



**U.S. Department
of Transportation**

General Counsel

1200 New Jersey Ave., S.E.
Washington, DC 20590

Office of the Secretary
of Transportation

February 1, 2015

Kim Delaney, Ph.D.
Director of Strategic Development & Policy
Treasure Coast Regional Planning Council
421 SW Camden Avenue
Stuart, FL 34994

File No.: FY 2016-085

Dear Dr. Delaney:

This is in response to your Freedom of Information Act (FOIA) request dated January 6, 2016. You requested documents and correspondence related to the All Aboard Florida (AAF) project and the matter of Private Activity Bonds related to the project. In a subsequent email, you specifically requested two pairs of documents:

- “First pair”: Letter from AAF to FRA transmitting the AAF’s proposed grade crossing infrastructure improvements in Phase 2 (from West Palm Beach north to Orlando) in October or November 2015 and FRA’s reply, dated on/around December 17, 2015.
- “Second pair”: Letter from AAF to FRA requesting an extension for the issuance of private activity bonds (PABs) and FRA’s letter extending the PABs – both from December 2015.

Because they contain information that may be confidential commercial or financial information, we need to coordinate the letters described as the “first pair” with AAF. Once we receive AAF’s input, we will make an independent determination regarding the releasability of the records and provide you with the records either in their entirety, or with appropriate redactions.

The letters described as the “second pair” are enclosed in their entirety with this letter.

If you have any questions, please call me at 202-366-5546.

Sincerely,

Kathy Ray
OST FOIA Officer

Enclosures

December 3, 2015

Mr. Paul Baumer
Office of Infrastructure Finance and Innovation
Office of the Secretary
U.S. Department of Transportation
W84-322
1200 New Jersey Ave., S.E.
Washington, DC 20590

Dear Mr. Baumer,

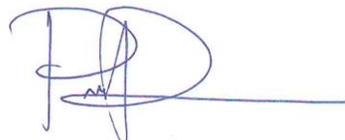
Thank you for the June 29, 2015 extension of the December 2014 provisional allocation of up to \$1.75 billion of private activity bond (PAB) authority in connection with the All Aboard Florida Project (the "Project"). The June 29 extension extended the provisional allocation of PAB authority by 6 months to January 1, 2016.

We continue to make great progress on the Project. Construction work continues at each of our Miami, West Palm Beach and Fort Lauderdale station sites, and Siemens Corporation is currently manufacturing Buy America-compliant train sets in its manufacturing facility in Sacramento, California. Also, the Federal Railroad Administration (FRA) issued its final environmental impact statement (FEIS) on August 4, 2015. However, as you know, we have recently decided to delay the issuance of our bonds due to market conditions. We are currently working with our underwriters and the Florida Development Finance Corporation to optimize the bond structure and terms for best execution, and plan to issue the bonds this spring. We also request the option to issue the bonds in multiple tranches if market conditions allow. Accordingly, we respectfully request a one year extension in order to restructure and issue these bonds.

We recognize that, as a prerequisite to All Aboard Florida's use of the PAB proceeds, we continue to be subject to the conditions contained in the December 22, 2014, DOT allocation approval letter, including the condition that All Aboard Florida implement any mitigation measures contained in the FRA's FEIS. As stated in our November 11, 2015 letter, we understand that the implementation of these mitigation measures includes the implementation of the recommended grade crossing improvements listed in Tables 3.3 – 8 through 3.3 – 12, as set forth in section 3.3.5.3 of the FEIS.

We are available at your convenience should you have any questions regarding the foregoing.

Sincerely,



P. Michael Reininger
President
All Aboard Florida-Operations, LLC



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Under Secretary of Transportation 1200 New Jersey Avenue SE
Washington, DC 20590

December 18, 2015

EXTENSION OF PAB ALLOCATION AVAILABILITY

Mr. Michael Reininger
President and Chief Development Officer
AAF Holdings LLC
2855 Le Jeune Road
4th Floor
Coral Gables, FL 33134

Dear Mr. Reininger:

Thank you for your December 3, 2015, letter requesting a one year extension of the Provisional Allocation of Private Activity Bond (PAB) Authority granted to the Florida Development Finance Corporation (FDPC) in connection with the All Aboard Florida project (the Project).

On December 22, 2014, the U.S. Department of Transportation (DOT) issued you a Provisional Bond Allocation Approval Letter that provisionally allocated up to \$1.75 billion of private activity bond authority with a bond issuance expiration date of July 1, 2015. On June 29, 2015, DOT extended the bond issuance expiration date to January 1, 2016. As a prerequisite to the use of PAB proceeds, you have agreed to complete and implement the mitigation measures set forth in the Federal Railroad Administration's (FRA) Final Environmental Impact Statement (FEIS), issued on August 4, 2015, including those mitigation measures related to safety improvements. These measures include the recommended grade crossing improvements identified in the Diagnostic Team Report (FEIS Appendix 3.3.5-B)—including as described by Section 3.3.5.3 of the FEIS and FEIS Tables 3.3-8 and 3.3-12, and by the December 16, 2015 letter from Mr. Patrick Warren and Ms. Jamie Rennert to Mr. Adrian B. Share (Letter)—except where changes to the recommended improvements have been approved by FRA in the Letter.

I understand that this second extension is needed because you have decided to delay the issuance of these bonds due to market conditions, and you are currently working with the FDPC and your underwriters to optimize the structure of your issuance. I also understand that there has been substantial progress on your project, with construction work continuing at the Miami, Fort Lauderdale, and West Palm Beach station sites, and Buy-America trainsets currently under manufacture in California. You have requested authority to issue the bonds in multiple tranches if market conditions allow, and a bond issuance expiration extension to January 1, 2017.

I am pleased to inform you that your request is approved, under the condition that at the time of the closing of the bond issue, a final bond counsel tax and validity opinion must be issued in substantially the form provided with the extension request on May 29, 2015. Any unused amount of the allocation after the initial bond issuance will remain available for subsequent tranches until January 1, 2017, unless DOT otherwise acts. The remaining conditions included in the original December 22, 2014, Provisional Bond Allocation Approval Letter are unchanged, and you are still expected to comply with them.

The DOT appreciates your participation in the private activity bond program, and we look forward to the successful financing and delivery of your project. For additional information or questions, please contact Paul Baumer in the Office of Infrastructure Finance and Innovation at (202) 366-1092.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Peter M. Rogoff", with a long horizontal flourish extending to the right.

Peter M. Rogoff

cc: Assistant Secretary for Budget & Programs, Office of the Secretary
General Counsel, Office of the Secretary
Administrator, Federal Highway Administration
Administrator, Federal Railroad Administration
Administrator, Federal Transit Administration