


**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 R. Lee Ware, Jr.  
The Honorable David E. Yancey

**FROM:** Jean F. Bass, Acting Executive Director   
Virginia Resources Authority as Manager of the Virginia Transportation  
Infrastructure Bank

**DATE:** January 31, 2018

**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 July 1, 2017 through December 31, 2017.

**VTIB Outstanding Loans:**

|                                |  |
|--------------------------------|--|
| <b>Borrower:</b>               | City of Chesapeake   |
| <b>Closing date:</b>           | November 15, 2012  |
| <b>Amount:</b>                 | \$151,893,495 construction loan  |
| <b>Rate:</b>                   | 3.33%  |
| <b>Term:</b>                   | Not to exceed 35 years after project completion  |
| <b>Security:</b>               | Subordinate Chesapeake Transportation System toll revenues   |
| <b>Project Name:</b>           | U.S. Route 17/Dominion Boulevard Project   |
| <b>Project Description:</b>    | 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. |
| <b>Total Cost:</b>             | \$345,178,111 (Other funding includes Senior Toll Road Revenue Bonds and federal and state sources).   |
| <b>Project Update:</b>         | The project was substantially completed with tolling beginning early in 2017.  |
| <b>Total Amount Disbursed:</b> | \$119,700,130 through December 31, 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.                 |

MEMORANDUM

January 31, 2018

Page 2 of 4

|                             |   |
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| <b>Borrower:</b>            | Economic Development Authority of Loudoun County  |
| <b>Closing date:</b>        | December 12, 2013   |
| <b>Amount:</b>              | \$36,000,000 construction loan  |
| <b>Rate:</b>                | 2.83%   |
| <b>Term:</b>                | Not to exceed 20 years after the date of loan closing   |
| <b>Security:</b>            | First lien deed of trust on an approximate 388-acre development   |
| <b>Project Name:</b>        | Pacific Boulevard Extension and Expansion Project   |
| <b>Project Description:</b> | 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. |
| <b>Total Cost:</b>          | \$36,000,000  |
| <b>Project Update:</b>      | The project was substantially completed in December 2016. Approximately \$1.4 million in remaining VTIB funds are available for additional project costs.   |
| <b>Amount Disbursed:</b>    | \$34,590,728 through December 31, 2017 including \$987,374 of Capitalized Interest.   |

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

## MEMORANDUM

January 31, 2018

Page 3 of 4

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|-----------------------------|---|
| <b>Borrower:</b>            | City of Alexandria  |
| <b>Closing date:</b>        | December 21, 2016   |
| <b>Amount:</b>              | \$50,000,000 construction loan plus capitalized interest  |
| <b>Rate:</b>                | 2.17%   |
| <b>Term:</b>                | Not to exceed 27 years after project completion   |
| <b>Security:</b>            | Potomac Yard Tier I Special Assessment Tax District revenues;<br>City moral obligation pledge   |
| <b>Project Name:</b>        | Potomac Yard Metrorail Station  |
| <b>Project Description:</b> | 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. |
| <b>Total Cost:</b>          | \$268,000,000 (Other funding sources include an NVTA grant and a TIFIA loan or general obligation bonds).   |
| <b>Project Update:</b>      | Construction is currently expected to start in 2019 with substantial completion occurring in 2021. The VTIB loan is expected to be the final funding source drawn in order to complete the project.   |
| <b>Amount Disbursed:</b>    | None  |

|                             |  |
|-----------------------------|--|
| <b>Borrower:</b>            | 95 Express Lanes LLC   |
| <b>Closing date:</b>        | July 25, 2017  |
| <b>Amount:</b>              | \$45,000,000 construction loan plus capitalized interest   |
| <b>Rate:</b>                | 3.60%  |
| <b>Term:</b>                | Final Maturity of December 31, 2047  |
| <b>Security:</b>            | 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. |
| <b>Project Name:</b>        | I-395 Express Lanes Northern Extension   |
| <b>Project Description:</b> | The I-395 Express Lanes Northern Extension would extend the existing 95 Express Lanes by approximately 8 miles north along Interstate 395.   |
| <b>Total Cost:</b>          | \$345,000,000 (Other funding includes First-Tier Toll Revenue Bonds and equity contributions).   |
| <b>Project Update:</b>      | Construction began on the project in August 2017 with final completion expected in Summer 2020. The VTIB loan is expected to be fully drawn during Fall 2018.  |
| <b>Amount Disbursed:</b>    | None   |

**VTIB Pending Applications**

No current pending VTIB loan applications.

**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 \$7.0 million:

| <b>Virginia Transportation Infrastructure Bank (Fund 0450)</b>                |                         |
|---|-------------------------|
| <b>Life to Date, as of December 31, 2017</b>                                  |                         |
| Capitalization to date  | \$ 311,378,287          |
| Interest Earnings   | 15,264,371              |
| Transportation Trust Fund and Highway Maintenance and Operating Fund Earnings | 5,674,173               |
| Expenditures  | (842,084)               |
| <b>Funds Available for VTIB Loans</b>   | <b>\$ 331,474,747</b>   |
| <br>  |                         |
| <b><u>Plus - Loan Repayments:</u></b>   |                         |
| City of Chesapeake - Dominion Boulevard                                       | \$ -                    |
| EDA of Loudoun County - Pacific Boulevard                                     | 8,453,222               |
| Chesapeake Bay Bridge and Tunnel District - Thimble Shoal Parallel Tunnel     | -                       |
| City of Alexandria - Potomac Yard Metrorail Station                           | -                       |
| <b>Total Loan Repayments</b>  | <b>\$ 8,453,222</b>     |
| <br>  |                         |
| <b><u>Less - Closed Loans:</u></b>  |                         |
| 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              |
| 95 Express Lanes LLC - I-395 Express Lanes                                    | 45,000,000              |
| <b>Total Closed Loans</b>   | <b>\$ 332,893,495</b>   |
| <br><b>Remaining Available VTIB Funds</b>                                     | <br><b>\$ 7,034,474</b> |

**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:

| <b>Virginia Transportation Infrastructure Bank (Fund 0450)</b> |                       |                         |                         |
|--|-----------------------|-------------------------|-------------------------|
| <b>Life to Date, as of December 31, 2017</b>                   |                       |                         |                         |
|  | <b>Closed Loans</b>   | <b>Amount Disbursed</b> | <b>Amount Available</b> |
| City of Chesapeake - Dominion Boulevard                        | \$ 151,893,495        | \$ 119,700,130          | \$ 32,193,365           |
| EDA of Loudoun County - Pacific Boulevard*                     | 36,000,000            | 34,590,728              | 1,409,272               |
| CBBT - Thimble Shoal Parallel Tunnel                           | 50,000,000            | -                       | 50,000,000              |
| City of Alexandria - Potomac Yard Metrorail                    | 50,000,000            | -                       | 50,000,000              |
| 95 Express Lanes LLC - I-395 Express Lanes                     | 45,000,000            | -                       | 45,000,000              |
| <b>Totals</b>  | <b>\$ 332,893,495</b> | <b>\$ 154,290,858</b>   | <b>\$ 178,602,637</b>   |

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

cc: The Honorable Shannon Valentine, Chairman, Commonwealth Transportation Board  
 Board of Directors, Virginia Resources Authority