

TEXAS TRANSPORTATION COMMISSION

Harris County

MINUTE ORDER

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Houston District

The City of Seabrook (city) has submitted an application for financial assistance in the form of a loan of up to \$3,700,000 from the State Infrastructure Bank (SIB) under Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code (TAC), Chapter 6 (SIB Rules). The application satisfies all requirements of the rules, including passage by the city of a resolution authorizing submission of the application to the Texas Department of Transportation (department).

The intended use of the financial assistance conforms to the purposes of the SIB. The city intends to use the financial assistance to pay the costs associated with right-of-way acquisition and utility relocation necessary for a state highway improvement project on SH 146 (project).

The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project.

The city has proposed a pledge of ad valorem taxes as security for repayment of the loan.

In accordance with the SIB Rules, the executive director has negotiated all the terms of an agreement as necessary to protect the public's safety and to prudently provide for the protection of public funds while furthering the purposes of the SIB.

The SIB Rules allow for final approval by the commission of any SIB loan in the principal amount of \$10 million or less without first going through the preliminary approval process described in the SIB Rules if the financial assistance is to be used for a project for which the department has primary responsibility.

The executive director or his designee implemented actions authorized and required by the SIB Rules for final approval. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of the city's application for financial assistance from the SIB.

In accordance with the SIB Rules, the commission finds that:

1. the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization;
2. the project is not in a Clean Air Act non-attainment area;
3. the project will improve the efficiency of the state's transportation systems;
4. the project will expand the availability of funding for transportation projects or reduce direct state costs;
5. the application shows that the city is likely to have sufficient revenues to assure repayment of the financial assistance;
6. providing financial assistance will protect the public's safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and

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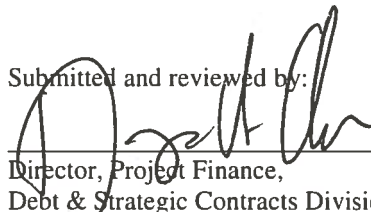
7. that the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED by the commission that the application submitted by the city for financial assistance in the form of a loan from the SIB meets the applicable requirements of the SIB Rules and, in accordance with those provisions, the commission grants final approval of the city's application for a SIB loan in an amount not to exceed \$3,700,000 to pay the costs associated with right-of-way acquisition and utility relocation necessary for the project.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is directed and authorized to enter into a financial assistance agreement with the city which complies with the SIB Rules and which contains the following terms:

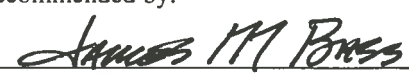
1. The loan will be repaid over a period of no more than 20 years at 3.15 percent interest per annum.
2. The city will pledge ad valorem taxes as security for repayment of the loan.
3. The loan must be fully disbursed within three years of the date of this minute order.
4. As a requirement for closing the loan and for disbursement of SIB funds, the city shall provide a certificate warranting that the proposed security is eligible to be used to repay the loan and that the financial assistance will not violate any of the borrowing or bond commitments the city has in place.
5. No deferral of repayment is authorized.

Submitted and reviewed by:



Director, Project Finance,
Debt & Strategic Contracts Division

Recommended by:



Executive Director

115264 JUL 26 '18
Minute Date
Number Passed