



# NPS Transportation Innovative Finance Options



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## Executive Summary

This paper provides a summary of innovative transportation finance techniques and discusses their applicability to the National Park Service (NPS). The primary finding of this analysis is that the NPS has already implemented innovative finance techniques, including most of the mechanisms that are legally authorized and relevant to its mission. The deployment of additional innovative financing techniques would require congressional support and legislation, and in some cases would require state and local government support for such methods as value capture. The paper notes that most innovative finance techniques afforded to state and local governments are not applicable to federal agencies.

Innovative finance techniques examined and their applicability within the context of the NPS is as follows:

- **Grant management tools.** NPS would need specific statutory authority to issue its own bonds. Tapered match and related strategies generally do not apply to NPS because unlike states, the NPS is not required to provide a match to Title 23 funding.
- **Infrastructure bank.** A national infrastructure bank has been the subject of proposed legislation, but does not currently exist. If one were created, NPS and other federal agencies would likely be ineligible for funding, as was specified in previous pending legislation.
- **Tolling / value pricing.** NPS has limited authority for user fees such as transportation and entrance fees; however, use of tolling would require statutory changes and exploration in the context of the NPS mission and goals of providing access to as wide an audience as possible.
- **Public-private partnerships.** NPS uses the PPP vehicles that are authorized and most relevant to its mission, namely concession agreements, partnerships, and design-build contracting.
- **Value capture / tax increment financing.** NPS does not have authority to levy property taxes. Use of this method could only take place in conjunction with a state or local partner.

NPS may seek to continue and expand its successful use of PPP tools. Although there may be targeted opportunities for NPS to partner with state and local governments who can take advantage of other tools, particularly grant management tools and value capture techniques, these opportunities are not widespread, nor could they be reasonably incorporated as elements of a national transportation finance strategy.

Section 1 provides a background discussion of innovative finance. Section 2 provides an overview of specific mechanisms and techniques and their potential applicability to the National Park Service. Section 3 presents examples of innovative finance that have previously been used by NPS. Section 4 provides conclusions and suggestions for how to incorporate innovative finance techniques into context of the NPS transportation program.



# 1. Background

State and local governments have increasingly turned to innovative forms of transportation financing as a means of addressing their investment needs in a fiscally constrained environment.<sup>†</sup> While there is no bright-line distinction between “innovative” and conventional finance, innovative finance generally refers to techniques that involve increased financial leverage, greater private sector involvement, expanded use of user charges such as tolls, and/or new approaches to Federal-state cost sharing.

In general, innovative finance techniques do not create entirely new sources of revenue. Rather, they provide new forms of financing that can help to make effective use of revenues from a variety of sources. The benefits vary by project and technique, but can include improved life-cycle cost efficiency, more rapid project completion, and the transfer of project risk away from the public sector.<sup>†</sup>

While some of the approaches described as innovative may not be new to other sectors, such as public-private partnerships, their application to transportation, or within certain modes, may be regarded as innovative. Additionally, tools that were once innovative may evolve to become considered as conventional, but may still provide benefits to project delivery, or may still be innovative in a National Park Service context.

Overall, the primary objectives of innovative finance are to:

- Maximize the ability of project sponsors to leverage public and private funds for needed investment in the nation’s transportation system;
- More effectively utilize existing funds;
- Move projects into construction more quickly than under traditional financing mechanisms; and
- Make possible major transportation investments that might not otherwise receive financing.

The sections below provide an overview of the main forms of innovative transportation finance and a discussion of their potential relevance to the National Park Service.

## 2. Innovative Finance Techniques

Five innovative finance techniques are discussed below and summarized in Table 2.

### 2.1 Grant Management Tools

Grant management tools are financing techniques that seek to better manage existing Federal funds through cash flow management, project timing, and access to financial markets. Historically, where Federal grants required a non-Federal match component, the non-Federal funds were required at the time Federal payment was made. A *tapered match* instead allows for the non-Federal matching funds to be provided over the course of the project – rather than with each Federal payment increment – as long as the overall match is complete. Traditional matching rules also require sponsors to pay the matching share themselves. *Flexible matching* allows for third-party funds, including in-kind services, to count towards the non-Federal match. The *advance construction* technique allows a sponsor to begin a Federally-eligible project without Federal funds and later convert the project back to Federal funding, which provides flexibility to leverage private funding opportunities while still maintaining eligibility for Federal grant assistance.

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<sup>†</sup> Innovative Finance Primer. FHWA. <http://www.fhwa.dot.gov/ipd/finance/resources/general/>

<sup>†</sup> Paying Our Way: A New Framework for Transportation Finance. <http://financecommission.dot.gov/>

Some project sponsors can also leverage their grant funding by issuing bonds to support upfront project costs, with the pledge of future Federal grants to be used for debt service. A *grant anticipation revenue vehicle bond (GARVEE)* is one such instrument. For project sponsors, GARVEEs can lower the costs of borrowing and create a source of capital funding. For bond-financed public transit projects, debt instruments similar to GARVEEs include *grant anticipation notes* and *certificates of participation*, with the former used for transit capital investments and the latter for the leasing of transit vehicles.

Overall, these tools allow project sponsors to pursue a wider range of projects than would otherwise be possible under the conventional “pay as you go” approach, especially for capital-intensive projects that could not be funded in a single year. They provide additional flexibility with regard to supplying the required match for Federal-aid projects, and can facilitate private sector involvement and lower borrowing costs. One drawback of these approaches is that they can be administratively complex. More importantly, repeated borrowing against expected future revenues can result in significant financial constraints, with a large share of incoming revenues already committed to debt service rather than available for new construction.

#### *Applicability to the National Park Service*

These approaches were developed for the states in the context of the Federal-aid highway program and, in general, they are not available or relevant to the NPS. The match-related techniques do not apply to NPS because its Federal Lands Highway funding does not involve a non-Federal match. (One exception would be in cases where NPS partners with a state or locality, such as with the Federal Lands Access Program) Debt instruments are also not available to NPS because it does not have legal authority to issue its own bonds. Statutory changes would be required to make any of these approaches available to NPS.

## *2.2 Infrastructure Banks and Other Credit Facilities*

An *infrastructure bank* functions as a revolving fund. Much like a bank, it issues loans and other credit products and is paid back over time. In this case, the borrowers are public and private sponsors of Federal-aid highway construction projects or transit capital projects. As the loans are repaid, the bank’s capital is replenished, and the funds can be used for the next round of projects.

The possibility of a national infrastructure bank has been proposed at various times, though not enacted. State-level infrastructure banks were first authorized in 1995 under Section 350 of the National Highway System Designation Act. The pilot program was originally available to only ten states and was later expanded to include 38 states and Puerto Rico. The Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21), the Federal surface transportation re-authorization bill for the period from 1998-2003, established a new pilot program for the states of California, Florida, Missouri, and Rhode Island. The initial infusion of federal and state matching funds was critical to the start-up of a State Infrastructure Bank (SIB), but states have the opportunity to contribute additional state or local funds to enhance capitalization.

A similar but non-revolving credit facility is *Section 129 loans*, which are funded by Federal-aid dollars for projects with dedicated revenue streams, such as tolls. The *Transportation Infrastructure Finance and Innovation Act (TIFIA)* also established a new Federal program under which the U.S. Department of Transportation provides credit assistance to major surface transportation projects of national or regional significance – generally projects over \$100 million.

In some cases, tax incentives can also be employed to allow projects greater access to private investment funds. For example, *tax-exempt leasing* allows a project sponsor to finance the purchase of assets by borrowing from the private capital markets. Under this type of financing, interest payments made to the private lender are exempt from income tax. These private lenders thereby



face lower lending costs and can pass along lower interest rates to the public agency. Private interest rates, however, are still dependent on the agency's credit rating as well as factors such as the project time horizon and project-specific risks. A similar approach is *private activity bonds*, which are a type of municipal bond that finances a project with private users, including some highway and freight projects. These instruments allow private investment on these infrastructure projects, while maintaining the tax-exempt status of the bonds. This change lowers the cost of capital significantly, enhancing investment prospects and increasing involvement of private investors in highway and freight projects.

These credit facilities can help fill market gaps, lower borrowing costs, and leverage substantial private co-investment. Like the grant management tools discussed above, they also present administrative complexity and the risk of over-committing future revenue to debt service.

#### *Applicability to the National Park Service*

NPS is generally not eligible for these programs as they are currently structured. Federal legislation has been proposed at various times that would create a national infrastructure bank, but these bills did not include Federal agencies as eligible recipients. Statutory changes would be needed to allow NPS to access these credit facilities. Even then, they would generally only be applicable to a select set of large, complex transportation investment projects.

### *2.3 Tolling and User Fees*

While *tolling* is a longstanding method of generating revenue for transportation facilities, recent years have seen the development of new approaches for managing and leveraging this revenue. Specifically, the creation of a reliable revenue stream through tolling, parking charges, or other user fees can be a key factor that enables other innovative approaches, such as *public-private partnerships* or *revenue-backed bonds*. Tolling is also being used as a management tool rather than just a revenue-raiser. Variable tolls that rise and fall with the level of demand (“congestion pricing” or “value pricing”) are being used in several locations to reduce congestion.

In the past, tolls, concession sales, and receipts from right-of-way leases spent on capital repairs were not eligible to be counted as a sponsor's matching share for Federal-aid projects. However, states may now earn toll credits by using toll revenues to fund capital improvements on toll facilities that serve interstate travel. The amount of credit earned equals the amount of excess toll revenues spent on non-Federal highway capital improvement projects, subject to the Federal maintenance of effort (MOE) test. With enough credits used as a substitute for matching requirements, Federal funding for a project may effectively reach 100%; however, the process requires an MOE calculation and there is always the potential for public opposition to increased use of tolling.

The Federal Highway Administration (FHWA) has also loosened (but not eliminated) its longstanding prohibition on the tolling of highways built using Federal-aid funds, but generally only for innovative approaches, such as congestion pricing. FHWA's Value Pricing Pilot Program is designed to evaluate the ability of road and parking pricing concepts to achieve significant changes in traveler behavior and reduced congestion. The basic concept is that tolls (and/or parking charges) that vary according to demand can help to limit traffic volumes and maintain free-flowing conditions.

One drawback to tolling is that it can encounter significant public opposition. Also, while advanced electronic toll collection technologies have reduced the costs of collection, these costs are still significant, and tolling is generally only cost-effective in heavily traveled metropolitan corridors and major interstate highways.

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<sup>1</sup> [http://www.fhwa.dot.gov/ipd/p3/tools\\_programs/pabs.htm](http://www.fhwa.dot.gov/ipd/p3/tools_programs/pabs.htm)

### *Applicability to the National Park Service*

NPS already has authority to impose certain entrance, parking, and transportation fees to defray transportation costs. However, tolling on NPS roads would require statutory changes and would likely generate concerns about the ability of lower-income visitors to enjoy the park system. Only a small set of high-volume NPS parkways would even be candidates for potential tolling due to the costs of toll collection.

## *2.4 Public-Private Partnerships*

*Public-private partnerships (PPPs)* are contractual agreements formed between a public agency and one or more private sector entities that allow for greater private sector participation in the delivery of transportation projects. Traditionally, private sector participation has been limited to separate planning, design, and construction contracts on a fee-for-service basis, based on the public agency's specifications. The public agency then owns, operates, and maintains the asset. In PPPs, the expanded role for the private sector allows public agencies to tap private sector technical, management and financial resources in new ways, including improved access to capital and the ability to transfer project risks.

PPPs can be viewed along a spectrum, based on the degree to which the private sector assumes risks and responsibilities. Common approaches include *design-build (DB)* and *design-build-finance-operate-maintain (DBFOM)* contracts. Within each type of PPP, there are additional sub-types that seek to mitigate and distribute the risks of project completion, including those related to schedule, finance, travel demand, operation, maintenance, and performance. Table 1 presents some of the basic project delivery options within the spectrum of PPPs.

**Table 1**  
**Summary of PPP types**

Source: Volpe Center

<b>Public Private Partnership Type</b>	<b>Conceive</b>	<b>Design</b>	<b>Build</b>	<b>O&amp;M</b>	<b>Financial Responsibility</b>	<b>Own</b>
Design-Bid Build (Conventional)	Public	Private by fee contract	Private by fee contract	Public	Public	Public
Private Contract Fee Services	Public or Private by fee contract	Private by fee contract	Private by fee contract	Private by fee contract	Public	Public
Design-Build (DB)	Public	Private by fee contract	Private by fee contract	Public	Public	Public
Build-Operate Transfer (BOT)	Public	Private by fee contract	Private by fee contract	Private by fee contract	Public	Public
Design-Build-Finance-Operate (DBFO)/ Design-Build-Finance-Operate-Maintain (DBFOM)	Public or Private	Private by fee contract	Private by fee contract	Private by fee contract	Public, Public/Private, or Private	Public
Build-Own-Operate (BOO)	Public or Private	Private by contract (concession)	Private by contract (concession)	Private by contract (concession)	Private by contract (concession)	Private

*Contract services (concessions)* refer to a public agency contracting with the private sector to operate and maintain, and sometimes manage, a specific transportation facility or service. This approach shifts the operational burden to the private sector. Success requires that performance measures be built into the contract to ensure that the service levels provided by the concessionaire are clearly defined.

A *long-term lease agreement* involves a public agency leasing a transportation facility to the private sector for a specified period of time (agreements have ranged from 10 to 99 years). The private sector typically receives revenues through tolls and commits to meeting performance standards for the facility. Transaction costs can be high, since contracts are complex and clauses must be negotiated to ensure the private sector upholds labor, environmental, and safety standards. A *sale/leaseback* is essentially the opposite of a long-term lease; in this case, the public agency sells an existing facility or other asset to a private entity for a lump sum, then leases it back and continues to operate the facility.

Certain types of PPPs, such as DB and DBFOM, are suited to new facilities or facility upgrades, while others, such as O&M concession and long-term leases, are more suited to existing facilities. In some states, PPP projects may require legislative or policy changes. For example, most public agencies have prohibited the use of design-build procurements due to concerns about cost-effectiveness and accountability. Contractors may also lack expertise in meeting environmental

and public participation standards. Some typical PPP contract provisions – particularly “non-compete” clauses, which prohibit the public sector partner from building nearby toll-free roads that might reduce the private sector partner’s toll revenues – have generated public controversy. Public agencies may also need to be prepared to assume operation and maintenance of the asset if a private partner defaults.

Overall, PPPs allow for greater flexibility in project delivery and can yield significant efficiencies. At the same time, they introduce significant contractual complexities and require additional oversight. Moreover, if not structured properly, PPPs can increase rather than decrease overall project costs and the public agency’s project risk.

#### *Applicability to the National Park Service*

NPS already makes frequent use of the forms of PPPs that are available to it, notably concessions contracts and design-build contracting. In some cases, NPS has also been able to form partnerships with private sponsors through “Friends of the Park” groups, as at Acadia National Park. However, federal statutes and NPS policies place limitations on these types of partnerships.<sup>7</sup> Likewise, most forms of PPP that involve the lease, sale, or transfer of NPS assets to private entities would require changes to NPS authorizing legislation and policies. These arrangements could also raise concerns about the privatization of the park system.

## 2.5 Value Capture / Tax Increment Financing

*Tax increment financing* (also called *value capture*) is an innovative method used to finance projects in designated areas targeted for redevelopment. It is based on the principle that transportation improvements, such as new transit stations and highway access ramps, improve access to adjacent properties and thus increase their taxable valuation. Tax increment financing identifies the property tax base for the area and earmarks the incremental property tax revenue to help pay for the project or other redevelopment. The initial project is often debt-financed through public bonds with the earmarked tax revenue used to repay the bondholders. With redevelopment funds harder to secure, many states and localities use tax increment financing for projects in areas that otherwise would be unable to afford them.

#### *Applicability to the National Park Service*

NPS does not have the authority to levy property taxes and use of this technique would only be possible in the context of a partnership with a state or local entity. Its potential applicability would primarily be for projects that involve significant new facilities.

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<sup>7</sup> NPS Director’s Order 21 provides an overview of some key considerations related to donations and partnerships. <http://www.nps.gov/policy/Dorders/DO21-reissue.pdf>

**Table 2**

**Summary of Innovative Finance Techniques and Implementation Issues for NPS**

Source: Volpe Center

Finance Technique	Description	Pros	Cons	Examples	Implementation Issues for NPS
Grant management tools	Variety of techniques to allow flexibility in managing multi-year flow of federal-aid highway & transit capital funding, e.g. to borrow against future grant dollars for current project	Allows a wider range of projects than “pay as you go,” particularly larger projects that could not be funded in a single year. Can lower borrowing costs.	Administrative complexity; risk of committing too much future funding to current projects or debt service	GARVEE bonds, GANs, COPs, tapered match, flexible matching, advance construction, joint development	Like most federal agencies, NPS does not have statutory authority to issue its own bonds. Use of these approaches would require legislative changes.  Tapered match and related strategies generally do not apply to NPS, since it does not provide a “local match” to FLH funding. One exception would be in cases where NPS partners with states, in which case FLH can serve as the local match for some federal-aid categories.
Infrastructure bank	A revolving fund that underwrites public-sector infrastructure projects and is paid back over time	Allows a wider range of projects than “pay as you go,” particularly large projects that could not be funded in a single year. Can lower borrowing costs and facilitate private sector involvement.	Administrative complexity; risk of committing too much future funding to current projects or debt service	Pilot projects in several states; Section 129 loans	A national infrastructure bank has been the subject of proposed legislation, but does not currently exist. If one were created, NPS and other federal agencies would likely be ineligible for funding, as was specified in previous pending legislation.
Tolling / Value Pricing	Direct fees on highway users to manage demand and generate revenue	Potentially large revenue stream and ability to adjust tolls to reduce congestion and promote transit	Costs of collection; political opposition	Tolled express lanes; HOT lanes; cordon charges; variable parking charges; mileage-based user fees	NPS has limited authority for user fees such as transportation and entrance fees. Broader use of tolling would require statutory changes. There would likely be political sensitivity to tolling on NPS roads. Most NPS roads also lack the heavy commuter volumes that are needed to make tolling cost-effective.
Public-Private Partner-ships	Newer forms of contracting with greater private sector participation.	Can reduce project costs and time-to-completion. May allow more flexibility and efficiencies in design and construction and tap greater expertise. Can be used to shift risks to private sector.	Requires contractual expertise and oversight; public agencies can be at a disadvantage in complex negotiations with private sector; some political opposition to “privatized” services	Design-Build-Operate-Maintain, Build-Operate-Transfer, and other contracts; concessions; long term leases; sale/ leaseback	NPS already uses the PPP vehicles that are authorized and most relevant to its mission: concession agreements, partnerships, and design-build contracting.  More exotic PPPs such as leaseback would require statutory changes to allow private entities to own and/or maintain NPS assets. These arrangements are likely not consistent with agency mission and policies.

Finance Technique	Description	Pros	Cons	Examples	Implementation Issues for NPS
Value Capture / Tax Increment Financing	Special tax assessment on the additional property value created by new transportation facilities (e.g. new transit station).	Allows transit expansions and other projects to proceed when direct funding is limited. Ensures that direct beneficiaries of project (i.e. adjacent landowners) contribute to the cost.	Can be administratively complex; some jurisdictions do not permit property taxes to be assessed in this way. Generally only relevant to new facilities or expansions.	Potomac Yard WMATA station funded in part by special tax district	NPS does not have authority to levy property taxes. Use of this method could only take place in conjunction with a state or local partner.

### 3. Examples of Innovative Finance in the National Park Service

Innovative transportation financing approaches at the NPS have frequently been applied to transit systems. Outside of transit, non-traditional financing models used, for example, on capital improvements or roadway construction are promising but have been limited.

The cases discussed below represent a selection of key NPS projects delivered with some form of non-traditional financing. Separate examples are provided for transit projects and for roadway projects since these two types of projects often involve different funding streams and approaches. The examples are considered in brief to provide a high-level understanding of the types of projects delivered, the partners involved, and the main sources of funding for each.

#### 3.1 Acadia National Park

The Island Explorer transit system is an example of a public-private partnership in a national park. The system began operations in 1999 to mitigate congestion on local roads while sustaining the area’s vital tourist industry. The fleet of 29 clean-fuel buses serves Acadia National Park and its surrounding communities. The system operates June to October, and connects campgrounds and lodging with the county airport, municipal harbors, business areas, and the park.

Capital expenses and initial operating expenses were supported by the Maine Department of Transportation (DOT) “T2000” grant program, which is in turn funded by the Federal-aid Congestion Mitigation and Air Quality (CMAQ) program. A 20 percent local match from Acadia National Park, Friends of Acadia (FOA), and an NPS grant allowed for the purchase of the initial bus fleet. Additional funding for Island Explorer came from the Mount Desert Island League of Towns and the Bar Harbor Chamber of Commerce. For ongoing operations, Acadia funds half of the \$500,000 - \$600,000 annual operating cost of the system, using a portion of the 80 percent share of visitor entrance fees reclaimed at the park for transportation services. In 2001, a Congressional earmark supplanted the expiring CMAQ funds that had supported Island Explorer operating costs from 1999-2001. In 2004, Acadia added a transportation fee to its park entrance fee to support transportation activities, including operations for the Island Explorer. Town-based funding is approved at annual meetings.

*Key partners:* Maine DOT, Federal Transit Administration (FTA), Federal Highway Administration (FHWA), FOA, and L.L. Bean, local transit operators, and owners of campgrounds and lodging establishments.

*Key funding sources:* CMAQ, Acadia National Park, FOA, Mount Desert Island League of Towns, Bar Harbor Chamber of Commerce, Congressional earmark, and transportation fees.

### *3.2 Yosemite National Park*

In 1997, several sections of El Porto Road, the seven-mile long entrance to Yosemite National Park, were washed out by extensive flooding from the adjacent Merced River. The flooding also destroyed parts of the sewer system that served the entire Yosemite Valley. To expedite the time-sensitive repairs along the roadway, FHWA awarded a design-build contract that allowed the project to proceed at an accelerated rate and to reduce environmental damage from the sewer leakage and interference to park operations.

*Key partners:* FHWA and a private sector contractor.

*Key funding source:* FHWA (\$33.5 million design-build contract awarded to private sector)

### *3.3 Grand Canyon National Park*

The rehabilitation of the seven-mile long Hermit Road began in February of 2008 to address safety, accessibility, and historic preservation issues. The project was undertaken as a public-private partnership. Road construction was performed by a private company, project management was provided by the Central Federal Lands Highway Division of FHWA, and volunteer crews performed the masonry, landscaping, and trail restoration work. Project actions included road widening and resurfacing, improvement of trails, overlooks, and parking areas, and construction of a multi-modal greenway trail.

*Key partners:* Central Federal Lands Highway Division of FHWA, the Grand Canyon Trail Crew, the American Conservation Experience, the Student Conservation Association, and the Sierra Club.

*Key funding source:* Recreation Enhancement Act fees, Federal Lands Highway Program, and the Paul S. Sarbanes Transit in the Parks program.

### *3.4 Mount Rushmore National Memorial*

The non-profit Mount Rushmore National Memorial Society entered into a concession contract with the National Park Service for the design, construction, and operation of a parking facility at Mount Rushmore. The Society obtained \$18 million in financing for a 1,000-vehicle structure. The Society receives parking fees, which are used to operate and maintain the facility and retire the construction debt. Revenue collected in excess of debt retirement and operational cost is available for support of the memorial.

*Key partners:* Mount Rushmore National Memorial Society.

*Key funding source:* Private funding.

## 4. Conclusions

While NPS is engaging in innovative finance techniques, including some forms of public-private partnership, use of other techniques would likely require specific Congressional authorization and/or may raise questions regarding their appropriateness within the framework of the agency's mission and values.

A summary of the innovative finance techniques reviewed, and their challenges within the context of the NPS, is as follows:

- **Grant management tools.** NPS would need specific statutory authority to issue its own bonds. Tapered match and related strategies generally do not apply to NPS because, unlike states, the NPS is not required to provide a match to Title 23 funding.
- **Infrastructure bank.** A national infrastructure bank has been the subject of proposed legislation, but does not currently exist. If one were created, NPS and other federal agencies would likely be ineligible for funding, as was specified in previous pending legislation.
- **Tolling / value pricing.** NPS does have limited authority to impose user fees, such as transportation and entrance fees. However, use of tolling would require statutory changes and careful study of the potential implications for visitor access. **Public-private partnerships.** NPS uses the PPP vehicles that are authorized and most relevant to its mission, namely concession agreements, partnerships, and design-build contracting.
- **Value capture / tax increment financing.** NPS does not have authority to levy property taxes. Use of this method could only take place in conjunction with a state or local partner.

NPS may seek to continue and expand its successful use of PPP tools. Although there may be targeted opportunities for NPS to partner with state and local governments who can take advantage of other tools, particularly grant management tools and value capture techniques, these opportunities are not widespread, nor could they be reasonably incorporated at this time as elements of a national transportation finance strategy.



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As the nation's principal conservation agency, the Department of the Interior has the responsibility for most of our nationally owned public lands and natural resources. This includes fostering sound use of our land and water resources; protecting our fish, wildlife, and biological diversity; preserving the environmental and cultural values of our parks and historic places; and providing for the enjoyment of life through outdoor recreation. The department assesses our energy and mineral resources and works to ensure that their development is in the best interests of all our people by encouraging stewardship and citizen participation in their care. The department also has a major responsibility for American Indian reservation communities and for people who live in island territories under U.S. administration.