


MEMORANDUM

TO: The Honorable Joe T. May
The Honorable Stephen D. Newman
The Honorable Harry R. Purkey
The Honorable Lacey E. Putney
The Honorable Walter A. Stosch

FROM: Suzanne S. Long, Executive Director 
Virginia Resources Authority as Manager of the Virginia Transportation
Infrastructure Bank

DATE: August 1, 2012

SUBJECT: Virginia Transportation Infrastructure Bank - Biannual Report

Chapters 830 and 868 of the 2011 Acts of Assembly created the Virginia Transportation Infrastructure Bank ("VTIB"). As required by § 33.1-23.13 of the *Code of Virginia*, Virginia Resources Authority ("VRA"), as Manager of the VTIB, hereby submits its six-month report for the period of January 1, 2012 through June 30, 2012.

On December 27, 2011, the Commonwealth Transportation Board ("CTB") received the second application for a loan from the VTIB. The application, submitted by the Industrial Development Authority of Loudoun County, Virginia ("IDA"), requests \$80,000,000 to construct the expansion and extension to Pacific Boulevard and Gloucester Parkway. The extensions will provide two alternative east-west routes of travel within the heavily congested Route 7 and Route 28 corridor of Loudoun County. The IDA will serve as a conduit borrower on behalf of NA Dulles Real Estate Investor, LLC. The availability of a loan from the VTIB accelerates the construction of these roadways by as much as fifteen years.

On May 29, 2012, the CTB received an application from the Office of Transportation Public-Private Partnerships - Virginia Department of Transportation, on behalf of the to be created 63-20 Corporation, as Project Sponsor of the U.S. Route 460 Corridor Improvements Project, seeking an \$80,000,000 line of credit to provide credit enhancement to a proposed bond issuance of the 63-20 Corporation. The line of credit raises the quantum of bonds that can obtain an investment grade rating, as part of the preliminary plan of finance for the project. The project entails the new construction of approximately 55 miles of tolled four-lane divided limited access highway between Petersburg and Suffolk, Virginia. Delivery of the U.S. Route 460 Corridor Improvements Project will capitalize on strategic advantages at the Port of Virginia, provide an alternative hurricane evacuation route, enhance road safety, and support numerous military installations. The Public-Private Transportation Act of 1995 procurement process for the Route 460 Corridor Improvement Project is ongoing.

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VRA completed and presented a financial capability review for both applications to the VTIB Advisory Panel ("Panel") per the Program Overview, Guidelines, and Selection Criteria. The Panel voted unanimously to recommend the loan and the line of credit to the CTB. The CTB passed resolutions at its June 20, 2012 meeting approving the loan and the line of credit and authorized the Virginia Department of Transportation and VRA to negotiate final terms and conditions with both applicants.

Virginia Resources Authority, in conjunction with Virginia Department of Transportation, will be moving these applications and the previously approved \$151,893,495 loan for the City of Chesapeake toward successful closings by year end.

cc: Members of the Commonwealth Transportation Board
Members, Virginia Resources Authority Board of Directors