

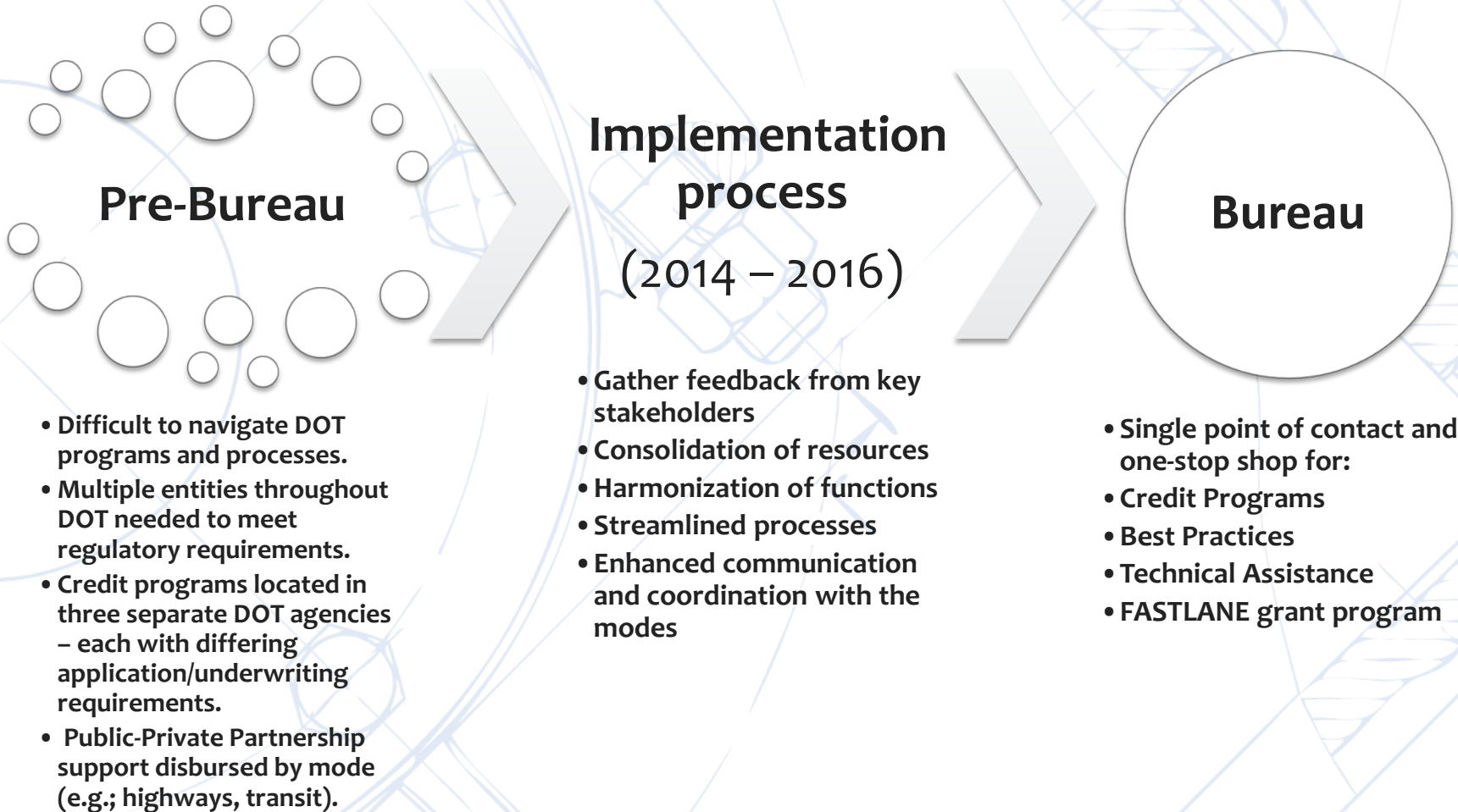


Introduction to The Build America Bureau
Funding and Financing Projects

The Status Quo: U.S. Infrastructure Backlog

- Financing and funding infrastructure has become more difficult than actually building it.
- Not due to lack of financing dollars: U.S. DOT has over \$50 billion available in Federal assistance programs.
- Access to this financing requires complying with federal regulations, complex credit structures, and the need to coordinate with multiple points of contact within the federal government.
- PPPs can be complex and difficult for public sponsors to develop. This constrains the number of potential PPP projects.

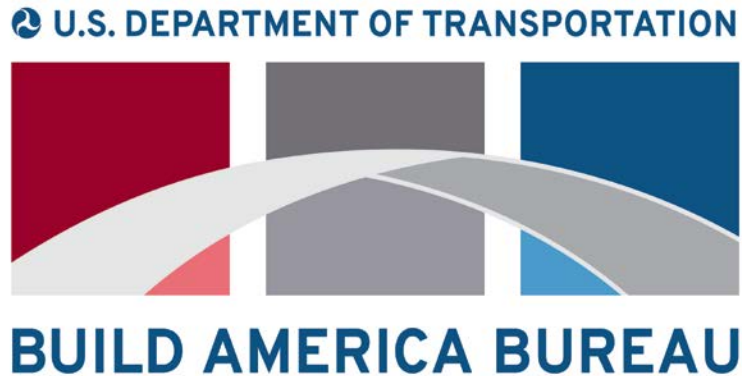
Transformation to the Bureau Model



Build America Initiative – The Bureau

- July 2014 Build America Administration-wide initiative. BATIC Working Group forms. Credit/technical functions disbursed.
- July 2015 BATIC adds full-time core team. Centralized coordination – functions remain disbursed.
- December 2015 President Obama signs the FAST Act – 5-year legislation combining multiple functions in a single financing Bureau within DOT.
- July 2016 – DOT unveils the Build America Bureau. Credit/Technical functions centralized – some functions remain disbursed.

A New Formula for Infrastructure Investment



The **BUILD AMERICA BUREAU** serves as the single point of contact and coordination for states, municipalities and project sponsors looking to:

UTILIZE federal transportation expertise,

APPLY for federal transportation credit programs

and **EXPLORE** ways to access private capital and expertise in public private partnerships.

Roles For the New Bureau

- Serve as the One-Stop Shop for project sponsors to access DOT technical assistance and credit programs;
- Administer the Credit Programs for both DOT TIFIA and RRIF Credit Programs, Private Activity Bonds and the new FASTLANE Grant program;
- Streamline DOT credit application and review processes;
- Provide technical assistance and best practices including financing and funding opportunities and Public-Private Partnerships;
- Reduce uncertainty and delays related to environmental reviews and permitting;
- Assist in mitigating project delivery and procurement risks and costs for projects financed by the USDOT infrastructure finance programs;
- Increase transparency and the public availability of information regarding projects financed by the USDOT infrastructure finance programs.

Build America Bureau Structure

Build America Bureau Leadership

Outreach and Project Development

- Builds upon the single point of contact approach established by the BATIC
- Conducts pro-active outreach
- Conducts intake and screening to define project support needs
- Provides projects with technical assistance and modal coordination
- Supports pre-application activities
- Consolidates and disseminates best practices

Credit Programs

- Combines the three credit programs: TIFIA, RRIF, and PABs
- Administers application process for TIFIA, RRIF, and PABs
- Performs underwriting and negotiations for loans
- Manages portfolio of active loans
- Manages risks of loans

FASTLANE Grants

- Administers application process for FASTLANE grants
- Provides guidance for FASTLANE grant application process, including FAQs and webinars

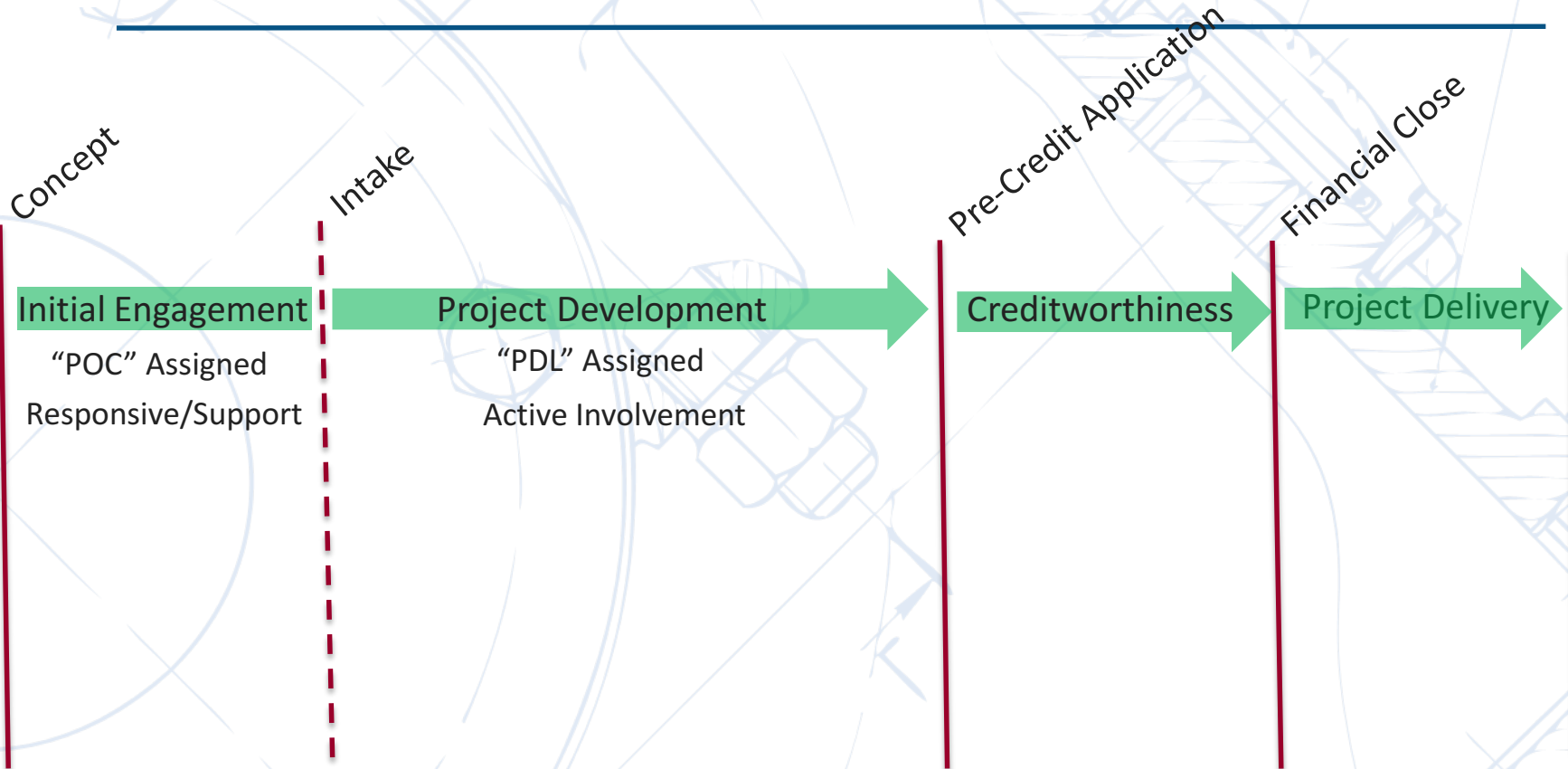


BUILD AMERICA BUREAU

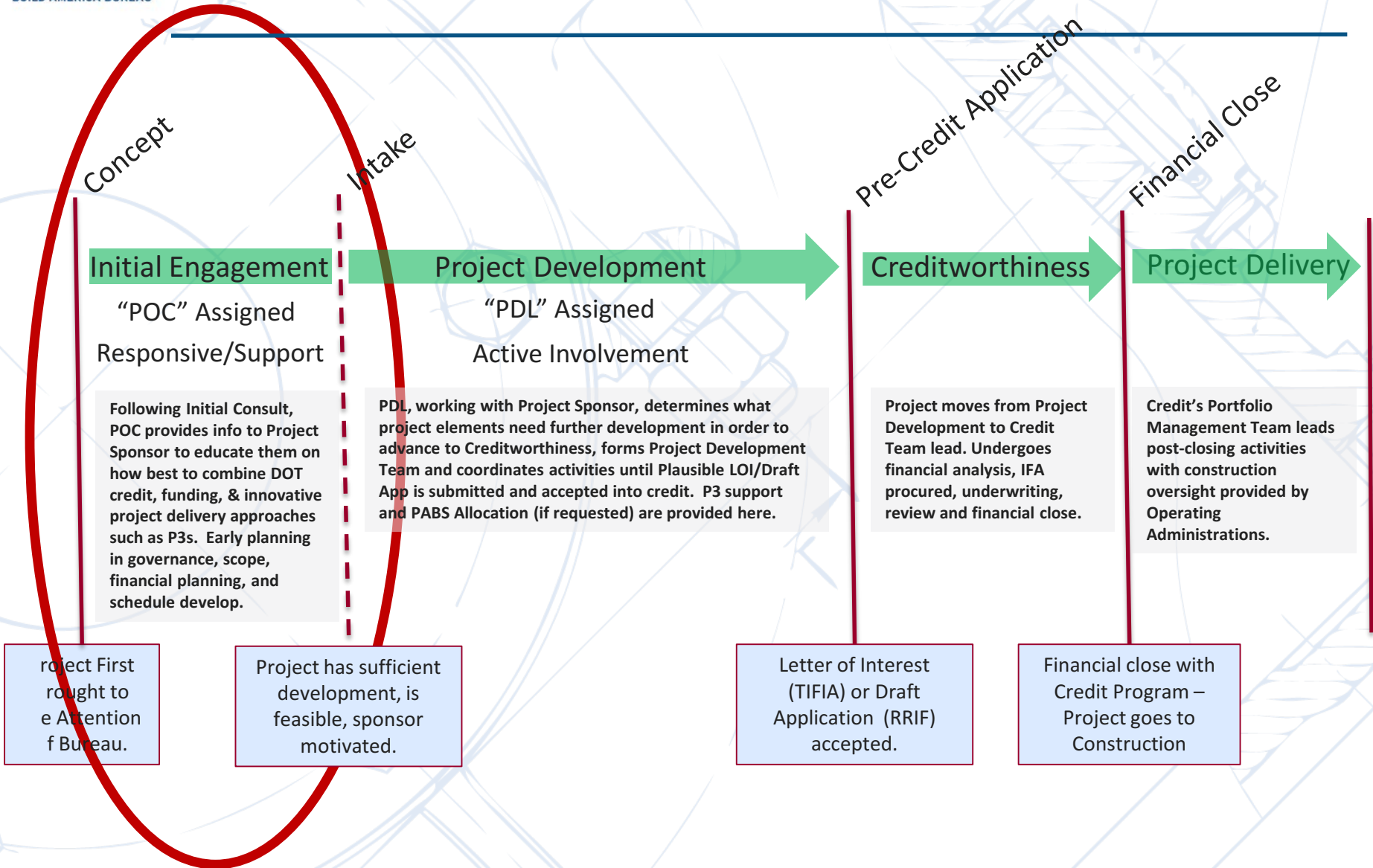
Working With the Bureau

The Business Model Framework

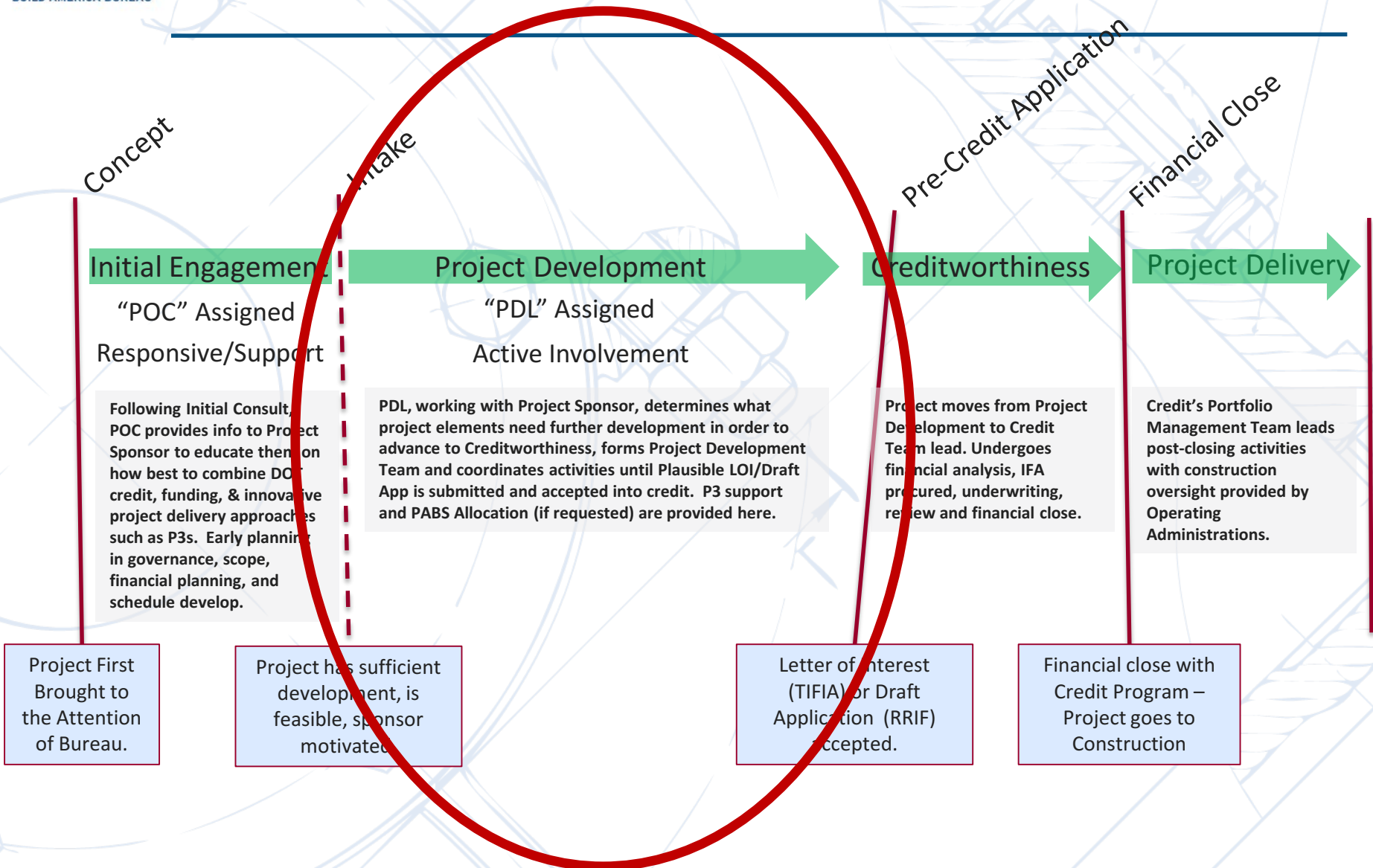
Business Model Framework



Business Model Framework Part 1



Business Model Framework Part 2



Initial Engagement

“POC” Assigned
 Responsive/Support

Following Initial Consult, POC provides info to Project Sponsor to educate them on how best to combine DOT credit, funding, & innovative project delivery approaches such as P3s. Early planning in governance, scope, financial planning, and schedule develop.

Project First Brought to the Attention of Bureau.

Project Development

“PDL” Assigned
 Active Involvement

PDL, working with Project Sponsor, determines what project elements need further development in order to advance to Creditworthiness, forms Project Development Team and coordinates activities until Plausible LOI/Draft App is submitted and accepted into credit. P3 support and PABS Allocation (if requested) are provided here.

Project has sufficient development, is feasible, sponsor motivated

Creditworthiness

Project moves from Project Development to Credit Team lead. Undergoes financial analysis, IFA prepared, underwriting, review and financial close.

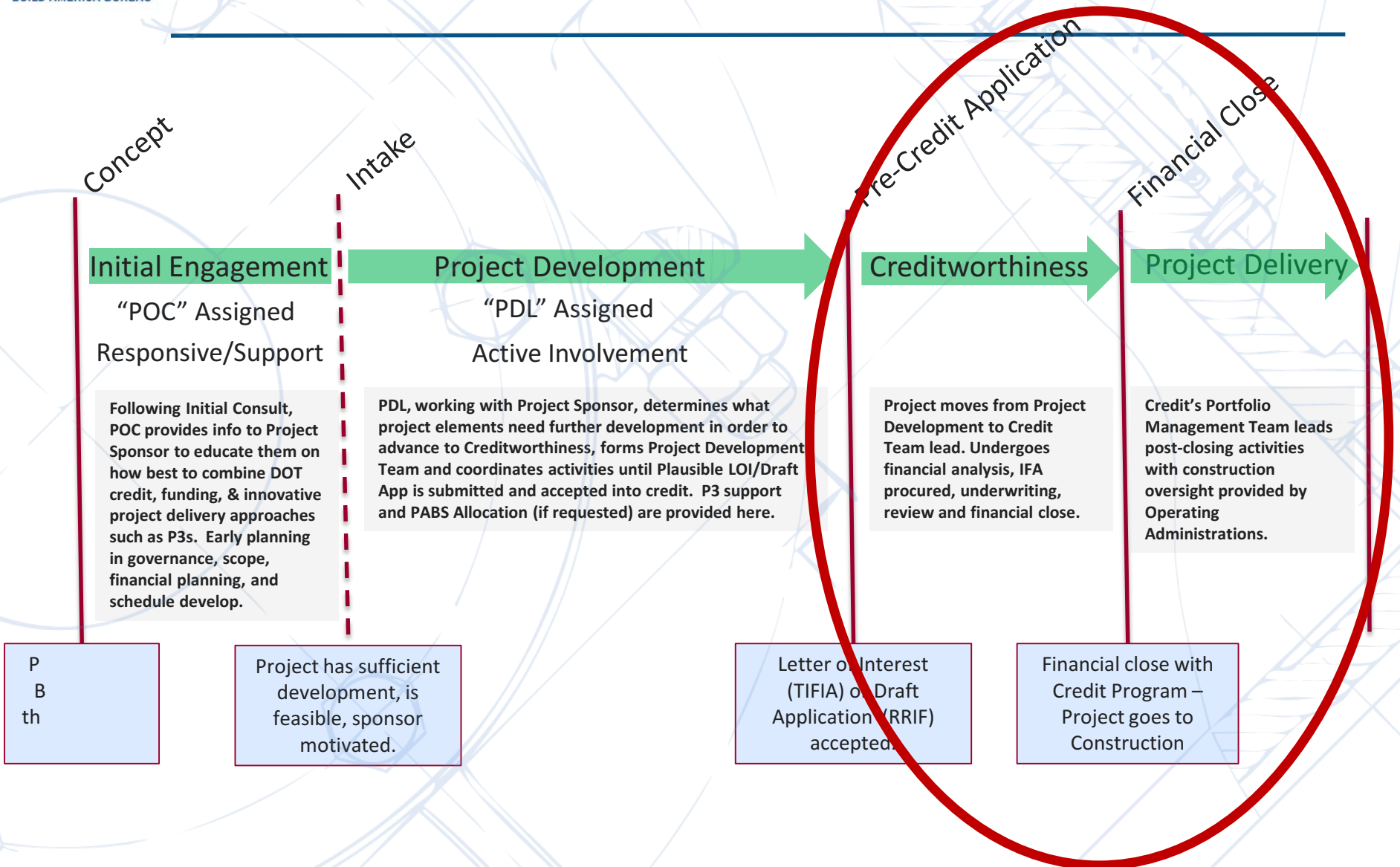
Letter of Interest (TIFIA) or Draft Application (RRIF) accepted.

Project Delivery

Credit’s Portfolio Management Team leads post-closing activities with construction oversight provided by Operating Administrations.

Financial close with Credit Program – Project goes to Construction

Business Model Framework Part 3



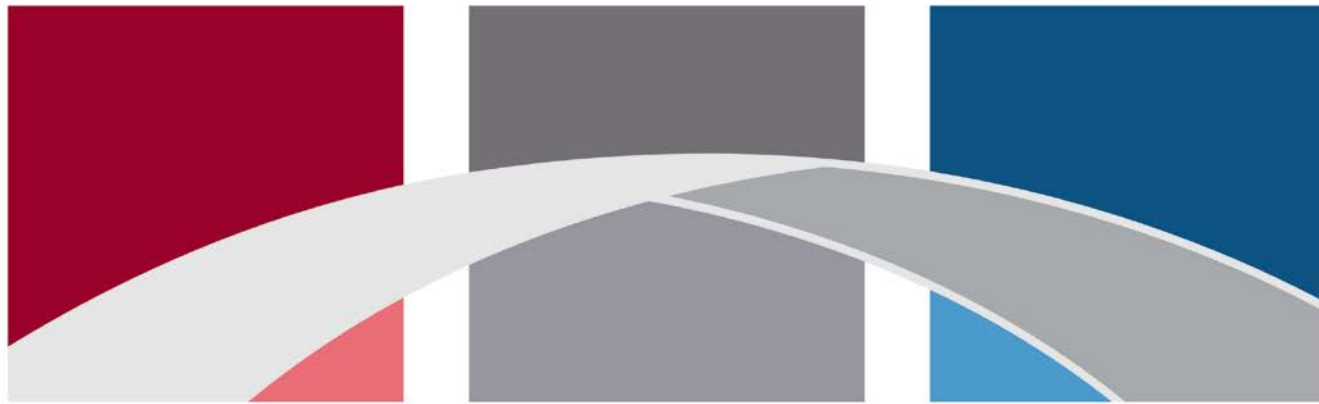
Projects That Benefit Most

Large, complex projects:

- High cost
- Multi-jurisdictional
- Multi-modal
- Complex financing

New borrowers or new projects unfamiliar with Federal programs, financing mechanisms and regulatory requirements.

 **U.S. DEPARTMENT OF TRANSPORTATION**



BUILD AMERICA BUREAU

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