



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 786-2940

Agenda Item # 13

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

December 9, 2015

MOTION

Made By: Mr. Williams, Seconded By: Mr. Rosen
Action: Motion Carried

Title: Approval of up to a \$50,000,000 Loan with Capitalized Interest from the Virginia Transportation Infrastructure Bank to the Chesapeake Bay Bridge and Tunnel District

WHEREAS, the Chesapeake Bay Bridge and Tunnel District (the "District"), a political subdivision of the Commonwealth, established pursuant to § 33.2-2201 of the *Code of Virginia*, is proposing to construct a parallel tunnel to the Thimble Shoal Tunnel to expand capacity, improve the safety and enhance the resiliency of its facility (the "Project"); 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 to finance transportation projects; and

WHEREAS, the District submitted an application dated September 19, 2014, and subsequently updated the application on August 14, 2015, requesting a \$50,000,000 loan from the VTIB to finance a portion of the Project; and

WHEREAS, the District is an Eligible Borrower under the Act meeting the definition of a Governmental Entity, as a political subdivision of the Commonwealth of Virginia created by the General Assembly, 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 District and the financial feasibility of the Project have been assessed and evaluated; and

Resolution of the Commonwealth Transportation Board
Approval of up to a \$50,000,000 Loan with Capitalized Interest from the Virginia Transportation
Infrastructure Bank to the Chesapeake Bay Bridge and Tunnel District for the Parallel Thimble
Shoal Tunnel Project
December 9, 2015

WHEREAS, the Virginia Department of Transportation (VDOT) and the Virginia Resources Authority (VRA) serving as the “Manager” of the VTIB have determined the Project meets the goals and objectives of the VTIB and the Act, and the District has demonstrated the ability to repay the VTIB loan; and

WHEREAS, the VTIB Advisory Panel met on November 16, 2015 to discuss the merits of the application and unanimously voted to recommend the application to the CTB for approval based on the applicable standard interest rate as set forth in the VTIB Guidelines for Governmental Entities; 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 and amount of assistance to be provided and in the case of a loan, the required security provisions, the loan term and payment provisions, and any conditions that must be met by the applicant for loan closing including but not limited to investment grade ratings and credit assistance from the U.S. Department of Transportation pursuant to the Transportation Infrastructure Finance and Innovation Act of 1998, as amended. 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 District’s VTIB loan application to provide financial assistance in the form of a loan to the District for the Project up to \$50,000,000 plus capitalized interest, based on the application and plan of finance submitted by the District;

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 District, 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 2.90% based on the December 2, 2015 AAA GO MMD scale for a Category B Governmental Borrower.

####