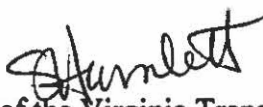


MEMORANDUM

TO: The Honorable Charles W. Carrico, Sr.
The Honorable Emmett W. Hanger, Jr.
The Honorable S. Chris Jones
The Honorable Thomas K. Norment, Jr.
The Honorable Ronald A. Villanueva
The Honorable R. Lee Ware, Jr.

FROM: Stephanie L. Hamlett, Executive Director 
Virginia Resources Authority as Manager of the Virginia Transportation
Infrastructure Bank

DATE: July 26, 2017

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 § 33.2-1507 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, 2017 through June 30, 2017.

VTIB Outstanding Loans:

Borrower:	City of Chesapeake
Closing date:	November 15, 2012
Amount:	\$151,893,495 construction loan
Rate:	3.33%
Term:	Not to exceed 35 years after project completion
Security:	Subordinate Chesapeake Transportation System toll revenues
Project Name:	U.S. Route 17/Dominion Boulevard Project
Project Description:	Expand Dominion Boulevard from two to four lanes; replacement of the “Steel Bridge” over the southern branch of the Elizabeth River with a high rise fixed span structure; and other intersection, interchange, and ramp improvements.
Total Cost:	\$345,178,111 (Other funding includes Senior Toll Road Revenue Bonds and federal and state sources).
Project Update:	Dominion Boulevard is currently open to vehicle traffic with tolling beginning earlier in 2017.
Total Amount Disbursed:	\$114,067,494 through June 30, 2017. The entire VTIB loan amount may not be needed to complete the project. Any unused funds will reduce the outstanding loan balance and be made available for future VTIB loans.

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Borrower:	Economic Development Authority of Loudoun County
Closing date:	December 12, 2013
Amount:	\$36,000,000 construction loan
Rate:	2.83%
Term:	Not to exceed 20 years after the date of loan closing
Security:	First lien deed of trust on an approximate 388-acre development
Project Name:	Pacific Boulevard Extension and Expansion Project
Project Description:	The expansion of Pacific Boulevard to the south of the Gloucester Parkway intersection from two to four lanes; four lane extension of Pacific Boulevard from its intersection with Gloucester Parkway to connect with the Russell Branch Parkway.
Total Cost:	\$36,000,000
Project Update:	The project was substantially completed in December 2016.
Amount Disbursed:	\$32,553,420 through June 30, 2017 including \$987,374 of Capitalized Interest.

Borrower:	Chesapeake Bay Bridge and Tunnel District
Closing date:	November 10, 2016
Amount:	\$50,000,000 construction loan plus capitalized interest
Rate:	2.90%
Term:	Not to exceed 35 years after project completion
Security:	Subordinate toll system revenues
Project Name:	Parallel Thimble Shoal Tunnel
Project Description:	The project will build a new two-lane tunnel parallel to the existing tunnel in order to address capacity constraints and safety issues.
Total Cost:	\$979,049,842 (Other funding includes Senior Toll Road Revenue Bonds, TIFIA loan, and available cash).
Project Update:	Construction is currently expected to start in October 2017 with construction completion estimated for October 2022.
Amount Disbursed:	None

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Borrower:	City of Alexandria
Closing date:	December 21, 2016
Amount:	\$50,000,000 construction loan plus capitalized interest
Rate:	2.17%
Term:	Not to exceed 27 years after project completion
Security:	Potomac Yard Tier I Special Assessment Tax District revenues; City moral obligation pledge
Project Name:	Potomac Yard Metrorail Station
Project Description:	The Potomac Yard Metrorail Station will be located on the existing Metro Blue and Yellow lines and will serve the City of Alexandria's planned Potomac Yard redevelopment project which will allow for 9-13 million square feet of redevelopment.
Total Cost:	\$268,000,000 (Other funding sources include an NVTA grant and a TIFIA loan or general obligation bonds).
Project Update:	Construction is currently expected to start in late 2018 with substantial completion occurring in 2021. The VTIB loan is expected to be the final funding source drawn in order to complete the project.
Amount Disbursed:	None

VTIB Pending Application

The Commonwealth Transportation Board (CTB) received an application submitted by 95 Express Lanes LLC, requesting a \$45 million loan to partially finance the I-395 Express Lanes Northern Extension project. 95 Express Lanes LLC, submitted the application and is the current concessionaire for the 95 Express Lanes. In addition to the VTIB loan, the applicant plans to finance project costs using a combination of first-tier toll revenue bonds along with equity contributions. The VTIB loan will be secured by a pledge of system toll revenues generated by the I-95 and I-395 Express Lanes which are subordinate to the first-tier revenue bonds and on parity with an existing TIFIA loan used to finance the I-95 Express Lanes project.

The CTB passed a resolution at its April 19, 2017 meeting approving the \$45 million VTIB loan to 95 Express Lanes LLC and authorized VDOT and VRA to negotiate final terms and conditions. Financial close for the first-tier toll revenue bonds and the VTIB loan occurred on July 25, 2017.

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Fund Uses and Remaining Availability

Please refer to the following table for the total capitalization of VTIB and the VTIB funds which remain available totaling approximately \$5.5 million:

Virginia Transportation Infrastructure Bank (Fund 0450)	
Life to Date, as of June 30, 2017	
Capitalization to date	\$ 311,378,287
Interest Earnings	14,694,710
Transportation Trust Fund and Highway Maintenance and Operating Fund Earnings	4,632,258
Expenditures	(738,659)
Funds Available for VTIB Loans	\$ 329,966,596
 <i>Plus - Loan Repayments:</i>	
City of Chesapeake - Dominion Boulevard	\$ -
EDA of Loudoun County - Pacific Boulevard	8,435,377
Chesapeake Bay Bridge and Tunnel District - Thimble Shoal Parallel Tunnel	-
City of Alexandria - Potomac Yard Metrorail Station	-
Total Loan Repayments	\$ 8,435,377
 <i>Less - Closed Loans:</i>	
City of Chesapeake - Dominion Boulevard	\$ 151,893,495
EDA of Loudoun County - Pacific Boulevard	36,000,000
Chesapeake Bay Bridge and Tunnel District - Thimble Shoal Parallel Tunnel	50,000,000
City of Alexandria - Potomac Yard Metrorail Station	50,000,000
Total Closed Loans	\$ 287,893,495
 <i>Less - Approved Loans but not yet Closed:</i>	
95 Express Lanes LLC - I-395 Express Lanes	\$ 45,000,000
Total Approved Loans but Not Closed	\$ 45,000,000
 Remaining Available VTIB Funds	 \$ 5,508,478

Closed Loans Amounts Drawn and Available

Please refer to the table below for the total amounts drawn to date for each of the closed loans:

Virginia Transportation Infrastructure Bank (Fund 0450)			
Life to Date, as of June 30, 2017			
	Closed Loans	Amount Disbursed	Amount Available
City of Chesapeake - Dominion Boulevard	\$ 151,893,495	\$ 114,067,494	\$ 37,826,001
EDA of Loudoun County - Pacific Boulevard*	36,000,000	32,553,420	3,446,580
CBBT - Thimble Shoal Parallel Tunnel	50,000,000	-	50,000,000
City of Alexandria - Potomac Yard Metrorail	50,000,000	-	50,000,000
Totals	\$ 287,893,495	\$ 146,620,914	\$ 141,272,581

*Amount Disbursed Includes Capitalized Interest of \$987,374.

cc: The Honorable Aubrey L. Layne, Jr., Chairman, Commonwealth Transportation Board
Board of Directors, Virginia Resources Authority