



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

August 25, 2021
AGENDA ITEM #7

Discuss and consider authorizing the execution and delivery of a TIFIA Loan Agreement with the United States Department of Transportation relating to the 183 North Mobility Project in accordance with specified parameters

Strategic Plan Relevance: Regional Mobility
Department: Finance
Contact: Bill Chapman, Chief Financial Officer
Associated Costs: N/A
Action Requested: Consider and act on the draft resolution

Background: The Mobility Authority is authorized to issue revenue bonds, notes, certificates or other obligations for the purposes of (i) financing and refinancing all or a portion of the cost of the acquisition, construction, improvement, extension or expansion of one or more turnpike projects (as defined in the Act), (ii) refunding, defeasing and redeeming any such obligations previously issued by the Authority and (iii) paying the expenses of issuing such revenue bonds, notes, certificates or other obligations.

Previous Actions & Brief History of the Program/Project: On February 24, 2021 the board adopted Resolution 21-007 authorizing the issuance of System revenue obligations to finance the design and construction of the 183 North Mobility Project and other improvements and extensions to the System. These revenue obligations included the issuance, sale and delivery of Central Texas Regional Mobility Authority Senior Lien Revenue Bonds, Series 2021B (the "Bonds"), and Subordinate Lien Revenue Bond Anticipation Notes, Series 2021C (the "BANs"). The BANs have a maturity date of January 1, 2027.

On March 31, 2021 the Board adopted Resolution 21-017 authorizing the staff and the Authority's consultants to apply for and negotiate the terms of a loan agreement with the United States Department of Transportation to refinance the BANs.

Parameters Resolution - The parameters resolution (i) authorizes the execution and delivery of (a) the TIFIA Loan Agreement as a credit agreement in connection with the BANs, (b) a Promissory Note (the "TIFIA Note") evidencing the obligations of the Mobility Authority under the TIFIA Loan Agreement, and (c) a Supplemental Indenture securing the TIFIA Loan Agreement as a subordinate lien obligation, (ii) authorizes the Board's designated Authorized Officer (Chairman, Executive Director, or Chief Financial Officer) to act on behalf of the Board to determine the final terms and conditions of the TIFIA Loan Agreement, the TIFIA Note, and the Supplemental Indenture, and (iii) authorizes and approves all other matters relating to the execution and delivery of the TIFIA Loan Agreement; provided, that the following conditions (parameters) can be satisfied:

(1) the aggregate principal amount of each of the TIFIA Loan Agreement and the TIFIA Note shall not exceed \$280,000,000; and

(2) the TIFIA Loan Agreement and the TIFIA Note shall not bear interest at an initial rate greater than 3.5%;

all based on the terms, conditions and provisions negotiated by the Authority for the TIFIA Loan Agreement.

Action requested/Staff Recommendation: Staff recommends the Board authorize the execution and delivery of the TIFIA Loan Agreement with the United States Department of Transportation in accordance with specified parameters; and authorize the execution and delivery of any and all documents, certificates, agreements and instruments necessary or desirable to be executed and delivered in connection with the foregoing; and enact other provisions relating to the subject.

Backup provided:

Draft Resolution

Draft Supplemental Indenture

Draft Loan Agreement