**Background, Objectives, Status**

Ohio’s legislature has been a leader in the development of legal frameworks authorizing the establishment of multi-county agencies with authority to use innovative financing methods to plan and fund highway improvements. The RTIP was created pursuant to this legislation.

Although the tools provided by the early legislation have not yet been sufficient to allow the RTIP to finance needed improvements to its segment of Ohio Route 30 or to optimize the community benefits to be derived from them, the last two years have seen real progress.

- RTIP has assembled a core group of infrastructure industry leaders and worked with that team to design the Ohio Opportunity Corridor as a “new American model” for bringing the private sector into the planning and financing of highway projects.

- With RTIP’s advice and support, the Ohio legislature has enacted a landmark new Ohio law providing the additional tools needed to mobilize private investment to minimize public costs of and maximize community benefits from highway projects.

- U.S. Congressional leaders on transportation and infrastructure issues have been briefed on the “New American Model” as a way of advancing Congressional objectives that have been clearly stated at least since 2017. All have expressed their firm support.

- Some subagencies in the Department of Transportation may not yet be “innovation friendly” and the Office of the Secretary has not yet, an influential subagency, the Build America Bureau, has committed to participation in workshops with RTIP to provide technical assistance and financial expertise to support the Opportunity Corridor.

- RTIP has received proposals from a number of leading companies regarding cutting edge development within the Corridor which will both contribute to the funding of needed highway improvements and contribute to the development and wellbeing of the pass-through communities. These projects can provide driving force for advancement of the Corridor concept.

**Next Steps**

The Opportunity Corridor project is poised to launch a demonstration which, at last, significantly advances the two objectives for transportation projects which the Congress enunciated in the 2017 Appropriations Act and has confirmed at every opportunity since then:

- incentivizing the use of innovative financing, and

- attracting non-federal sources of infrastructure investment.
To complete this launch and further these important objectives, RTIP needs to finalize the financial and technical framework for formalizing and monetizing the private sector projects that have been proposed to date and show the way for further private sector follow-ons. To accomplish that, the following steps must be completed:

- Formulate and conclude the ODOT/RTIP Memorandum of Understanding required by the new Ohio law.
- Establish, in consultation with ODOT, the special purpose public/private “enterprise” envisaged by the act as an efficient manager of the project and the concessions thereunder.
- Complete the digital analysis required to evaluate the current value and anticipated value increase of properties within the extended right of way in order to support the Tax Increment Financing and leveraged private sector financing required to raise and leverage nonfederal funds and support an increased non-federal project share.
- Acquire the sites within the extended right of way upon which the projects contemplated in the private sector investment commitments will be located.
- Establish the legal framework for Tax Increment Financing under the Ohio law.
- Structure TIFIA and SIB financing including possible subsidization of payback of bonds and infrastructure bank financing.
- Develop and demonstrate digital systems for community engagement, project design and management and environmental review.
- Determine the preferred route for phase II of the Route 30 project, again for the purpose of enhancing opportunities for leveraged private investments and Tax Increment Financing of capital investments in the project and its contemplated extension.
- Use TIFIA and SIB funding to leverage private investments to support the capital raise required to fund an enhanced non-federal share of project cost.

**Organizing to Complete the Steps**

Obviously, there is limited precedent for many of the steps outlined above and substantial analytical and technical assistance will be needed to support their timely completion. Although members of the core group have volunteered services, the lack of funding to complete the analyses generally required to support capital investment decisions presents substantial impediments. The RTIP had hoped to fill this gap with a 2019 BUILD grant but DOT to date has not allowed the use of these grant funds to advance the Congressional purposes. Taking these constraints into account, the following organizational actions may be appropriate.
• Empower a small working group, with representation from ODOT, the Governor’s office and the Legislative Service Commission, to formulate and conclude the ODOT/RTIP Memorandum and to design and establish the Public Private Enterprise authorized by the Act as the manager/implementer of the Plan of Development and Finance.

• Discuss with Oracle, ESRI, MS Consultants, and others that may be willing to advance early assistance. regarding specific scope, incentives etc. Consider the possibility of seconded management for the Enterprise.

• Follow up with Congressional leaders to encourage USDOT, and the Build America Bureau to be more fully supportive of the Corridor project, to follow up on BAB’s commitment to provide technical assistance and advice re financing programs through “workshops” with RTIP. Bring pressure to release BUILD funds to support assessment of capital investment in the Corridor project.

• Work with the Governor’s Office and the LSC to establish the legal framework for Tax Increment Financing.

• Begin Enterprise discussions with prospective investors/developers re terms, conditions, and revenue shares.

**Conclusion/Summation**

Though access to BUILD grant funds would greatly expedite the Corridor project and minimize RTIP’s startup costs, the lack of such access should not be allowed to prevent progress. As noted above, it appears that a good deal can be accomplished through early private sector engagement and equity sharing. The arrangements outlined above can advance the project and they need to be seriously pursued if private sector interest is to be maintained and enhanced.