FHWA's
INNOVATIVE FINANCE
Quarterly

VOLUME 5, NUMBER 2 SUMMER/FALL 1999

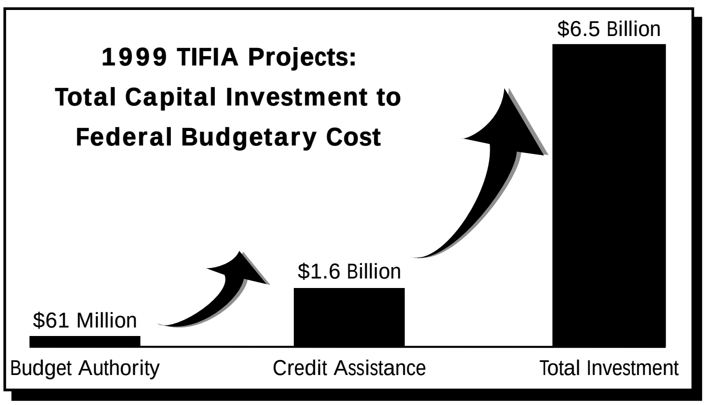
FEDERAL CREDIT PROGRAM

Secretary Announces FY 1999 TIFIA Selections

On September 27, 1999, Secretary of Transportation Rodney Slater announced the first group of project selections for credit assistance under the Transportation Infrastructure Finance and Innovation Act (TIFIA).

committee to administer the formal rulemaking process and manage the program. Seven applications were submitted by the August 2, 1999 due date, from which the five finalist projects were selected.

TIFIA Leveraging Factor 106:1



Following a competitive solicitation, five projects were selected based on criteria set forth in the TIFIA statute. The projects are valued at a combined total of nearly $6.5 billion. TIFIA will provide $1.6 billion in credit assistance at a cost of just $61 million to the Federal government. Every TIFIA dollar will generate more than $100 million in capital investment (see chart above).

TIFIA was enacted last year as part of the Transportation Equity Act for the 21st Century (TEA-21) to help advance projects that have their own revenue streams but face market gaps in completing their plans of finance. TIFIA involves credit assistance, rather than grants, and can be provided in the form of direct loans, loan guarantees, or standby lines of credit.

Following the passage of TEA-21, Secretary Slater established a "ONEDOT" multi-agency steering

As of September 30, the end of the Federal fiscal year, the Secretary had executed term sheets with four of the five selected projects, and entered into a conditional commitment with the fifth. The term sheets outline the terms under which the U.S. Department of Transportation (USDOT) agrees to provide credit assistance to the projects.

The FY 1999 approved projects are:

- Miami Intermodal Center (Florida). The MIC is a $1.3 billion project designed to improve access to and within Miami International Airport, a global gateway for national and international trade and commerce.

  The project involves the establishment by 2005 of a multimodal transportation center for car rental, transit, commuter rail, Amtrak, and intercity bus services. Subsequent project phases call for substantial commercial development. USDOT will fund two loans: one for $269 million to fund right-of-way and design and engineering elements, backed by a regional gas tax allocation of state funds, and the other for $164 million backed by daily car rental fees, to fund a consolidated rental car facility.

- Farley-Pennsylvania Station (New York City). This $749 million project expands and refurbishes the historic Farley Post Office building and the existing Penn Station complex in midtown Manhattan as a key intermodal transportation and commercial facility. The current station – already the nation's busiest transportation facility serving over half a million people daily – is expected to see dramatic growth in usage. The project will increase station capacity by 30 percent, improve

continued on page 2

Also in this issue …

TIFIA, continued from page 1

passenger safety and circulation, and provide a grand new gateway into New York. Upon finalization of all project funding sources, USDOT will provide a $140 million direct junior lien loan, and a $20 million line of credit supporting an issue of senior bonds, in both cases backed by lease payments from retail and other tenants at the new station.

❖ State Route 125 (San Diego, California). SR 125 is a critical transportation link to provide improved access to the Otay Border Mesa Crossing – the principal commercial border crossing in southern California between the U.S. and Mexico – and to relieve existing congestion and accommodate growth in San Diego County. The $397 million project involves building a nine-mile toll facility, part of a new 11.2-mile four-lane highway. Because the project has not yet received its final environmental clearance, the SR 125 term sheet is being structured as a conditional commitment, pending issuance of the final record of decision.

The TIFIA assistance consists of a $90 million loan guarantee on subordinated toll revenue bonds, and a $37 million line of credit supporting a series of senior toll revenue bonds. The project, which is being developed under a private consortium, is scheduled to be completed in 2002.

❖ Tren Urbano (San Juan, Puerto Rico). The Puerto Rico Highway and Transportation Authority is developing a 17-kilometer rapid transit line to serve metropolitan San Juan. The $1.7 billion project is expected to handle 100,000 trips per day in 2002, its first year of operation. The Authority has arranged a "turnkey" development with a private sector consortium using state-of-the-art technology, and will enter into operating agreements with a private sector entity to run the system.

USDOT will provide a $300 million loan secured by a junior lien on the Authority's revenue stream, which includes fuel tax receipts, motor vehicle registration fees, and farebox revenues.

❖ Washington Metro Capital Program. The Washington Metropolitan Area Transportation Authority (WMATA) has initiated a 20-year capital improvement program to rehabilitate and replace vehicles, facility, and equipment on its Metrorail system, portions of which date back to 1976. The entire capital program costs $2.3 billion, and is being funded with a combination of Federal, state, and local sources.

WMATA has been approved for $600 million of Federal credit assistance in the form of a loan guarantee. The guarantee will enable WMATA to accelerate its procurement schedule, resulting in substantial cost savings on subway car overhauls and other items. The loan guarantee is secured by capital contributions by the District of Columbia, the states of Maryland and Virginia, and eight other participating local government jurisdictions, as well as a junior pledge on WMATA's general revenues.

Representatives of the five selected projects attended a press conference at the World Trade Center in New York, where Secretary Slater made the announcement of FY 1999 assistance. Formal loan agreements will be executed, as project sponsors obtain final bond ratings and satisfy other conditions set forth in the term sheets.

USDOT expects to announce the schedule for FY 2000 assistance later this fall, with an application deadline likely in the first quarter of calendar 2000. A total of up to $9.0 billion of additional credit amounts remains available through FY 2003.

Approved TIFIA Projects

Project	Project Cost (in millions)	Credit Assistance (in millions)
FL – Miami Intermodal Center	$ 1,349	$ 433
NY – Farley-Penn Station	749	160
CA – State Route 125 [1]	397	127
PR – Tren Urbano Transit	1,654	300
DC – WMATA Capital Program	2,324	600
Total	**$ 6,473**	**$1,620**

[1] To be obligated in FY 2000

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Mark Sullivan, FHWA, at 202/366-5785.

TRB Workshop on Project Finance

The Transportation Research Board's (TRB) 78th Annual Meeting will be held January 9 to 13, 2000 in Washington, D.C. FHWA and the TRB Committee on Taxation and Finance are sponsoring a workshop on Federal financing initiatives on Sunday, January 9, from 1:30 p.m. to 5:00 p.m. in the Lincoln East room, Washington Hilton. The workshop will provide transportation stakeholders up-to-date information on new funding approaches and share the progress and lessons learned in implementing these new programs. The first part of the program will focus on TIFIA which will feature an overview on the selection criteria and the scoring model, a perspective on the rating process for credit assistance, and highlights of TIFIA awards for FY 1999. The GARVEE financing mechanism will be the focus of the second half of the workshop program, providing in-depth coverage of the program parameters for this financing technique, lessons learned, and the outlook for the future. Contact: Jon Williams or Pamela DeWitt, TRB, 202/334-3205.

GARVEE ROUNDUP

More States Roll Out GARVEE Programs

The Grant Anticipation Revenue Vehicle (GARVEE) financing mechanism continues to gain momentum as more states and transportation authorities move forward with programs to advance projects with up-front capital on the basis of future Federal transportation dollars. Through September 1999, as shown in the table below, four states have issued a total of $1.3 billion in GARVEE bonds, sometimes referred to as GANs or Grant Anticipation Notes. The largest state issuer to date is Massachusetts which has sold $921.7 million in two separate bond issues to finance a portion of the Central Artery Project. One of the benefits of this new financing mechanism is its flexibility as indicated by the variations in program structure among the issuers. Three states – New Mexico, Ohio, and Massachusetts – have brought to market project-specific financings, while Mississippi sold GARVEE bonds to finance a program of road projects to expand capacity on the state's highway system. Two of the issues to date have been direct GARVEEs, while two were structured as indirect GARVEEs.

As reported in the Spring 1999 issue of *IFQ*, the New Jersey Transit Corporation was the first transit agency to issue debt backed solely by a pledge of future Federal Transit Administration funds and plans to sell a second issue in the near future. At least six other transit agencies across the country are exploring the issuance of GARVEE bonds for transit expansion and capital improvements.

Please refer to the Spring 1999 and Summer 1998 issues of *IFQ* for additional information on the GARVEE financing mechanism.

Golden State GARVEEs Pass With Overwhelming Margins

In early September, the California State Assembly unanimously passed enabling legislation to permit issuance of GARVEEs. The GARVEE bill (Senate Bill 928) also passed the Senate by an overwhelming margin, and was recently signed into law by Governor Gray Davis. Prior to the bill's passage, the California Legislative Analyst's office released a report on GARVEEs (available on-line at http://www.lao.ca.gov/cal_update/aug_99_update.pdf) which provides an excellent summary of the major issues involved in GARVEE issuance.

California's legislation permits issuance of stand-alone, non-recourse GARVEEs (bonds that are backed solely by Federal-aid funds, with no other sources of revenue pledged). The legislation limits the annual debt service on the GARVEEs to 30 percent of Federal funds received by the Department in any 12 months of the last 24 months before issuance. Local governments in California may be able to access the GARVEE tool, issuing bonds backed by the county allocation of future Federal-aid.

Other GARVEE News

Ohio, one of the first states to issue GARVEEs, recently sold an additional $20 million in GARVEEs as part of a refunding of the Spring-Sandusky interchange project. Another GARVEE bond sale on the horizon is Arkansas' issue which was approved by the voters on June 19, 1999. The Arkansas Transportation Commission is in the process of selecting a financing team for its planned $575 million issue for Interstate improvements. Meanwhile, Colorado voters are preparing to decide whether to approve a referendum on November 2, 1999 allowing their state to issue GARVEE bonds for several related projects improving I-25.

Virginia's governor has launched a major transportation funding plan to accelerate highway and bridge projects. The plan includes a proposal to issue up to $590 million in indirect GARVEEs. The issue will help accelerate 90 projects delayed in Virginia DOT's most recent six-year program. VDOT will be developing enabling legislation.

Contact:
Jennifer Mayer, FHWA, Western Resource Center, 415/744-2634.

Key Aspects of GARVEE Transactions to Date

State	Date of Issue	Face Amount of Issue	Direct/ Indirect	Projects Financed	Backstop
Massachusetts	June 1998	$600 million	Indirect	Central Artery Project	State Gas Tax Lien in the event of shortfall in coverage (subject to appropriations); Partially insured
	Nov 1998	$321.7 million			
Mississippi	June 1999	$200 million	Indirect	Four-Lane Highway Program	State Gas Tax pledge
New Mexico	Sep 1998	$100.2 million	Direct	New Mexico State Route 44	No backstop; Bond Insurance obtained
Ohio	May 1998	$70 million	Direct	Spring-Sandusky Project	Moral Obligation pledge to use State Gas Tax funds and seek general fund appropriations in the event of Federal shortfall
	Aug 1998	$20 million			
Summary		$1,311.9 million			

SIB UPDATE

Progress Report on State Infrastructure Banks

Recognizing the benefits of the State Infrastructure Bank (SIB) mechanism to leverage limited transportation resources, state DOTs are continuing to make strides in accelerating projects through SIB assistance. Federal SIB obligations as of September 30, 1999 totaled $565.9 million, of which $24.1 million represents transit dollars. Through September 30, 1999, 28 states have loaned a total of $377 million to assist in the financing of 96 projects. These loans are supporting $2.9 billion in construction, a leveraging ratio of 7.6:1. Of the loaned amount, states have dispersed $234.7 million.

Although states are limited in expanding Federal capitalization of their SIBs (with the exception of the four TEA-21 pilot states), some states are enhancing capitalization with non-Federal revenue sources. Arizona enacted comprehensive legislation (SB 1201) in the spring of this year to enhance funding through a combination of additional state highway funds, general fund appropriations, and capital borrowings from the State Treasurer. Florida is moving forward with a legislative proposal to increase SIB capitalization with state funds, and Michigan is considering additional state capitalization as an option, as discussed below. Ohio has also utilized state appropriations to complement Federal SIB dollars to meet loan demands.

This issue of *IFQ* places the spotlight on two SIB programs – Michigan and Puerto Rico. These two SIB programs demonstrate the implementation flexibility states have as each program has been tailored to meet the specific needs in their respective states.

Michigan SIB

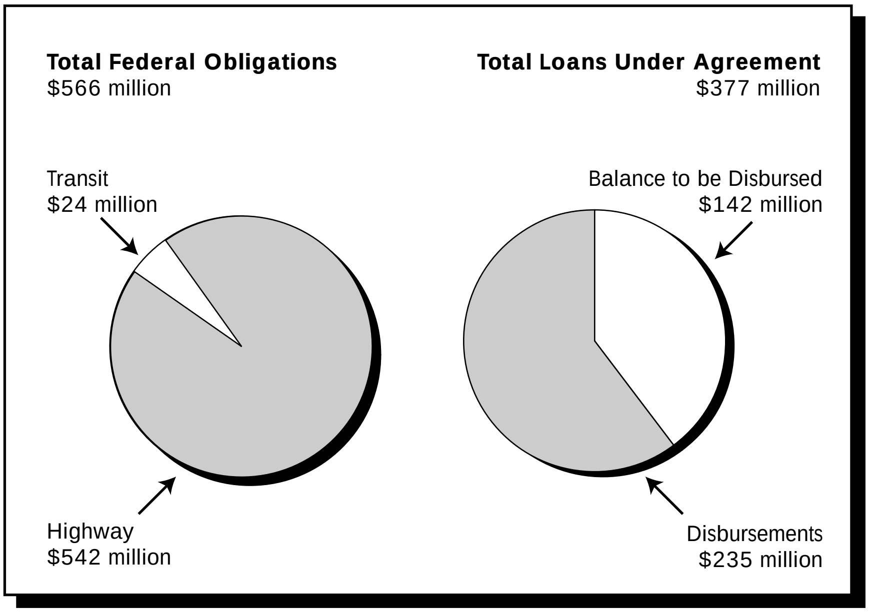
Michigan began its SIB program in 1998 with an $11 million Federal capitalization grant. The strategic objectives of Michigan's SIB are to:

- ❖ Attract additional investment to transportation projects;
- ❖ Reduce transportation project costs by reducing the cost of borrowing;
- ❖ Accelerate the delivery of transportation projects by providing financial assistance that is otherwise unavailable in the short-term; and
- ❖ Establish a revolving loan fund that is self-sufficient, adequately capitalized, and addresses customer needs in a timely and flexible fashion.

Projects financed by the SIB address a variety of local transportation needs. They include constructing new roads, reconstructing and resurfacing major county, city, or village roads and streets, improving street access to local businesses, upgrading existing roads to all-season standards, enhancing Michigan's secondary commercial network, mitigating the impacts of transportation improvements, building new transit facilities, and financing a new passenger ferry.

State Infrastructure Bank Pilot Program

Financial Activity (as of September 30, 1999)



Since its inception, the SIB has approved $15 million in loans to 20 transportation projects. The total cost of these projects is $34 million. The SIB has focused its marketing efforts on local units of government, county road commissions, and transit agencies that have dedicated transportation revenue sources that can be accessed by the Michigan Department of Transportation (MDOT) in case of payment default. MDOT has approved loans to six cities, six villages, four county road commissions, and four transit agencies.

The average loan made by the Michigan SIB is $795,000 with loans ranging from $35,000 to $2.5 million. The interest rate for all loans is four percent per year with an average repayment term of eight years. Because of limited resources available, the SIB has established as a guideline a maximum loan amount of $2 million with repayment within 12 years. As a result, the SIB is being utilized by local agencies to meet project financing gaps, to reduce the costs of borrowing, and to accelerate project

continued on page 5

SIB, continued from page 4

delivery. On average, SIB financing has enabled local transportation agencies to reduce total project costs by seven percent and to reduce the time required to construct a project by 18 months to two years.

The greatest challenge facing Michigan's SIB is the need for new capital. Michigan has committed over $3 million in state highway funds to meet the loan demand in FY 1999. The SIB, however, expects to receive $20 million in loan requests in FY 2000. Options currently being explored include a state capitalization grant and bonding. Michigan is also supporting changes in Federal law to allow states to use TEA-21 funds to capitalize their SIBs.

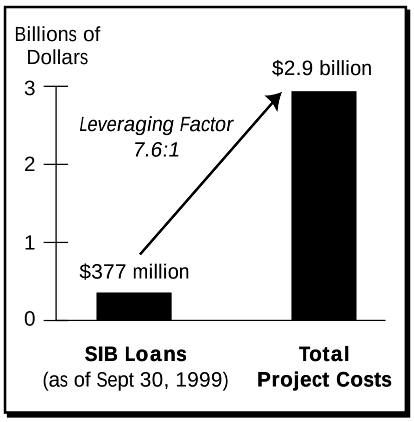
Puerto Rico SIB

Most states with SIB programs are providing SIB assistance in the form of direct loans. Puerto Rico's SIB program is unique in that the SIB monies have been leveraged to support the issuance of highway bonds. The Puerto Rico Highway and Transportation Authority (PRHTA) used $15 million in combined Federal and SIB "seed" money to establish a SIB Trust Fund at the Government Development Bank (GDB) for Puerto Rico. This Trust Fund was used as partial support for a $75 million PRHTA bond issue sold to finance critically-needed highway and bridge projects throughout Puerto Rico, creating a leveraging ratio of 5:1.

The SIB-supported bonds were issued in July 1998 as 30-year Subordinated Transportation Revenue Bonds at a net interest rate of 5.17 percent. Moody's and Standard & Poor's rated these bonds as Baa1 and A-, respectively.

Under the SIB Trust Fund concept, the balance is slowly freed up to act as security for other debt as the original bond issue is repaid. Accordingly, it effectively becomes a "revolving fund," available to support similar bond issues or other borrowing in the future.

Leveraging SIB Dollars



As a result of this $75 million bond issue, Puerto Rico effectively doubled its FY 1998 Federal-aid program and advanced several vital highway and bridge projects by two to four years. The following were among the projects accelerated:

- $30 million in highway and bridge improvements to PR-148, a linchpin of PRHTA's "Access to the Mountains" program, which significantly enhances mobility and economic growth opportunities in the mountain town of Naranjito;
- An $18 million bridge project over the San Antonio Channel, providing enhanced access to the intermodal port facility in historic Old San Juan and improved mobility along the entire Seaport-to-Airport Corridor; and
- An $8 million bridge on PR-165 just west of San Juan, which dramatically improves access to San Juan from its western suburbs, including a key industrial area.

PRHTA has enthusiastically supported the SIB program and views the program as a resounding success. Based on its favorable experience to date, Puerto Rico is considering expansion of its SIB to support additional bond issues or other borrowings for vital surface transportation projects in the Commonwealth.

Contacts: Michigan SIB – Kris Wisniewski, MDOT, 517/335-2614; Puerto Rico SIB – Frederick J. Werner, FHWA, Southern Resource Center, 404/562-3680.

SIBs on the Internet

Currently, five states are maintaining web pages for their SIB programs. Some of these sites contain sample applications and guidance material that may be of interest to *IFQ* readers. We encourage you to take a look.

Arizona
http:://www.dot.state.az.us/about/fms/help.htm

Oregon
http::/www.odot.state.or.us/fsbpublic/otib.htm

Ohio
http:://www.dot.state.oh.us/sib1/

Texas
http::/www.dot.state.tx.us/revexp/sib/sibtoc.htm

Vermont
http::/www.aot.state.vt.us/planning/sibinfo.htm

GRANT MANAGEMENT TECHNIQUES

Tapered Match May Provide a Better Project Fit

Many of the questions FHWA receives related to project financing involve the matching requirement. For most Federal-aid projects, Federal law requires that 20 percent of the costs be derived from a non-Federal source (10 percent for most Interstate highway projects). These percentages are reduced in states with large portions of Federally-owned land, adjusted by what is referred to as "sliding scale."

Under current law, state and local governments have more flexibility in meeting the non-Federal match requirement. In addition to non-Federal cash, the value of donated land, materials, and services may also be contributed toward the match. States may earn credits for toll revenues used for highway construction and for state funds used on off-system bridges. These credits may be substituted for the non-Federal share on Federal-aid projects.

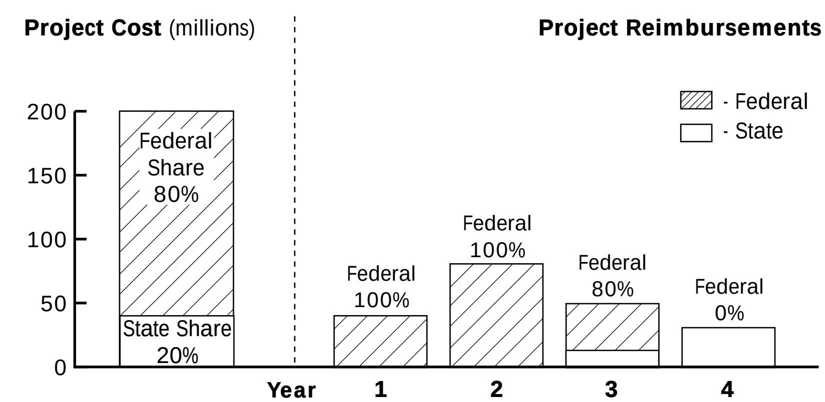
Another technique, called "tapered match," was made possible by TEA-21. The Act removed a long-standing provision that limited payments to the state for the Federal share of project costs incurred by the state during each billing cycle. Tapering allows the Federal share to vary at different stages of the project, as long as the non-Federal share requirement is satisfied by the time the project is completed. For example, the Federal share could start at 100 percent and taper off to zero at the end of the project.

Tapered match may be useful when the government sponsor lacks the funds needed to match a Federal-aid project at the start, but will accumulate the match over the life of the project. For example, this technique may facilitate a project when a local government has recently enacted a local transportation tax. Using tapered match, the project can move forward immediately using 100 percent Federal funds, allowing time for the transportation tax revenues to accumulate. The local revenues would be used to fund the final 20 percent of project costs (see chart below).

FHWA issued a guidance memorandum on tapered match on July 7, 1999. In the interest of effective management of Federal funds, the policy guidance limits the use of tapered match to situations that result in expediting project completion, reducing project costs, or leveraging additional non-Federal funds. The guidance memorandum is available on FHWA's home page at www.fhwa.dot.gov/tea21/tea21new.htm. Just scroll down to Section 1302.

Contact:
Max Inman, FHWA,
202/366-0673.

Tapering the Federal Share



Cumulative Dollars (millions)	Year 1	Year 2	Year 3	Year 4
Federal	$40	$120	$160	$160
State	$0	$0	$10	$40
Total	$40	$120	$170	$200

TECHNICAL CORNER

New Mexico Corridor 44 Project Warranty

The New Mexico State Highway and Transportation Department (NMSHTD) is breaking new ground in both the financing and construction of its highways. The Corridor 44 project, a primary trade and tourist route into northwest New Mexico, exemplifies how innovative financing, design/construction management, and roadway warranty can be combined to develop a project on an unusually fast schedule with notable cost savings and improved performance. The financing of the 121-mile section of Corridor 44 through GARVEE bonds was featured in the Summer 1998 issue of *IFQ*. To build the project, NMSHTD ventured into a contract with a subdivision of Koch Industries to design, manage, and construct the expansion of Highway 44 from two to four lanes of traffic. This expansion is to be accomplished no later than November 2001. A roadway performance warranty is one of the innovative features of this contract.

continued on page 7

New Mexico, continued from page 6

For a one-time cost of $62 million, Koch is guaranteeing the overall performance of the highway pavement for 20 years from the date of completion, and will also warrant the bridges, drainage, and erosion control features of the highway for 10 years. The warranty is secured by a $114 million surety bond. The state will perform normal non-pavement maintenance along the roadway, such as mowing, snow removal and signage. NMSHTD estimates that the state will save $89 million in maintenance costs over the 20-year period. The warranty requires the equivalent of a Pavement Serviceability Index rating of 3.0 or better for the entire term of the warranty.

Both preventive and corrective maintenance will be scheduled as needed. Measurements will be taken every spring and at the end of the 20-year warranty period. Preventive maintenance will be performed either by contractors obtained through New Mexico's procurement procedures or will be performed by NMSHTD's maintenance crews and reimbursed for the expense by Koch. Corrective maintenance will be performed by contractors obtained through the state's procurement process.

The warranty also is a means for the state to capture the true, long-term cost of highway infrastructure and to ensure the long-term maintenance of the highway. This avoids the deferral of maintenance which causes roads to deteriorate prematurely and wastes significant taxpayer dollars.

The Secretary of Transportation recently announced a 20-year research agreement between USDOT's Research and Special Programs Administration (RSPA) and NMSHTD to validate cost savings to the government by determining the advantages of this innovative approach of providing warrantied highway improvements. The agreement is called New Mexico's Road-Lifecycle Innovative Financial Evaluation (LIFE).

While warranties have been used in Europe and have proven to be cost effective, in the U.S. New Mexico is "paving the way" to innovation in road maintenance with the Corridor 44 project.

Contact:
John Fenner, NMSHTD, 505/827-5446.

Conference Highlights Innovative Finance Solutions

More than 200 financial experts from the public and private sectors attended the 1999 State/Federal Transportation Finance Conference in Dallas, TX from July 19 to July 22. Organized and sponsored by the Texas DOT and FHWA, the conference shared best financial practices and explored new innovative finance solutions to long-standing transportation issues. Financial strategies highlighted included innovative financing at the Federal, state, and local levels; leveraging of scarce transportation funds; financial management practices; electronic efficiencies; private sector financing of transportation projects; strategies for reducing motor fuel tax evasion; and lessons learned from Latin American privatization.

Following opening remarks by state and Federal officials, Anthony R. Kane, Executive Director of FHWA, delivered the keynote address for the conference. Mr. Kane highlighted the bold steps and leadership that are positioning states to meet the financial challenges of the 21st century.

David Seltzer, FHWA Senior Advisor on Project Finance, presented the Federal perspective on innovative finance. He outlined a number of Federal investment incentive programs – generally categorized as regulatory incentives (flexible matching concepts and design-build contracting procedures), tax incentives (enterprise zones, tax credit bonds, and tax-exempt financing) and credit incentives (direct loans, loan guarantees, and standby lines of credit) – and demonstrated the varying potential for leverage realized through each type of incentive program. According to Mr. Seltzer, it is innovative finance in combination with innovations in technologies, procurement, or operations that collectively improve a project's economics.

State and local finance initiatives highlighted at the conference covered a broad spectrum of program development stages, from the selection of projects and analysis of potential funding alternatives in Oregon, to the SIB program in Arizona, and the GARVEE bond programs in Arizona, Arkansas, and New Jersey. The state and local perspective provided attendees with insight into the practical application of innovative finance techniques, including measures taken to overcome political, institutional, and legal barriers to implementation.

The private sector perspective focused on strategies for encouraging private participation in the development and financing of toll facilities. Presentations ranged from taxable market transactions for new toll facilities to the financing of intelligent transportation system projects and shared resource opportunities.

Frederick Werner, FHWA Innovative Finance Specialist, chaired a session focusing on Latin American privatization. The lessons learned from these efforts could provide an important resource for U.S. financial managers as this country charts its own course in privatization.

Through this sharing of information and best practices, state DOTs and transportation authorities are better positioned to successfully implement new financial solutions to meet critical transportation needs.

Contact:
Max Inman, FHWA, 202/366-0673.

TRANSITIONS AND NEW TEAM MEMBERS

David Seltzer, a member of the innovative finance team since 1996, will be leaving FHWA at the end of October 1999. Mr. Seltzer is to be commended for his significant contributions to Federal project finance initiatives. In particular, he has been instrumental in the development and implementation of the TIFIA program and the advancement of the GARVEE bond financing mechanism. With TIFIA now up and running, Mr. Seltzer has decided to pursue opportunities outside the agency. He will be missed by all members of the team.

In this transition, Robert Clarke Brown will undertake the challenge of continuing Mr. Seltzer's notable work, and will serve as Capital Markets Advisor for FHWA. Mr. Brown comes to the team from Key Capital Markets in Cleveland, OH, where he was the head of the public finance department. Recently, President Clinton renominated Mr. Brown to serve on the Board of Directors of the Metropolitan Washington Airports Authority. Previously, he was a senior investment banker at Lehman Brothers and a former top official of the Ohio DOT. He chaired the Maglev Study Advisory Committee, which advised the Secretary on Maglev applications in the U.S. He is a member of the Transportation Research Board's Committee on Taxation and Finance, and has served in leadership positions in both the American Public Transit and the American Road and Transportation Builders Associations. Early in his career, Mr. Brown served as a staff member in USDOT's Office of the Secretary. He earned a J.D. from Harvard Law School and a B.S.E. in aeronautical engineering from Princeton University, where he was elected to Phi Beta Kappa. He received an LL.M. from Georgetown University.

Also joining the innovative finance team is Mark Sullivan after five years in USDOT's Office of Intermodalism. He will serve as Project Finance Coordinator. Mr. Sullivan has wide experience in passenger and freight transportation issues, from regulatory and economic analysis to facility planning and development. At the Office of Intermodalism, he worked closely with FHWA and the Federal Railroad Administration to support the Alameda Corridor, the seaport access project in southern California which received a USDOT loan of $400 million. This led to his involvement with the USDOT working group to implement the TIFIA provisions of TEA-21. Previously, Mr. Sullivan was with the Port of Seattle, responsible for business planning, marketing, and facility development for cruise ships and passenger ferries. Mr. Sullivan also worked for the New York City Department of Ports where he managed a variety of planning studies, development projects, and lease negotiations for marine and aviation facilities in New York City. Mr. Sullivan holds bachelor degrees in Journalism and History from the University of Washington where he was elected to Phi Beta Kappa and a Master in Public Policy from Harvard University's Kennedy School of Government.

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