



Commonwealth of Virginia
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Policy and Procedures Guidance Bulletin #13

Topic: updates for the Virginia Airports Revolving Fund May 20, 2013

Issue: The Virginia Resources Authority (VRA) has made a change in its process of approving loans under the Virginia Airports Revolving Fund and provided additional information to the evaluation and selection process.

Guidance: VRA presented an updated Memorandum of Agreement (MOA) between VRA, the Virginia Aviation Board (VAB), and the Virginia Department of Aviation (DOAV) at the February VAB meeting. The updated MOA describes the current procedures and responsibilities of the parties as it relates to administration of the Virginia Airports Revolving Fund (VARF). The updated MOA includes a description of VRA's underwriting guidelines and credit approval procedures, which govern VRA's credit decisions related to VARF loan requests. Previously, all VARF loan requests were brought to VRA's Board of Directors for review and approval; however, after the adoption of a standard set of underwriting guidelines, VARF loan requests could be reviewed and approved by a staff-level credit committee as long as the loan conforms to the adopted underwriting guidelines. Any loan request that does not conform to VRA's underwriting guidelines must receive special approval by VRA's Portfolio Risk Management Committee and Board of Directors. The VAB passed a motion at its May 16, 2013, meeting to move forward with the signing of the updated MOA.

VRA has provided additional information on the process found in section 12.4 Evaluation and Selection Process. Loan applicants must demonstrate a sufficient loan repayment source and a satisfactory credit profile in the context of credit underwriting guidelines approved by VRA's Board of Directors and approved for use in underwriting VARF loans by the VAB. The role of the VAB and DOAV in the application process will not change.

VRA also provided clarification that its financing resources are available to public-use, publicly-owned airports in the Commonwealth. The description in the 2011 Airport Program Manual only referenced public-use airports.

Reference: *Airport Program Manual*
12.1 Virginia Airports Revolving Fund
12.4 Evaluation and Selection Process

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