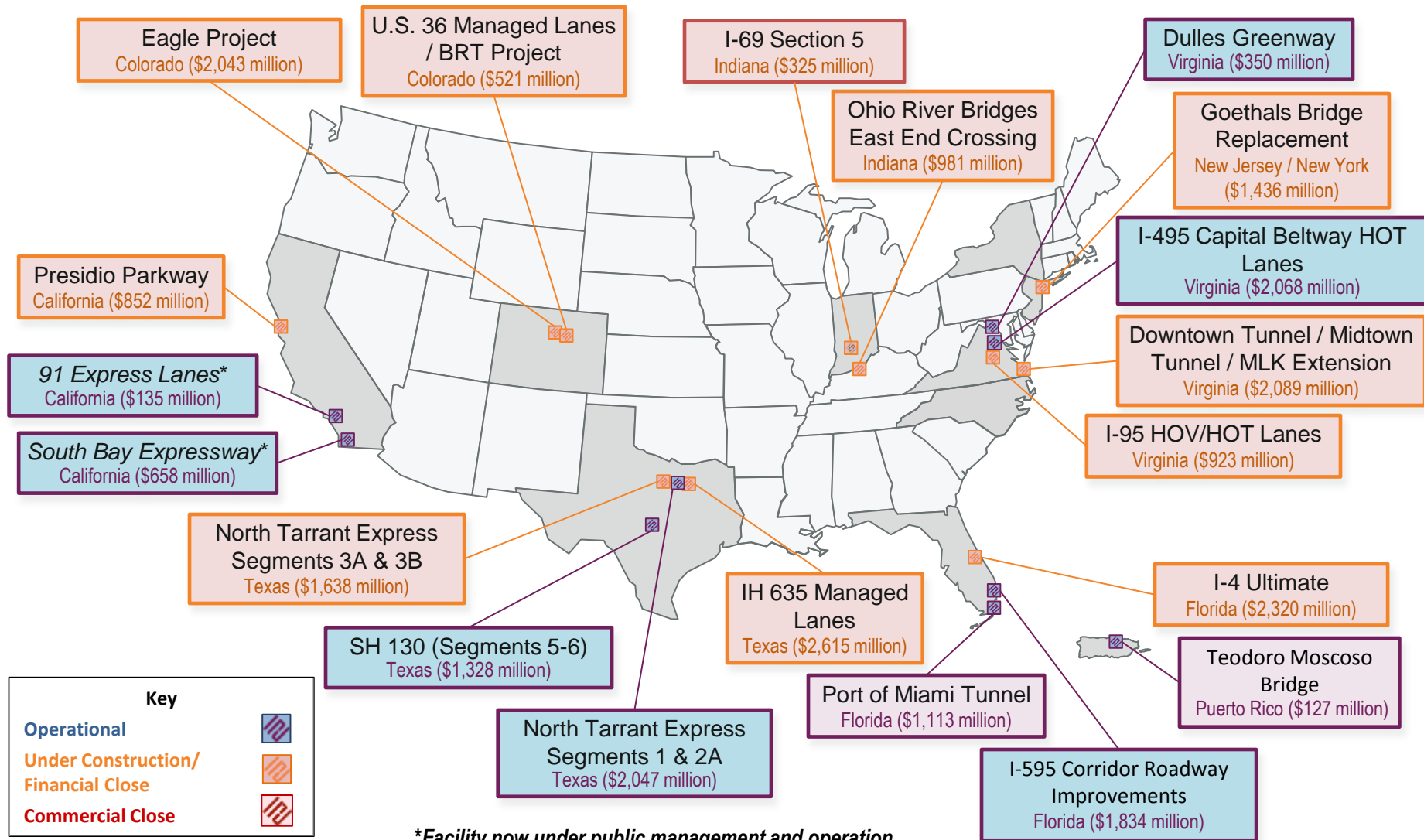
Denver, CO: The \$2.04 billion **Eagle P3 Project** is being delivered as the first design-build-finance-operate-maintain concession contract of a rail-transit public-private partnership in the United States.

- The project combines Federal grants, a loan through USDOT's Transportation Infrastructure Finance and Innovation Act program, private activity bonds, sales tax revenue, county and city contributions, revenue bonds, and private equity to provide new rail transit options along three corridors in metropolitan Denver.



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P3 Concessions in the U.S. – New Build Facilities



Map of the United States showing state abbreviations. States are colored orange or white. Orange states include WA, OR, CA, NV, UT, CO, AZ, TX, AK, ND, MN, WI, IL, IN, OH, PA, WV, VA, NC, SC, GA, FL, MS, AL, and PR. White states include MT, WY, NE, KS, OK, NM, ID, WA, OR, CA, NV, UT, CO, AZ, NM, OK, KS, NE, MN, WI, IL, IN, OH, PA, WV, VA, NC, SC, GA, FL, MS, AL, and PR. Territories shown are Guam, Hawaii, and the Virgin Islands.



Resources

Build America Transportation Investment Center
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