



Using Innovative Finance in the Planning Process

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CENTER FOR
**INNOVATIVE
FINANCE SUPPORT**



Introduction

Who Am I?

- I am the Project Finance Program Manager for the Center for Innovative Finance Support (CIFS).
- CIFS provides program oversight for tolling, GARVEEs, SIBs, and P3 transportation initiatives.
- CIFS is a part of the Office of Innovative Program Delivery (OIPD), which improves transportation performance by driving innovation into action through partnerships, technology deployment, and capacity building.



What Can We Do for You?

- CIFS can assist you and your infrastructure partners by facilitating relationships with State DOT, FHWA division offices, DOT program offices, and other Federal resources.
 - Identify innovative financing and funding solutions for your projects.
 - Assist with SIB applications.
 - Develop Public Private Partnerships (P3) strategies.
 - Provide in-depth innovative finance training.
 - Real-Time technical assistance.





Why should innovative finance be considered in the planning process?

Benefits

- 1. Increase planning budget**
- 2. Accelerate project delivery**
- 3. Increase stakeholder and public awareness**
- 4. Incorporate financing considerations to project selection criteria**
- 5. Maximize capital options and leverage existing funding**



Innovative Finance vs. Conventional Approaches

Conventional Transportation Funding

- Gas taxes
- Pay-as-you-go
- Issue State-backed bonds

Innovative Finance

- Use of project-based revenues (e.g., tolling, value capture)
- Debt Financing (Public or Private)
- Expanded private sector role in financing and delivering projects
- Value Capture techniques
- Funds leveraging – identifying projects that have dual funds' eligibility across existing federal programs.



Where does Innovative Finance and Planning Intersect?

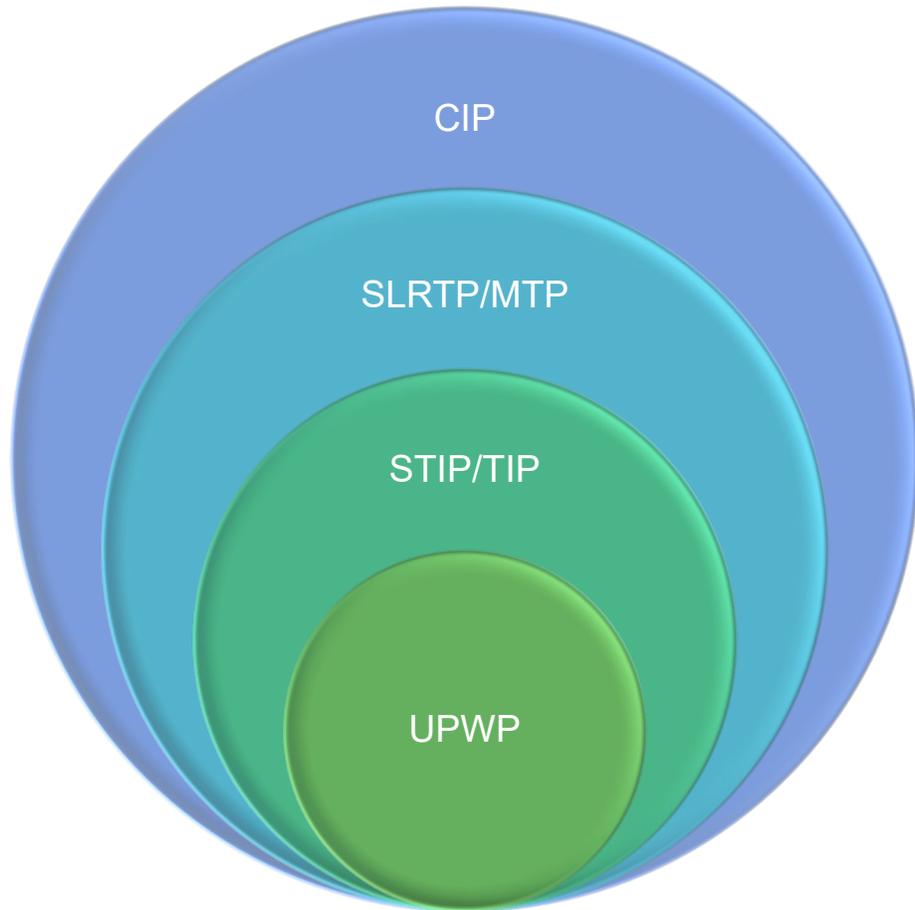
What Planning Activities should be considered?



Key Planning Process Elements

- Statewide Long-Range Transportation Plans (SLRTP)
- Metropolitan Planning Organizations' (MPO) Metropolitan Transportation Plans (MTP)
- Capital Improvement Plans (CIP)
- State Transportation Improvement Program (STIP) - DOT
- Transportation Improvement Program (TIP) – MPOs, RTPOs, and other LPAs
- Tribal Transportation Improvement Program (TTIP) – Tribes & BIA*
- FLTP (Federal Lands Transportation Program) TIP

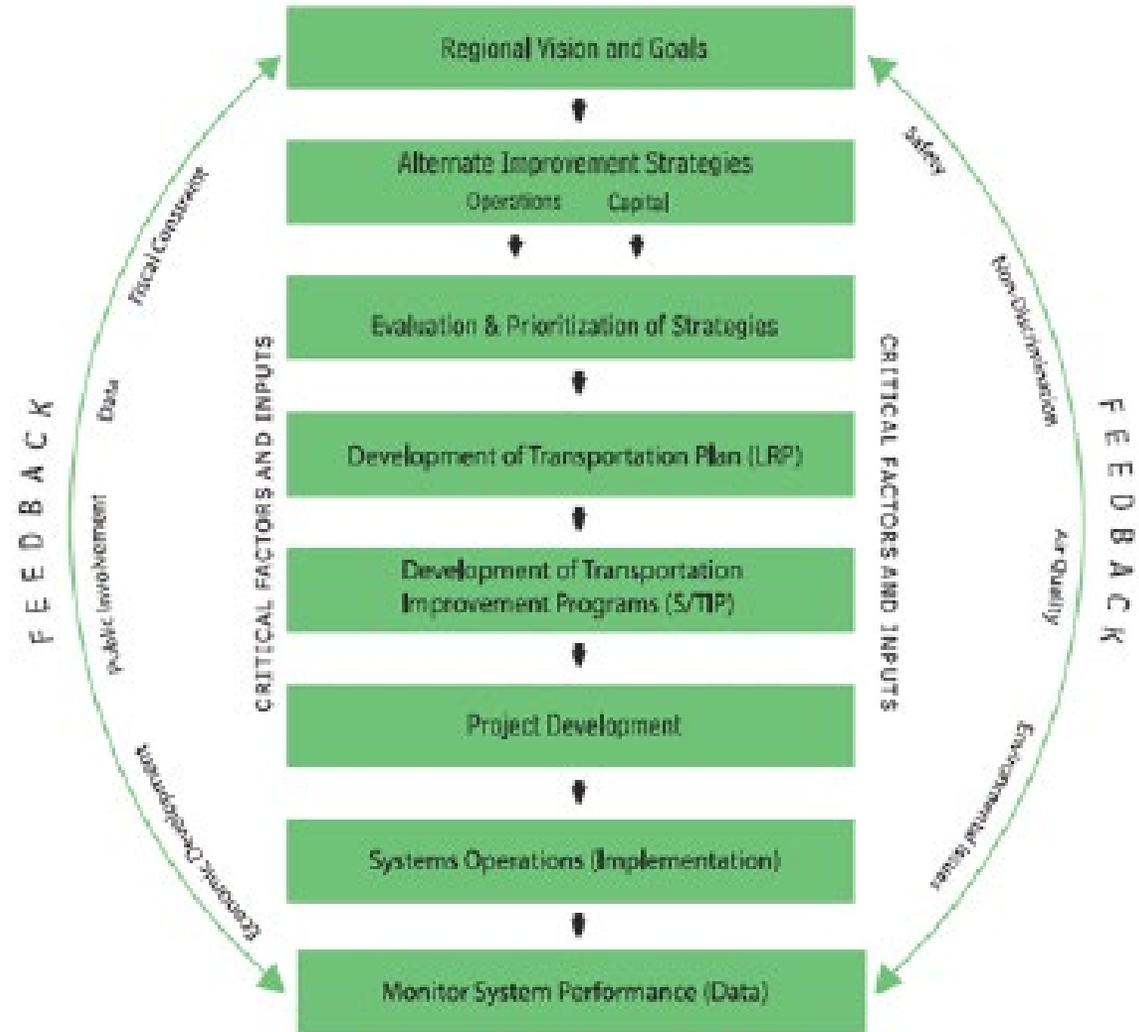
Financial Planning Documents - MPO



- Capital Improvement Program
 - Programs out years and looks at longer term investments
- Statewide and Metropolitan Transportation Plans
 - Fiscally-constrained list of projects and processes for the next 20 years
- Transportation Improvement Plans
 - Fiscally-constrained list of programmed projects for the next four years
- Annual Work Programs
 - Lays out the annual budget for work and/or studies

Where are you in the Process?

- 3C Process
 - Continuing
 - Comprehensive
 - Cooperative
- Stakeholder involvement
- Public Representation



Innovative Finance Training Objectives

- Introduce innovative finance earlier in the transportation planning process
- Expand your options for program and project delivery
- Learn comparative risks
- Gain a better understanding of policy constraints

You Will Be Able To:

- Identify the benefits of incorporating innovative finance into your planning process
- Identify Opportunities to incorporate innovative financing tools and concepts throughout the transportation planning process
- Understand various innovative funding and financing options
- Identify resources and access training and technical assistance.



Put innovative finance to work for you.

- Learn how to introduce innovative finance earlier in the transportation planning process and how different financing tools could alter your funding projections and expand your programming options
- Consider how the transportation planning process could help assemble finance packages for projects
- Learn how to use innovative financing and funds leveraging to expand your options for program and project delivery
- Learn how to compare the comparative risks associated with different finance and leveraging options
- Gain a better understanding of policy constraints and obstacles that may restrict or prohibit innovative finance options at the State and local levels

Start the discussion early. We can help:

www.fhwa.dot.gov/ipd

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