

395 EXPRESS LANES

Toll Excellence Awards | Innovative Financing

IBTTA
September 2019

TRANSURBAN

Smarter ways to get around cities



\$40B

market cap

TOP 15

listed company on ASX



\$16B

in financed toll road projects
in the last 12 months



**\$1.3M in community
investment**

INNOVATION

in projects – procurement –
financing – startup investment
– operations – safety



\$1.6B

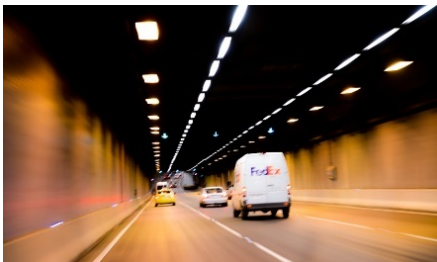
in supply chain spend

20,000+

current indirect jobs

2nd

transportation company
globally
in the Dow Jones
Sustainability Index



8.5M

customers

1.5M

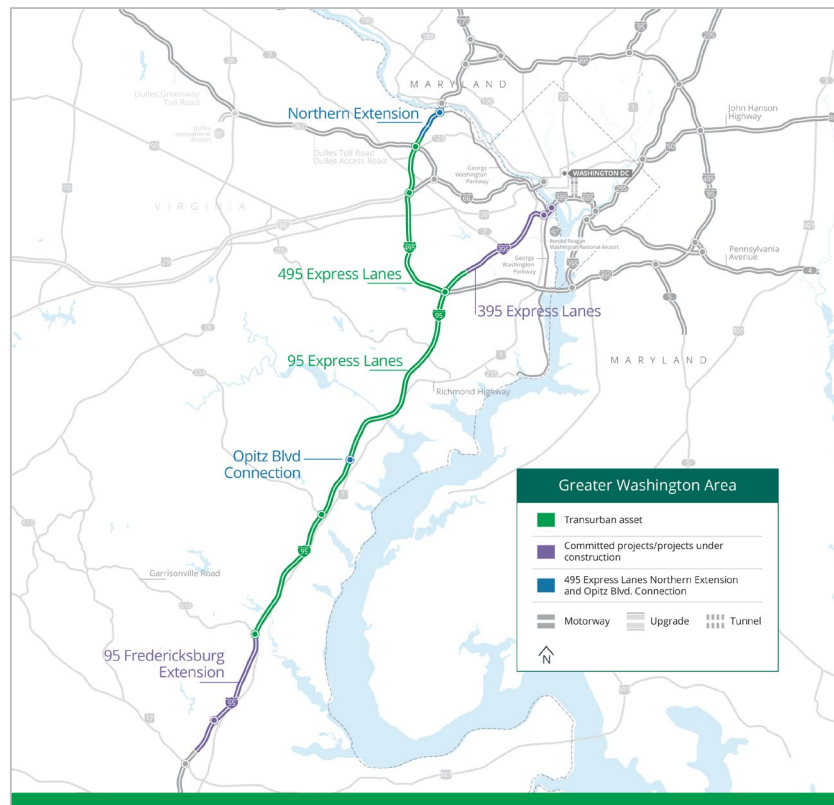
daily trips

328,000 hours average
workday travel time savings



NORTHERN VIRGINIA EXPRESS LANES

A growing network supporting the region's economy



495 EXPRESS LANES
2012 | 22 km



95 EXPRESS LANES
2014 | 50 km



395 EXPRESS LANES
2019 | 13 km



FREDERICKSBURG EXTENSION
2022 | 16km



OPITZ BOULEVARD
FUTURE NEW CONNECTION

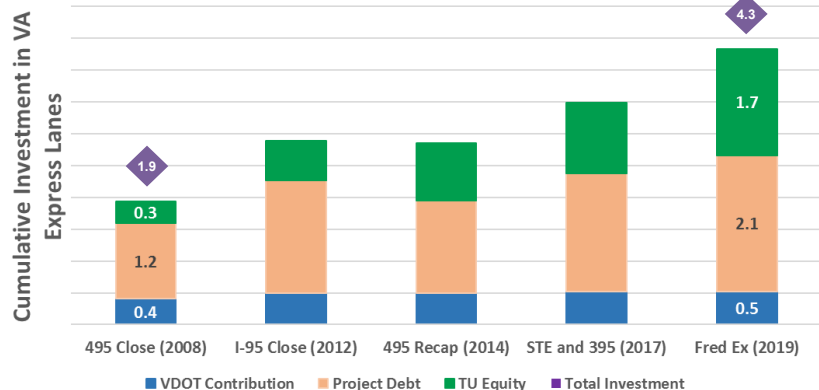


495 NORTHERN EXTENSION
FUTURE | 3.2 km

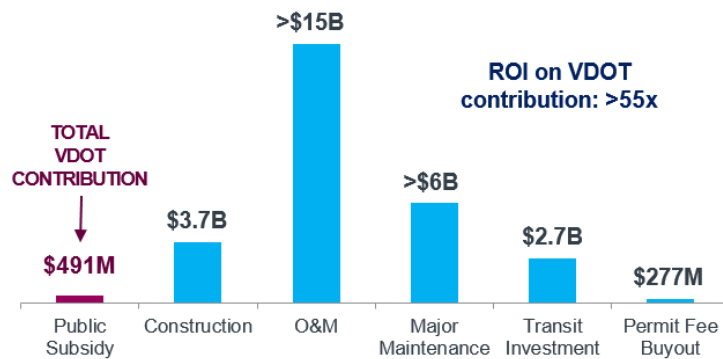
INVESTMENT IN NORTHERN VIRGINIA

Delivering economic and travel benefits alongside the state

Cumulative Investment in VA Express Lanes (\$bn)



Commonwealth of VA - Return on Investment



Economic and Travel Benefits

7 separate design-build procurements driving competition

3 million + hours saved annually by commuters

\$6.3 billion generated in economic activity

\$15 million annual investment in transit

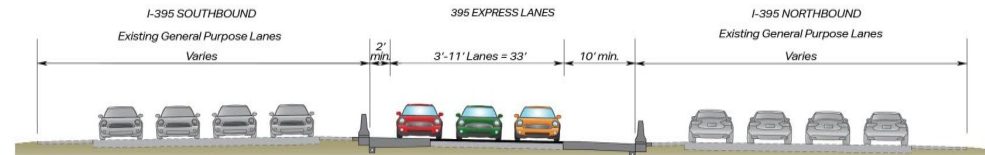
28,000+ jobs supported

395 EXPRESS LANES SCOPE

New capacity, improved circulation and expanded transit



- ✓ **Conversion of two reversible HOV-3+ lanes to Express Lanes to the 14th street bridge**
 - ✓ HOV-3 and transit travel toll-free
 - ✓ Other vehicles can pay to access Express Lanes
- ✓ **More capacity:**
 - ✓ Addition of third reversible lane from Edsall Road to south of Eads Street near Pentagon
 - ✓ New fourth southbound general purpose lane between Duke Street and Edsall Road
- ✓ **Improvements in traffic flow at the Eads Street Interchange and carpool and transit access at Pentagon**
- ✓ **New or modified sound walls**



P3 FINANCIAL STRUCTURING

Leveraging innovative financing

- ✓ 395 Express Lanes originally met with community disapproval, however following success of 495/95 Express Lanes the project was revived
- ✓ Funded with \$233 million of Senior Lien Revenue Bonds (PABs), a \$45 million subordinate loan from the Virginia Transportation Infrastructure Bank (VTIB), and contributions from Transurban North America.
- ✓ By issuing the bonds under the existing concession, Transurban North America created a unified credit that improved on the operational success of the 95 Segment to support the Series 2017 Bonds and resulted in a one-notch credit upgrade from both S&P and Fitch.
- ✓ The transaction then received nearly \$1.4 billion in priority orders, allowing for further spread tightening to a final level of +45 basis points to Municipal Market Data (MMD) rate.

Project partners:

- Virginia Department of Transportation
- 95 Express Lanes LLC (Transurban-Concessionaire)
- Lane Construction Corporation and AECOM
- Transurban (USA) Inc. (TTMS Contractor)

Other key stakeholders:

- Virginia Department of Rail and Public Transportation
- Federal Highway Administration
- DoD-Washington HQ Services
- Adjacent local jurisdictions

TRANSIT PAYMENT

Historic dedicated transit funding stream



- ✓ Concessionaire (Transurban) will make annual payments to Commonwealth for transit improvements along the I-95/I-395 corridor
- ✓ Initial payment of \$15 million due when Express Lanes service begins in late fall 2019
- ✓ Annual payments escalated by 2.5% through year 2087 (term of ARCA)
- ✓ DRPT led I-95/I-395 Transit/Transportation Demand Management Study in coordination with key stakeholders to identify project priorities
- ✓ Agreement between NVTC, PRTC, VDOT and DRPT will govern how transit improvements get selected and implemented
- ✓ Implementation process will involve input from local jurisdictions and transit agencies, project application process, and approval by Commonwealth Transportation Board

PROJECT BENEFITS

Saving time, traveling safer and boosting the economy



Capacity and time savings

Adds a third reversible lane, reducing congestion and improving mobility for all users



Jobs

Construction of the project will generate 600 jobs and \$500 million in economic activity



Transit

\$15 million annual transit payment for corridor projects; incentivized HOV at all times of day



Additional Corridor Improvements

Enhancements to regular lanes and Pentagon parking will improve travel times and transit access

BRINGING P3 BENEFITS FORWARD

to help states respond to shifting economic and transportation needs

“How Virginia sealed the deal on Amazon's HQ2, 'the biggest economic development project in U.S. history’” – **Richmond Times Dispatch**



OPENING FALL 2019

On-time and on-budget



Thank you. Questions?

