



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Sean T. Connaughton
Chairman

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Agenda item # 12

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

June 20, 2012

MOTION

Made By: Mr. Garczynski

Seconded By: Mr. Koelemay

Action: Motion Carried, Unanimously

Title: Approval of an \$80,000,000 Loan from the Virginia Transportation Infrastructure Bank to the Industrial Development Authority of Loudoun County for the Gloucester Parkway and Pacific Boulevard Extension Project

WHEREAS, the Industrial Development Authority of Loudoun County (the "IDA") and Kincora/NA Dulles Real Estate Investors LLC are proposing to extend Gloucester Parkway and Pacific Boulevard at the southeast quadrant of the intersection of Route 7 and Route 28 in the County of Loudoun; and

WHEREAS, Chapters 830 and 868 of the 2011 Acts of Assembly (the "Act") created the Virginia Transportation Infrastructure Bank ("VTIB") for the purpose of making loans and other financial assistance to localities, private entities and other eligible borrowers and grants to localities to finance transportation projects; and

WHEREAS, the IDA, in collaboration with Kincora/NA Dulles Real Estate Investor LLC, submitted an application dated December 23, 2011, subsequently revised in February 2012, ultimately requesting a \$80,000,000 loan from the VTIB to finance extensions to Gloucester Parkway and Pacific Boulevard (the "Project"); and

WHEREAS, the IDA is an Eligible Borrower under the Act meeting the respective definitions of a Governmental Entity, a political subdivision of the Commonwealth of Virginia and the application meets the mandatory criteria established by the Act for the VTIB; and

WHEREAS, the application has been screened and scored according to the Screening and Scoring Criteria established for the VTIB, and the creditworthiness of the IDA and Kincora/NA Dulles Real Estate Investor LLC and the financial feasibility of the Project have been assessed and evaluated; and

WHEREAS, the Virginia Department of Transportation (VDOT) and the Virginia Resources Authority (VRA) serving as the “Manager” of the VTIB have determined the Project to meet the goals and objectives of the VTIB and the Act, and the IDA has demonstrated the ability to repay the VTIB loan through a First Lien Deed of Trust on the entire Kincora property; and

WHEREAS, the VTIB Advisory Panel met on June 7, 2012 to discuss the merits of the application and unanimously voted to recommend the application to the CTB for approval based on the standard interest rate as set forth in the VTIB Guidelines; and

WHEREAS, according to the VTIB Program Overview, Guidelines and Selection Criteria dated October 2011, as approved by the CTB, the CTB shall act to approve or deny applications for assistance from the VTIB when presented by the VTIB Advisory Panel; and

WHEREAS, after action by the CTB, the scores of the applications will be posted on VDOT’s website, with the successful applications so noted; and

WHEREAS, following action by the CTB to approve the financial assistance from the VTIB, the Manager will provide a written commitment (the “Commitment”) to the potential recipient. The Commitment will outline the type of assistance to be provided and in the case of a loan, the required security provisions, the loan term and payment provisions, the amount of assistance to be provided and any conditions that must be met by the applicant prior to loan closing. The Commitment must be accepted by the potential recipient and returned signed to VRA within 60 days of the Commitment date to preserve the funding.

NOW, THEREFORE, BE IT RESOLVED, that based on recommendations from the VTIB Advisory Panel, the CTB hereby approves the IDA’s VTIB loan application to provide financial assistance in the form of a loan to the IDA for the Project up to \$80,000,000, based on the application submitted by the IDA;

BE IT FURTHER RESOLVED, that in accordance with the Credit Summary prepared by the VRA, the CTB authorizes VDOT and VRA to negotiate with the IDA, acceptable terms and conditions and to structure and/or restructure terms to utilize the VTIB assistance in the most viable and efficient manner. The standard interest rate will be applied to the loan based on the interest rate methodology defined in the VTIB Program Overview, Guidelines, and Selection Criteria. The interest rate shall be at 2.83% based on the June 11, 2012 AAA GO MMD scale, about one week prior to the CTB meeting.

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