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Wyoming Aeronautics Commission Loans

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Section 1. **Authority and Purpose.**

These Rules and Regulations are adopted pursuant to Wyoming Statute (W.S.) 10-3-403(e) to administer the Wyoming Aeronautics Commission Loan Program.

Section 2. **Definitions.**

(a) “Administrator” means the Administrator of the Wyoming Department of Transportation (WYDOT) Aeronautics Division.

(b) “Commission” means the Wyoming Aeronautics Commission.

(c) “Division” means the WYDOT Aeronautics Division.

Section 3. **General Policy.**

The Commission shall extend loans under the provisions of these rules and regulations in such a manner and to such applicants as shall, in the Commission’s judgment, create the greatest benefit for the state’s citizens and represent a prudent use of loan funds.

Section 4. **Loan Eligibility.**

(a) Applicants. Wyoming counties, cities and towns, and joint powers boards specifically involved in providing governing authority over airports and empowered pursuant to W.S. 10-5-101 through W.S. 10-5-204 shall be eligible to apply for loans under these rules and regulations. Joint Powers Boards applying for loans shall be legally formed and approved before applying.

(b) Purposes. Loans may be extended to public-use airports for construction, development, and improvement of airport facilities generating user fees, with the following exceptions:

(i) Loans shall not be extended for fuel system and/or fuel tank removal, or for asbestos removal.

Section 5. **Application Procedure.**

(a) Applications. Separate applications shall be prepared for each project. Applicants shall submit three (3) copies of their completed application to the Division.

(b) Timing. The Division shall receive applications for loans under this chapter at least thirty (30) working days before the next regular Aeronautics Commission meeting.

(c) Information Required. A properly executed Loan Application must be submitted. The Division shall provide the applicant with the application forms. The following items shall be provided in the application package:

- (i) A full description of the proposed project, including a licensed engineer's statement of feasibility for the project, if applicable.
 - (ii) The loan amount requested and the proposed source of repayment.
 - (iii) A description of other project funding sources committed, and the anticipated portion of the project cost to be funded from each source, including any future loan applications under this chapter. A copy of the funding commitment from other participants shall be provided if so requested by the Commission.
 - (iv) If requested by the Commission, a copy of the joint powers agreement approved by the Attorney General of the State of Wyoming, and a copy of the certificate of organization filed with the Secretary of State.
 - (v) List sources of repayment of this loan, including amounts to be utilized for this purpose; provide letters of commitment from prospective hangar lessees, if applicable, to assist in establishing the estimated utilization factor and in calculating repayment capability.
 - (vi) Other applicable information the Commission deems reasonable, prudent, and necessary.
- (d) Preliminary Review. Within ten (10) working days of receiving an application for a loan, the Division shall notify the applicant, in writing, if the application lacks any item required in the preceding subsection (c) of this section. The applicant shall have ten (10) working days to submit the required information.
- (e) Incomplete Applications. Incomplete applications shall not be presented to the Commission for consideration.

Section 6. **Evaluation.**

- (a) Criteria. The Division shall evaluate the applications, and the Administrator shall formulate a recommendation to the Commission using the following criteria:
- (i) Whether the user fees or assessments generated by the project will be sufficient to justify the loan as a reasonable and prudent investment of state funds;
 - (ii) Whether the proposed project is eligible for the Aeronautics Commission Loan Program;
 - (iii) Whether the applicant is meeting any and all, current or past repayment obligations to the Commission;
 - (iv) The proposed project's merit in relation to the overall state system planning and its usefulness in achieving state goals.
- (b) Interagency Consultation. The Administrator may request pertinent state agencies to assist in reviewing applications and providing comments to the Division for Commission consideration.

Section 7. Commission Consideration.

The Commission shall consider each loan application; allow for comments from the applicant and the Administrator; and establish the amount of the loan and the type of security required for the loan. The Commission shall then decide whether to approve the loan request.

Section 8. Loan Interest Rate.

The interest rate for loans under this chapter shall be five percent (5%) per annum, or as otherwise established by Wyoming Statute 10-3-403.

Section 9. Terms of Repayment.

The term of repayment for loans made under this section shall not exceed twenty (20) years, pursuant to W. S. 10-3-403(b). Terms of repayment will also adhere to the conditions set forth in the specific loan documents.

Section 10. Security Interest.

- (a) The Commission may require a first-position security interest in the revenue-generating facility and the user fees or assessments. The Commission also reserves the right to withhold the applicant's yearly State Grant Funding and apply those funds to the unpaid balance of the loan in the event of default by the applicant.
- (b) During the life of the loan the applicant shall:
 - (i) Maintain adequate insurance on the facility;
 - (ii) Pay all applicable taxes and assessments when due;
 - (iii) Maintain the facility in good condition; and
 - (iv) Adhere to and enforce the Sponsor's Assurances as per the Certificate Of State Airport Loan.

Section 11. Division Action.

Upon approval of the Commission, the Division shall execute the necessary paperwork for the loan. The Commission shall perfect this loan in the County where the asset is located.

Section 12. **Audits and Inspections.**

The Commission may, at its expense, audit the records of the applicant and inspect the construction and operation of the project at any time during the term of the loan.

