

APPLICATION INSTRUCTIONS

Complete the application form and attach all requested information. When the requested information is contained in an attached document, cite the document and page number where the information can be found (Example: See page 14 of the Preliminary Engineering Report).

Please send two copies of the completed application (including all attachments) to:
Virginia Resources Authority ("VRA")
1111 East Main Street, Suite 1920
Richmond, Virginia 23219

Alternatively, an electronic version of the application may be transmitted via email to VRA at loanrequireddocs@virginiaresources.org.

Program Summary:

- Small loan financing (loans of \$250,000 to \$750,000) that would otherwise be inefficient to finance through existing VRA programs that obtain financing through the public debt markets
- Fixed-rate loans with terms greater than 20 years
- Short-term financing in the form of bond anticipation notes (BANs), grant anticipation notes (GANs), or other interim funding prior to the issuance of long-term financing through another VRA program (i.e. the Virginia Pooled Financing Program, Clean Water Revolving Loan Fund, Drinking Water Revolving Loan Fund, etc.)

Eligible Borrowers:

- Virginia local governments, as defined in the Virginia Resources Authority Act, Chapter 21 of Title 62.1 of the Code of Virginia, as amended.

Authorized Project Areas:

<i>Water</i>	<i>Solid Waste</i>
<i>Wastewater</i>	<i>Airports</i>
<i>Public Safety</i>	<i>Brownfield Remediation</i>
<i>Transportation</i>	<i>Housing (local government supported)</i>
<i>Flood Prevention / Dam Safety</i>	<i>Land Conservation / Preservation</i>
<i>Parks & Recreation</i>	<i>Broadband</i>
<i>Energy</i>	<i>Local Government Buildings</i>
<i>Site Acquisition / Development</i>	<i>Administrative & Operations Systems</i>

Interest Rates, Loan Terms and Prepayment

- Fixed interest rate at the prevailing market rates based on comparable cost of funds available to VRA in the public debt markets
- Loan terms up to 30 years but not to exceed the estimated useful life of the financed asset
- After the first closing anniversary, prepayable anytime without penalty

Loan Security

- General obligation, lease revenue, system revenue, special fund revenue pledge
- Loan security is subject to VRA credit approval and based on existing underwriting criteria adopted by VRA's Board of Directors

Costs of Issuance

- VRA lender's counsel
- May include local bond counsel and local financial advisor (if applicable)
- Loan-funded local costs of issuance limited to 5% of loan principal amount

SECTION I - APPLICANT INFORMATION

Borrower Information

Legal Name of Applicant _____

Tax ID# _____

Mailing Address _____

Borrower Contacts

	Contact 1	Contact 2	Contact 3
Name			
Title			
Phone Number			
Email			

Consultant Information

	Engineer	Bond Counsel*	Financial Advisor
Firm Name			
Phone Number			
Email			

*local bond counsel should be a nationally recognized firm that serves or has served as bond counsel on debt transactions for governmental entities

SECTION II - REQUESTED PROCEEDS

Purpose

Use of funds New Money Refunding Both

Amount Requested

Project/Escrow Fund \$ _____

Local Costs of Issuance \$ _____

Total Requested Proceeds \$ _____

Additional Requested Terms

Desired Loan Term _____ Years

Capitalized Interest No Yes

If Yes, until what date _____

Will any of the requested proceeds be used to reimburse expenses?

No Yes (Attach Details)

SECTION III - PROJECT INFORMATION

Please Attach the Following

	Enclosed	Not Enclosed
Description of Project	<input type="checkbox"/>	<input type="checkbox"/>
PER or Feasibility Study	<input type="checkbox"/>	<input type="checkbox"/>
Project Budget	<input type="checkbox"/>	<input type="checkbox"/>
Expected Draw Schedule	<input type="checkbox"/>	<input type="checkbox"/>

Other Sources of Funds

Source	Amount	Application Submitted	Application Approved

Regulatory Approvals

	Date Submitted/Completed	Date Approved/Anticipated
Preliminary Engineering Report		
Final Plans and Specifications		
Environmental Assessment		

Governing Body Approvals

	Anticipated Date
Adoption of resolution or ordinance approving financing	
Adoption of reimbursement resolution (if applicable)	
Support agreement/moral obligation (if applicable)	

Permits

Permit Needed	Date Applied	Date Approved/Anticipated

Bidding Process

	Start Date	End Date
Advertise Bids		
Receive/Open Bids		
Award Bids		
Construction Timeline		

SECTION IV - REQUESTED SECURITY

Select the sources of funds to be pledged for the loan payment. More than one source can be pledged. Please see Section VII - Required Attachments for the selected security.

- General Obligation
- Lease of property/facility/equipment to be financed
- Revenues
- Water
 - Wastewater
 - Solid Waste
 - Other System (please specify) _____
 - Special Assessment
 - Other Sources (please specify) _____
- Support agreement/moral obligation from other government entity

SECTION V - TAX STATUS

If you answer Yes to any question, please attach the necessary document(s) or additional details. See Section VII - Required Attachments for additional information to complete the application.

Is all or any part of the project managed or operated or to be managed or operated by a nongovernmental* person?

- No Yes (Attach details)

Is all or any part of the project leased to or to be leased to any nongovernmental person?

- No Yes (Attach details)

Is all or any part of the project owned by or to be owned by any nongovernmental person?

- No Yes (Attach details)

Will any of the cost of the project be treated as depreciable by a nongovernmental person?

- No Yes (Attach details)

Will any part of the project or the service provided by the project NOT be available for general use, that is, use by natural persons not engaged in a trade or business, (for example, use by homeowners or commuters) on the same basis** as any use by nongovernmental persons engaged in a trade or business***?

- No Yes (Attach details)

Will any of the project or the service provided be used under an arrangement that conveys priority rights or other preferential benefits to any nongovernmental person?

- No Yes (Attach details)

Will any arrangement providing for payment for the use of the project or service be other than on the basis of rates that are generally applicable and uniformly applied?

- No Yes (Attach details)

*"nongovernmental person" means any person, firm or entity (including a non-profit organization) that is not a state or local governmental unit (or any instrumentality thereof). For this purpose, the federal government is a nongovernmental person.

**In general, use under an arrangement that conveys priority rights or other preferential benefits is not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable.

*Any activity carried on by a nongovernmental person other than a natural person is treated as a "trade or business"

SECTION V - TAX STATUS (CONTINUED)

If you answer Yes to any question, please attach the necessary document(s) or additional details. See Section VII - Required Attachments for additional information to complete the application.

Will any part of the project or the service provided be used by a nongovernmental person pursuant to (i) a sale at wholesale arrangement or (ii) a "take" or "put" or "take or pay" or "put or pay" contract?

No Yes (Attach details)

Is there any other arrangement not described above that will convey to a nongovernmental person any special legal entitlements for beneficial use of the proceeds of the financing or the project or service provided?

No Yes (Attach details)

Will any of the proceeds of the anticipated financing be lent to any person or entity other than the applicant?

No Yes (Attach details)

Will the anticipated financing fund working capital expenses?

No Yes (Attach details)

Will the anticipated financing involve prepayments (ex: prepayment of utility or construction expenses)?

No Yes (Attach details)

Will the applicant's obligation to pay of any part of the loan be guaranteed in whole or in part, directly or indirectly, by the federal government or any other nongovernmental person?

No Yes (Attach details)

Does the applicant intend to enter into a hedge with respect to the financing?

No Yes (Attach details)

If the applicant is applying for a refunding, are there any unspent proceeds of the bonds to be refunded?

No Yes (Attach details)

If this is a new money financing, does the applicant not expect to spend all of the proceeds of the financing (including investment earnings) within three years after the closing date?

No Yes (Attach details)

If this is a new money financing, has the applicant not incurred or not expect to incur within 6 months after the closing date a substantial binding obligation to expend at least 5% of the proceeds on the project?

No Yes (Attach details)

If this is a new money financing, does the applicant not reasonably expect to proceed with due diligence to complete the project?

No Yes (Attach details)

Will the applicant be reimbursed for any part of the cost of the project through a grant or similar arrangement by the federal government, the Commonwealth of Virginia (or any of its agencies or instrumentalities) or any other person, firm, or entity?

No Yes (Attach details)

Unless listed in the Project Budget (Section III), does the applicant expect to have on the closing date or any time thereafter any funds that are restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, for the payment of the costs of the project or the applicant's costs of issuance?

No Yes (Attach details)

Excluding annual debt service on the requested proceeds does the applicant expect that there will be any moneys, securities, obligations, or other replacement proceeds that will be accumulated or held or pledged as security by the applicant or any other beneficiary of the financing as security for or the direct or indirect source of the payment of such debt service?

No Yes (Attach details)

SECTION VI - FINANCIAL INFORMATION

Please answer each question below. If you answer Yes to any question, please attach document or additional details. See Section VII - Required Attachments for additional information to complete the application.

Is the applicant rated by Moody's, S&P, or Fitch?

- No Yes (Attach details)

Does the Applicant have a financial policy in place?

- No Yes (Attach details)

Does the Applicant have a multi-year capital improvement plan?

- No Yes (Attach details)

Does the Applicant perform long-term financial planning and/or revenue and expense forecasting beyond budget year and CIP?

- No Yes (Attach details)

Has the Applicant created any plans or policies for resiliency or emergency preparedness?

- No Yes (Attach details)

Is there an existing Master Indenture by which the Applicant issues debt?

- No Yes (Attach details)

Are there any service agreements, inter-local agreements, memoranda of understanding, or similar agreements that may affect the anticipated financing?

- No Yes (Attach details)

Since the date of your latest financial statements, have you issued or authorized any new long-term debt?

- No Yes (Attach details)

Are there any incidents that have occurred since the date of your last financial statements that would significantly affect your revenues or overall financial condition?

- No Yes (Attach details)

Have there been any abnormal budget amendments over the last five years?

- No Yes (Attach details)

Have there been any official statements (bond offering prospectuses) issued in the last 5 years?

- No Yes (Attach details)

Is there any pending or potential litigation by or against the Applicant?

- No Yes (Attach details)

Have there been any FOIA requests related to the project?

- No Yes (Attach details)

Has there been any public opposition to the project?

- No Yes (Attach details)

Are there any other known future material liabilities?

- No Yes (Attach details)

SECTION VII - REQUIRED ATTACHMENTS

Please attach the following documents or details. The application is considered incomplete absent the necessary attachments.

	Enclosed	Not Enclosed	N/A
Attachments For All Projects			
Description of the proposed project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PER or feasibility study	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Project budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anticipated draw schedule	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reimbursement resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Audited financial statements for last five years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Latest interim (unaudited) financial statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Current year operating budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
List of ten largest employers in Applicant's jurisdiction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
List of ten largest taxpayers in Applicant's jurisdiction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax Status Attachments from Section V	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Information Attachments from Section VI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attachments By Project Type			
Water/wastewater system attachments from Section VIII	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solid waste system attachments from Section IX	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government building or public safety facility attachments from Section X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attachments For Refundings			
Description of refunded proceeds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information on unspent proceeds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Details on previous advanced refundings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attachments For General Obligation Pledge			
Description of all outstanding debt supported by the General Fund, if not in audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SECTION VII - REQUIRED ATTACHMENTS (CONTINUED)

Please attach the following documents or details. The application is considered incomplete absent the necessary attachments.

	Enclosed	Not Enclosed	N/A
Attachments For Lease Pledge			
Description of all outstanding debt supported by the General Fund, if not in audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Copy of deed/title of collateral	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Description of current use of property/collateral	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Description of existing or anticipated encumbrances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental questionnaire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Most recent assessed value, insured value, or appraisal of property/facility/equipment to be financed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Survey and site plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Title insurance policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attachments For Revenue Pledge			
Description of all outstanding debt supported by the revenue source, if not specified in audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amortization schedule of all debt supported by the revenue source, if not specified in audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Five-year forecast for system or property producing revenue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Additional bonds test, if required by Master Indenture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Description of the system with an overview of the facilities, age, treatment capacity, number of customers, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attach a copy of the current rate schedule. Include the date the rates were adopted. Please indicate any charges that are not reflected in the rate schedule (i.e., hook-up fees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
History of rate increases (at least previous five years)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
List of system's ten largest customers/users	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total number of connections/customers for each of the last five years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amount of water flow, wastewater flow, landfill tonnage, and/or other revenue source for each of the last five years (annual, monthly, or daily)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liability insurance policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SECTION VIII - WATER/WASTEWATER SYSTEM

If the proposed project involves a water and/or wastewater system, please answer each question below; otherwise, skip this section. If you answer Yes to any question, please attach the necessary document(s) or additional details. See Section VII - Required Attachments for additional information to complete the application.

Are there any users of the system which do not pay in accordance with published rates?

- No Yes (Attach details)

Are there written agreements with any user(s) of the system?

- No Yes (Attach details)

Will a rate increase be needed to support debt service for this project?

- No Yes (Attach details)

Have there been operating transfers to or from the Enterprise Fund over the past five years?

- No Yes (Attach details)

Are there any subsidy agreements?

- No Yes (Attach details)

Will the operation and maintenance from the proposed project cause any changes to operating expenses?

- No Yes (Attach details)

Are any regulatory approvals still needed for the project to proceed?

- No Yes (Attach details)

Does the Applicant still need to obtain a Certificate to Construct?

- No Yes (Attach details)

Does the applicant need to acquire any property or easements to complete the project?

- No Yes (Attach details)

Does the Applicant have legal rights to the water source necessary for the project for the life of the anticipated financing?

- No Yes (Attach details) N/A

If a new water sources is necessary for the project, has an engineer certified that the water sources is of sufficient quality and quantity?

- No Yes (Attach details) N/A

SECTION IX - SOLID WASTE SYSTEM

If the proposed project involves a solid waste system, please answer each question below; otherwise, skip this section. If you answer Yes to any question, please attach the necessary document(s) or additional details. See Section VII - Required Attachments for additional information to complete the application.

Facility (existing or to be built)

Facility Name _____

Owner _____

Address _____

Estimated useful life _____

Estimated closure cost _____

Planned end date of site _____

Name and location of competing landfill _____

Operational & Legal

Are there any local ordinances that require or prohibit use of this facility by waste disposers?

- No Yes (Attach details)

Are there, or will there be, service agreements in place with respect to this project?

- No Yes (Attach details)

Have there been any material citizen or neighbor complaints/lawsuits with regard to the facility's operations?

- No Yes (Attach details)

Have there been any material complaints, notices of violation or non-compliance actions, lawsuits or threats of action or lawsuit by a government agency, board, or office?

- No Yes (Attach details)

Are there any conditions and/or restrictions on the use of the Facility imposed by contracts, recorded covenants and restrictions, court decisions, zoning proffers, special exception or conditional use permits, which may materially affect the financial feasibility of the facility or the system?

- No Yes (Attach details)

Have plans or proposals for a new system, or expansion to an existing system, failed to meet regulations of any governing agency, board, or office?

- No Yes (Attach details)

Does, or will, the use of the facility result in any discharge of leachate or runoff, treated or untreated, into any waterbody or watercourse or into groundwater?

- No Yes (Attach details)

Does, or will, the use of the facility affect ambient air quality?

- No Yes (Attach details)

Are there user agreements with any local haulers?

- No Yes (Attach details)

SECTION X - GOVERNMENT BUILDING/PUBLIC SAFETY

If the proposed project involves a government building or a public safety facility/equipment, please answer each question below; otherwise, skip this section. If you answer Yes to any question, please attach the necessary document(s) or additional details. See Section VII - Required Attachments for additional information to complete the application.

Facility (existing or to be built)

Facility Name _____

Address _____

Occupant(s)/Tenant(s) _____

Please Attach the Following

	Enclosed	Not Enclosed
Description of public safety facilities	<input type="checkbox"/>	<input type="checkbox"/>
Details of expected changes in expense	<input type="checkbox"/>	<input type="checkbox"/>
Regional jail agreement (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>
History of per diem rates	<input type="checkbox"/>	<input type="checkbox"/>

Operational & Legal

If the project to be financed is a volunteer fire/rescue facility, does the volunteer organization have a Section 501(c)(3) certification from the Internal Revenue Service?

- No Yes (Attach details)