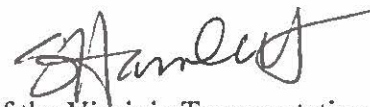


MEMORANDUM

TO: The Honorable Luke E. Torian
The Honorable Vivian E. Watts
The Honorable Delores L. McQuinn
The Honorable Janet D. Howell
The Honorable David W. Marsden

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



DATE: January 28, 2021

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, 2020, through December 31, 2020.

VTIB Outstanding Loans:

Borrower:	City of Chesapeake
Closing date:	November 15, 2012
Amount:	\$119,700,130
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
Total Cost:	\$345,178,111 (Other funding includes Senior Toll Road Revenue Bonds and federal and state sources)
Project Status:	Complete
Outstanding Loan Balance:	\$125,157,883 (including capitalized interest)
Loan Repayments:	Annual principal and interest payments began on July 15, 2019
Loan Terms:	Debt service ramp-up scheduled to begin in 2030. Potential for partial prepayment of VTIB loan on an annual basis dependent upon the overall performance of the Chesapeake Transportation System

Borrower:	City of Chesapeake (continued)
Final Loan Maturity Date:	July 15, 2051
Debt Service Reserves:	VTIB loan reserves exist to pay debt service until July 15, 2023

Borrower:	Economic Development Authority of Loudoun County
Closing date:	December 12, 2013
Amount:	\$34,991,791 construction loan (including capitalized interest)
Rate:	2.83%
Term:	Not to exceed 20 years after the date of loan closing
Security:	First lien on unsold parcels within the Kincora property
Project Name:	Pacific Boulevard Extension and Expansion Project
Project Description:	Expansion of Pacific Boulevard from two to four lanes; four-lane extension of Pacific Boulevard from its intersection with Gloucester Parkway to connect with the Russell Branch Parkway
Project Status:	Complete
Outstanding Loan Balance:	\$19,731,841
Loan Terms:	Sale of parcels within the development results in partial mandatory prepayment of the VTIB loan
Loan Repayments:	Principal and interest payments are due semi-annually
Final Loan Maturity Date:	December 1, 2033

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 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 on the project started in October 2017 with final construction completion estimated for 2024
Amount Disbursed:	\$1,336,490. Remaining VTIB loan disbursements are expected to be drawn close to project completion in 2023 and 2024
Outstanding Loan Balance:	\$1,410,346 (including capitalized interest)

Borrower:	Chesapeake Bay Bridge and Tunnel District (continued)
Loan Terms:	Capitalized interest for up to four years; debt service ramp-up projected to begin in 2029
Payment of Interest Begins:	Began January 1, 2021, and recurs semi-annually
Payment of Principal Begins:	Projected to begin July 1, 2025, and recurs annually
Final Loan Maturity Date:	Projected for July 1, 2054
Debt Service Reserves:	VTIB loan reserves exist to pay debt service until July 1, 2026

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:	\$370,000,000 (Other funding sources include a Northern Virginia Transportation Authority grant, State Funding, and a TIFIA loan or general obligation bonds)
Project Update:	Project groundbreaking occurred in 2019, with substantial completion targeted for 2022. Draws on the VTIB loan are expected to commence in 2021.
Amount Disbursed:	None
Loan Terms:	Capitalized interest for up to 4.5 years; after substantial project completion date, 25% of annual net revenues generated within Potomac Yard (consisting primarily of new City tax revenues and special assessment tax revenues) which exceeds \$10 million will be used to prepay principal on the VTIB loan
Loan Repayments:	Semi-annual principal and interest payments are projected to begin March 1, 2027
Final Loan Maturity Date:	27 th anniversary of project substantial completion date

MEMORANDUM

January 28, 2021

Page 4 of 6

Borrower:	95 Express Lanes LLC
Closing date:	July 25, 2017
Amount:	\$45,000,000 construction loan (plus capitalized interest)
Rate:	3.60%
Term:	Final Maturity of December 31, 2047
Security:	Subordinate system toll revenues generated by the I-95 and I-395 Express Lanes
Project Name:	I-395 Express Lanes Northern Extension
Project Description:	The I-395 Express Lanes Northern Extension would extend the existing 95 Express Lanes by 8 miles north along Interstate 395
Total Cost:	\$345,000,000 (Other funding includes First-Tier Toll Revenue Bonds and equity contributions)
Project Update:	The I-395 Express Lanes opened in November 2019 with final completion occurring on December 7, 2020
Amount Disbursed:	\$45,000,000
Outstanding Loan Balance:	\$46,360,149 (including capitalized interest)
Loan Terms:	Capitalized interest for one year; debt service ramp-up scheduled to begin in 2035
Payment of Interest Begins:	Began December 31, 2020, and recurs semi-annually
Payment of Principal Begins:	Begins June 30, 2024, and recurs semi-annually
Final Loan Maturity Date:	December 31, 2047
Debt Service Reserves:	VTIB loan reserves exist to pay debt service until June 30, 2022

VTIB Pending Applications

No current pending VTIB loan applications exist.

Loan Defaults and Portfolio Monitoring

No VTIB loans are in default.

Ratings for 95 Express Lanes LLC were affirmed at BBB- by S&P Global Ratings on December 15, 2020. Fitch Ratings similarly affirmed its credit rating at BBB for 95 Express Lanes LLC on December 21, 2020. The portfolio of VTIB borrowers will continue to be monitored for deviations in financial performance, which may impact a borrower's ability to pay debt service.

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 \$109.6 million:

Virginia Transportation Infrastructure Bank (Fund 0450)	
Life to Date, as of December 31, 2020	
Capitalization to date	\$ 311,378,287
Interest Earnings	25,616,297
Transportation Trust Fund and Highway Maintenance and Operating Fund Earnings	39,919,794
Other	25,883
Expenditures	(964,139)
Funds Available for VTIB Loans	\$ 375,976,122
<i>Plus - Loan Repayments:</i>	
City of Chesapeake - Dominion Boulevard	\$ 14,312,433
EDA of Loudoun County - Pacific Boulevard	18,005,400
Chesapeake Bay Bridge and Tunnel District - Thimble Shoal Parallel Tunnel	-
City of Alexandria - Potomac Yard Metrorail Station	-
Total Loan Repayments	\$ 32,317,833
<i>Less - Closed Loans:</i>	
City of Chesapeake - Dominion Boulevard	\$ 119,700,130
EDA of Loudoun County - Pacific Boulevard	34,004,416
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
Total Closed Loans	\$ 298,704,546
Remaining Available VTIB Funds	\$ 109,589,409

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:

	Closed Loans	Amount Disbursed	Amount Available
City of Chesapeake - Dominion Boulevard	\$ 119,700,130	\$ 119,700,130	\$ -
EDA of Loudoun County - Pacific Boulevard	34,004,416	34,004,416	-
CBBT - Thimble Shoal Parallel Tunnel	50,000,000	1,336,490	48,663,510
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	-
Totals	\$ 298,704,546	\$ 200,041,036	\$ 98,663,510

Minimum Scheduled Loan Repayments (Projected)

Please refer to the table below for the total amount of projected VTIB loan repayments currently scheduled during the next decade. The table reflects the minimum amount of principal payments, which may be higher based upon the financial performance of the projects and related loan security:

Virginia Transportation Infrastructure Bank (Fund 0450)			
As of December 31, 2020			
	Principal	Interest	Total
FY2021	100,000	959,897	1,059,897
FY2022	303,330	6,429,527	6,732,857
FY2023	306,771	6,420,426	6,727,197
FY2024	310,326	6,411,211	6,721,537
FY2025	319,000	7,927,800	8,246,800
FY2026	427,648	7,914,476	8,342,124
FY2027	481,571	8,444,137	8,925,708
FY2028	535,624	8,969,896	9,505,521
FY2029	539,813	8,958,910	9,498,723
FY2030	997,983	8,934,923	9,932,906
Totals	\$ 4,322,067	\$ 71,371,203	\$ 75,693,270

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