

Cost and Funding

Delivering an Efficient, Connected Transportation Network | Operated by 



Elizabeth River Tunnels

For more information about the Project, including the Comprehensive Agreement and other Project documents and to sign up for Project updates, please visit www.DriveERT.com

To report an incident or maintenance issue at the Elizabeth River Tunnels, call our 24-hour hotline: **1-855-ERT-ROAD (1-855-378-7623)**

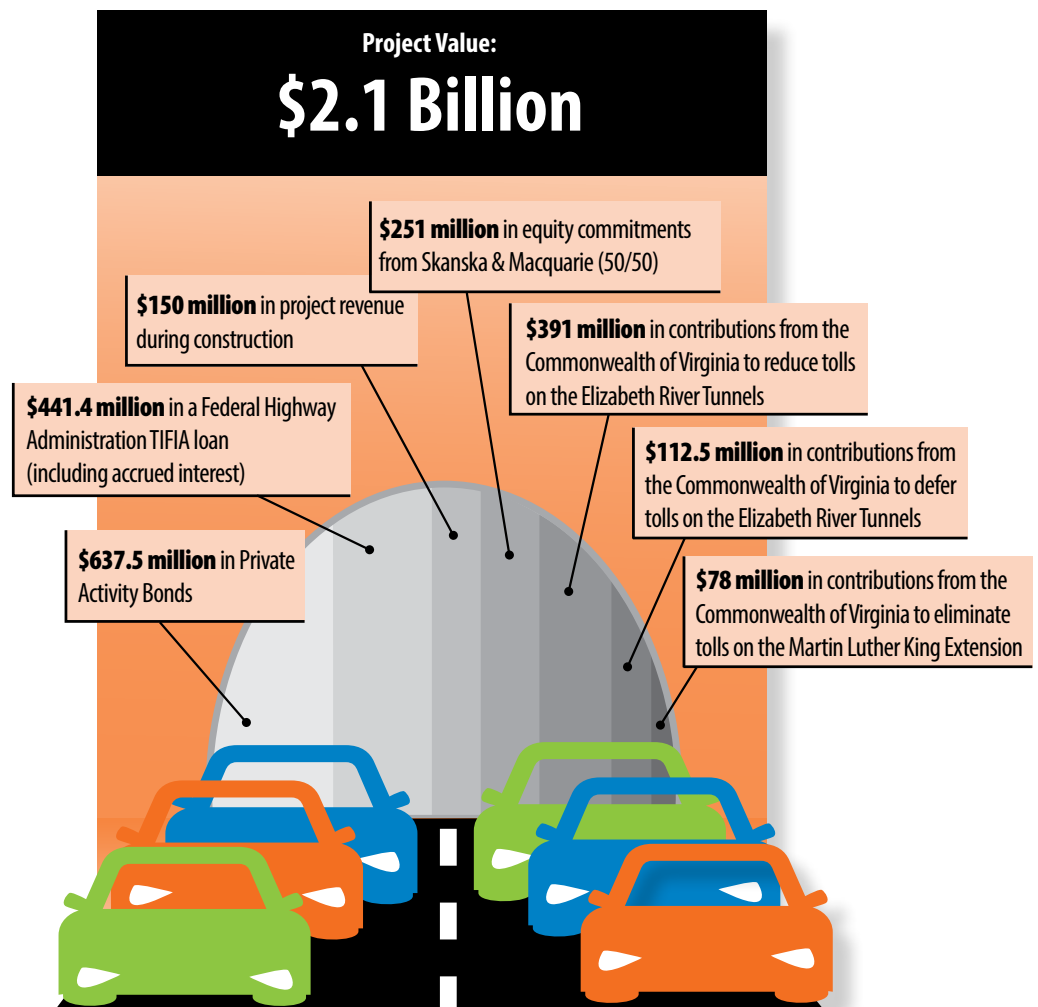
For inquiries about tolls or billing issues related to the Elizabeth River Tunnels Project, contact the ERT Customer Service Center directly at **1-855-ERT-ROAD or customerservice@DriveERT.biz**

Providing a Region-Wide Transportation Solution

Funding for the Elizabeth River Tunnels Project is made possible through a public-private partnership. This is a performance-based, contractual relationship that enables private companies to provide funding for public projects.

The fixed-price, date-certain cost for designing and building the new Midtown Tunnel and Martin Luther King (MLK) Extension was competitively reached and third-party validated as best value. Design and construction of the new Midtown Tunnel and the MLK Extension, along with rehabilitation of the existing Midtown Tunnel and the Downtown Tunnel is expected to cost \$2.1 billion, including operating costs, interest, insurance and reserves. Maintenance of the Downtown and Midtown tunnels, and MLK Extension is expected to cost an additional \$5.0 billion over the life of the contract.

Funding is expected from tolls, private equity, contributions from the Commonwealth of Virginia and a low-interest Federal Highway Administration loan.



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About the Project

The Elizabeth River Tunnels Project is a public-private partnership of the Virginia Department of Transportation and Elizabeth River Crossings, OpCo LLC. Located in Norfolk and Portsmouth, Virginia, the Project includes:

- A new two-lane tunnel under the Elizabeth River adjacent to the existing Midtown Tunnel
- Significant rehabilitation, fire, life and safety improvements to the existing Midtown and Downtown tunnels
- Extension of the U.S. 58 Martin Luther King Freeway from London Boulevard to Interstate 264 (I-264), with an interchange at High Street, creating an efficient, connected transportation network
- Modifications to the interchange at Brambleton Avenue/Hampton Boulevard in Norfolk
- Complete operations and maintenance responsibilities of the Elizabeth River Tunnels and associated roadways
- An annual subsidy to Hampton Roads Transit to increase bus service between Portsmouth and Norfolk to the highest levels of service, creating a cost-efficient alternative to driving

Key provisions include:

Elizabeth River Crossings (ERC) carries full traffic, revenue and toll collection risk– ERC is solely responsible for predicting this activity and successfully performing the related functions.

Toll revenue is contractually obligated to first fund the operations and maintenance of the Project. In a ‘waterfall’ effect, all income first goes to paying operations and maintenance costs, repaying debt and interest on reserve accounts. The last disbursement is to the toll facility operator as profit.

- **There is no guaranteed profit.** It is possible for the Project to lose money or make a profit.
- The contract enables profit sharing with the Commonwealth; related exhibits detailing this can be found at www.DriveERT.com.
- Tolls are at the lowest possible amounts to adequately fund the Project.
- **Virginia Department of Transportation (VDOT) has ultimate control over the tunnels** and can unilaterally suspend tolls for emergency evacuations and/or to divert traffic from a roadway emergency.
- **This project does not prohibit VDOT from building other crossings or projects. There is no non-compete clause.** VDOT can build any project, anywhere. If ERC believes the alternate roadway jeopardizes financing of this project, ERC would have to prove so in a petition to VDOT; compensation is not guaranteed.
- ERC is solely responsible for obtaining and repaying the debt required to fund the Project. There is no recourse to the Commonwealth of Virginia.
- The construction costs are fixed-price, date-certain with penalties for non-performance.
- **All documents related to the Comprehensive Agreement are available to the public online at www.DriveERT.com.**

