LOCUS | Smart Growth America
Improving lives by improving communities

Program Purpose

What is ATIA?

On July 29, the U.S. Senate Committee on Environment and Public Works released a draft of *"America's Transportation Infrastructure Act of 2019"* (ATIA). The bill authorizes $287 billion over the course of 5 years for a range of surface transportation programs, including National Highway Performance Program (NHPP), Surface Transportation Block Grant (STBG), and Congestion Mitigation and Air Quality Improvement (CMAQ). The act increases funding for existing core transportation formula programs and introduces new programming to address safety, congestion, and climate change. ATIA expanding the Transportation Infrastructure Finance and Innovation Act (TIFIA) to make residential and commercial development projects eligible for TIFIA's TOD funds is a real victory for LOCUS.

What is TIFIA?

The Transportation Infrastructure Finance and Innovation Act (TIFIA) is a popular federal loan program for eligible transportation projects of national or regional significance under which the USDOT provide three product offerings: (i) secured (direct) loans, (ii) loan guarantees, and (iii) standby lines of credit. The program is designed to fill financing gaps left by private capital markets and leverage federal funds by attracting substantial private and other non-Federal co-investment.

What is new about TIFIA?

The ATIA proposes several expansions to the provisions of the TIFIA, including:

1. ATIA, at $287 billion, has the largest amount of funding provided for highway reauthorization legislation in history.
2. ATIA expands the Transportation Infrastructure Finance and Innovation Act (TIFIA) to make residential and commercial development projects eligible for TIFIA's TOD funds.
3. Funding for the National Highway Performance Program (NHPP), the Highway Safety Improvement Program (HSIP), and the Congestion Mitigation and Air Quality Improvement (CMAQ) have been increased by $6.5 billion annually.
4. The ATIA includes a climate change title for the first time in any transportation authorization. This is comprised of five programs intended to reduce greenhouse gas emissions from transportation.

5. New formula and discretionary programs and language encourage states and planning organizations to adopt complete street designs and plans.

Eligible Activities

Project Type

Examples of TOD Capital Projects

- Property acquisition
- Demolition of existing structures
- Building foundations
- Construction, renovation, and improvement of intercity bus and intercity rail stations and terminals
- Renovation and improvement of historic transportation facilities
- Walkways
- Facilities that incorporate community services such as daycare or health care

Examples of Local Infrastructure Project Types

- Trail networks
- Protected bike lanes
- Sidewalks and streets
- Pedestrian and bike friendly infrastructure

NOTE: While TOD “related infrastructure” includes TOD infrastructure categories such as parking garages, these projects should (1) promote greater transit ridership, (2) walkability, or (3) increased private investment.

Newly Eligible Activities

- Residential and commercial developments are now eligible for TIFIA TOD funds
- Public transit projects authorized under 23 U.S.C § 142; and facilities for pedestrians and cyclists

Eligible Applicants

Public or private entities seeking to finance, design, construct, own, or operate an eligible surface transportation project may apply for TIFIA credit assistance.

Funding

Federal Total Share of Cost

TIFIA credit assistance may cover the following portions of the total cost of a project:

- TIFIA line credit: up to 33%
- TIFIA loan: up to 49% (NOTE: Average TIFIA loan covers up to 33% of total project cost)

Authorized Funding Levels

Year	2021	2022	2023	2024	2025
Authorization	$55.1B	$56.2B	$56.4B	$58.7B	$59.8B

NOTE: For every TIFIA program $1 leverages $10 in direct loans.

Repayment of Federal Assistance

TIFIA assistance must be repaid through dedicated revenue sources that secure project obligations, such as tolls, other user fees, or payments received under a public-private partnership agreement. Repayment of a TIFIA loan must begin by five years after the substantial completion of the project, and the loan must be fully repaid within 35 years after the project's substantial completion or by the end of the useful life of the asset being financed, if that life is less than 35 years. In addition, the TIFIA program tailors repayment to match project revenues, allowing back-loaded payments.

NOTE: In most cases a TIFIA loan may not be subordinated to other debt in the event of project bankruptcy, insolvency, or liquidation. However, TIFIA loans may be subordinated in some circumstances in which a public agency has outstanding senior bonds under a preexisting indenture.