

Resolution #TC-15-3-10

Approval of Revised Central City SIB Loan Resolution

Approved by the Transportation Commission on March 19, 2015

WHEREAS, the Colorado State Infrastructure Bank (bank) is a transportation investment bank with the ability to make loans to public and private entities for the formation of public transportation projects within the state; and

WHEREAS, the General Assembly passed Legislation (43-1-113.5 CRS) that made certain provisions for the bank and established within the bank, a highway account, a transit account, an aviation account and a rail account; and

WHEREAS, a loan application has been submitted by the City of Central (borrower), to borrow \$1,521,639 to correct drainage issues and mitigate rockslide incidents; and

WHEREAS, the Transportation Commission has adopted rules, pursuant to 43-1-113.5 CRS, in 2 CCR 605-1 regarding the eligibility requirements, disbursement of funds, interest rates, and repayments of loans from the bank; and

WHEREAS, pursuant to 2 CCR 605-1, Rule VI, Section 4 the Review Committee has reviewed and is in support of the application; and

WHEREAS, 2 CCR 605-1, Rule VI, Section 6 (2) provides “loan agreements for construction will specify that funds will be disbursed in their entirety to a third party fiduciary or escrow agent” unless the Transportation Commission provides a specific exemption; and

WHEREAS, the borrower has expressed its intent to attain Colotrust (the agent) as the third party fiduciary, escrow, or administrative agent to confirm proper documentation from the borrower for loan draws and pay a 0.75% origination fee, with the Department’s Division of Highways, directly disbursing funds to the borrower upon receipt of the agent’s confirmation; and

WHEREAS, the Division of Project Support has reviewed and acknowledged the highway projects significance to transportation goals for which the Borrower requests to borrow funds; and

WHEREAS, a sufficient amount is available to loan in the highway account; and

WHEREAS, the term of the loan is ten (10) years with a 2.50% interest rate, set by the Transportation Commission semi-annually, the Borrower must maintain a minimum Current Asset Balance equal to the balance of the remaining Highway SIB loan; and, allow CDOT to have consent rights to any new parity obligations before issued by the City; and, provide CDOT the ability to retain any gaming revenues to be rebated back to the City in the event of non- appropriation: and, enable CDOT to retain the right to secure any gaming or device fee revenues if non-

appropriation should occur and HUTF (\$45,600 annual average over the past five years) funds do not cover principal and interest payments; and

NOW THEREFORE BE IT RESOLVED, the Transportation Commission authorizes the Department, under the guidance and direction of the Chief Financial Officer, to execute a loan agreement with the borrower in an amount of \$1,521,639 under the terms and provisions set forth in the adopted rules.

Herman F. Stockinger III
Herman Stockinger, Secretary
Transportation Commission of Colorado

4-1-15
Date