



I-66 Inside the Beltway Financing to Support Long Bridge Project Partnership and Financing Agreement



Background – Memorandum of Agreement

A Memorandum of Agreement (MOA) among VDOT, DRPT, the CTB, and Northern Virginia Transportation Commission (NVTC) relating to Transform 66: Inside the Beltway (I-66 ITB) was established in 2015

- Manages tolling and revenue allocation of I-66 ITB, covers dynamic tolling operations, eastbound widening, and funding multimodal improvements
 - Toll Revenues may fund eligible “Components,” including multimodal projects selected by NVTC and approved by the CTB
 - Rail Components are a subset focused on transit and rail (includes Long Bridge project)
- MOA expires in June 2057

MOA Parties	VDOT	CTB	NVTC	DRPT
Responsibilities	<ul style="list-style-type: none"> • Design & construction of I-66 ITB • Operation & maintenance of I-66 ITB • Present an annual budget to CTB for toll revenues and allocations 	<ul style="list-style-type: none"> • Approval of budget presented by VDOT • Approval of Components selected by NVTC 	<ul style="list-style-type: none"> • Select and oversee the implementation of Components 	<ul style="list-style-type: none"> • Review the selected Components on behalf of CTB



Background – Memorandum of Agreement (continued)

- Three amendments since 2015 (2016, 2020, and 2021)
- Purpose of amendments:
 - Outlines responsibilities of parties
 - Establishes waterfall for application of toll revenues (I-66 ITB)
 - Allows use of toll revenues for debt service and pay-go expenses for Rail Components
 - Provides NVTC payment of \$10 million/year (2.5% escalation) for I-66 Commuter Choice Program
 - Provides additional \$5 million/year (2.5% escalation) to NVTC for I-66 Commuter Choice Program from I-66 OTB annual transit payment (beginning in FY 2022)

MOA Waterfall (MOA Sec. II.4.)

The waterfall requires application of toll revenues as follows:

1. Reasonable costs and expenses of tolling operation and maintenance
2. Debt service on Rail Component Debt (debt sized to accommodate annual NVTC Payment)
3. Annual NVTC Payment (\$10M in FY21; escalates at 2.5%)
4. Pay go for Rail Components between 2022 and 2034
5. Repayments of certain amounts advanced or allocated from the Toll Facilities Revolving Account, subject to certain limitations
6. Debt service on NVTC debt, subject to certain limitations
7. Additional repayments to the Toll Facilities Revolving Account
8. Remaining revenues applied to Components selected by NVTC and approved by CTB

Commonwealth of Virginia Passenger Rail Facilities Bond Act of 2020

- Authorized the Commonwealth Transportation Board (CTB) to issue bonds in an aggregate principal amount not exceeding \$1 billion to be used for all or a portion of the costs of the Rail Improvements, to include the Long Bridge Project
- Pledge of net toll revenues from the Inside the Beltway Express Lanes collected by the Commonwealth
- A TIFIA or Railroad Rehabilitation and Improvement Financing (RRIF) Loan through USDOT has been assumed to be the most cost-effective option to secure financing
- Based on recent assumptions, the toll facility will support just over \$500 million in financing to support a portion of the cost to deliver the Long Bridge Project
 - Continued refinement on financing will be done in the coming year as VDOT and VPRA work with the USDOT's Build America Bureau

New Long Bridge for Passenger Rail



South Package (Design-Build)

- New rail bridge over the Potomac River, G.W.M.P., and Mt. Vernon trail
- New bike/ped bridge connecting Virginia and DC
- Contract awarded to Long Bridge Rail Partners (Trumbull-Fay-Wagman) in January 2025

North Package (Progressive Design-Build)

- Will construct new bridges over I-395, Ohio Dr SW, Washington Channel, & Maine Ave SW, as well as related infrastructure north of the Potomac
- Awarded to Skanska-Flatiron Joint Venture (SFJV) in December 2023 for Phase 1; Phase 2 contract (pricing) was executed in June 2025

Project Partnership and Financing Agreement

Long-planned toll-backed USDOT Loan (I-66 Inside the Beltway)

- Supports Long Bridge Project
- Expected to close in 2027
- CTB is the borrower and will pledge toll revenues

Project Partnership and Financing Agreement is between VDOT and VPRA

- VPRA hires contractors and delivers design and construction
 - Provides any project-related information to satisfy loan requirements
 - Owns and maintains project assets after construction
- VDOT negotiates loan documents and administers loan on behalf of the CTB; makes debt proceeds available to VPRA for the project

TIFIA Loan – Preliminary Schedule*

October – December 2025

- Submitted Letter of Interest (LOI) to Build America Bureau (BAB)
- BAB advanced the LOI to the creditworthiness review

January – March 2026

- Draft Project Partnership and Financing Agreement (PPFA)
- Brief CTB on project and PPFA (February Meeting)
- Request CTB approval for Commissioner to enter into PPFA (March Meeting)

April – December 2026

- Conduct creditworthiness review and term negotiation with BAB
- Present Plan of Finance to CTB
- Present Plan of Finance to Treasury Board

January 2027

- Request CTB approval to submit loan application and enter into TIFIA loan agreement
- Request Treasury Board approval to enter into TIFIA loan agreement
- Submit TIFIA loan application

February 2027

- Obtain Governor's approval
- Receive BAB approval of TIFIA loan application
- Receive final credit ratings

March 2027

- Close loan

* Subject to change