



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Sean T. Connaughton
Chairman

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Agenda Item # 14

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

April 17, 2013

MOTION

**Made By: Mr. Garczynski Seconded By: Mr. Dana Martin
Action: Motion Carried, Unanimously**

Title: Approval of up to a \$36,000,000 Loan from the Virginia Transportation Infrastructure Bank to the Industrial Development Authority of Loudoun County for the Pacific Boulevard Extension Project (Amended Application)

WHEREAS, the County of Loudoun, Virginia (“Loudoun”) and Kincora/NA Dulles Real Estate Investor LLC (“NA Dulles”) are proposing to extend Pacific Boulevard at the southwest quadrant of the intersection of Route 7 and Route 28 in 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 Industrial Development Authority of Loudoun County (the “IDA”), in collaboration with NA Dulles, submitted an application dated December 23, 2011, and subsequently revised the application in February 2012 (the “Original Application”), requesting a \$80,000,000 loan from the VTIB to finance the construction of Gloucester Parkway and an extension and expansion of Pacific Boulevard (the “Original Project”); and

WHEREAS, on June 20, 2012, based on the recommendation of the VTIB Advisory Panel, the CTB approved the Original Application for \$80,000,000; and

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WHEREAS, the IDA in collaboration with Loudoun and NA Dulles submitted an amendment to the application on April 2, 2013 (the “Amended Application”), revising the \$80,000,000 Original Application loan request downward to a \$36,000,000 loan request from the VTIB to finance the extension and expansion of Pacific Boulevard (the “Project”), a component of the Original Project; and

WHEREAS, Loudoun County will construct the Gloucester Parkway component of the Original Project with cash, to be reimbursed later by cash contributions under existing proffers; and

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

WHEREAS, the Amended Application has been screened and scored according to the Screening and Scoring Criteria established for the VTIB, and the financial feasibility of the Project has 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, on a non-recourse conduit basis, and NA Dulles have demonstrated the ability to repay the VTIB loan; and

WHEREAS, the VTIB Advisory Panel met on April 5, 2013, to discuss the merits of the Amended Application and unanimously voted to recommend the Amended 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 (the “VTIB Guidelines”), 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, following action by the CTB, the scores of the applications will be posted on VDOT’s website, with the successful applications so noted; and

WHEREAS, pursuant to the VTIB Guidelines, 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

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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 the Amended Application submitted by the IDA and recommendations from the VTIB Advisory Panel, the CTB hereby approves the IDA's Amended Application to provide financial assistance in the form of a loan to the IDA for the Project up to \$36,000,000;

BE IT FURTHER RESOLVED, 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 Guidelines. The interest rate shall be at 2.83%, consistent with the approval of the Original Application.

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