



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

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Agenda Item # 21

**RESOLUTION
OF THE
COMMONWEALTH TRANSPORTATION BOARD
January 14, 2015**

MOTION

Made By: Mr. Garczynski, Seconded By: Mr. Whitworth

Action: Motion Carried, Unanimously

Title: Approval of up to a \$50,000,000 Loan with Capitalized Interest from the Virginia Transportation Infrastructure Bank to the City of Alexandria for the Potomac Yard Metrorail Station Project

WHEREAS, the City of Alexandria (the “City”) is proposing the construction of the Potomac Yard Metrorail Station to serve the approximately 300 acre high-density Potomac Yard redevelopment; 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 City submitted an application dated September 12, 2014, and subsequently revised the application on December 5, 2014, requesting a \$50,000,000 loan from the VTIB to finance the construction of the Potomac Yard Metrorail Station; and

WHEREAS, the City is an Eligible Borrower under the Act meeting the respective definitions of a Governmental Entity, as a locality 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 City 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 meets the goals and objectives of the VTIB and the Act, and the City has demonstrated the ability to repay the VTIB loan; and

WHEREAS, the VTIB Advisory Panel met on December 19, 2014 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 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 City’s VTIB loan application to provide financial assistance in the form of a loan to the City for the Project up to \$50,000,000 plus capitalized interest, based on the application submitted by the City;

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 City, 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 2.17% based on the January 7, 2015 AAA GO MMD scale less 50 basis points for a Category A Governmental Borrower.

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