

Staff Summary

Subject Authorization to Amend the TBTA Multiple Credit and Series 2025 Supplemental Resolution to authorize the use of term loan agreements to finance Transit and Commuter Projects secured by certain authorized revenues
Department Finance
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature
Project Manager Name Olga Chernat, Deputy Chief, Financial Services

Date February 26, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	2/24/25			
2	Board	2/26/25			

Internal Approvals			
Order	Approval	Order	Approval
1	Legal	2	Chief of Staff

PURPOSE

On December 18, 2024, the Board of Directors (“TBTA Board”) of the Triborough Bridge and Tunnel Authority (“TBTA”) adopted the Multiple Credit and Series 2025 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations (the “TBTA Multiple Credit and Series 2025 Supplemental Resolution”) for calendar year 2025 to authorizing the issuance of new money bonds, bond anticipation notes and refunding bonds to finance, among other things, the costs of capital projects in approved transit and commuter capital programs. The MTA Finance Department is seeking TBTA Board authorization and approval of an amendment to the TBTA Multiple Credit and Series 2025 Supplemental Resolution, a copy of which is attached hereto (the “TBTA Amendment Resolution”), which would amend the TBTA Multiple Credit and Series 2025 Supplemental Resolution to include authorization and approval of the necessary documentation for TBTA to borrow funds under one or more term loan agreements (“Term Loan Agreements”) with financial institutions (each, a “Bank”) to finance the costs of approved transit and commuter capital projects included within the 2020 to 2024 MTA Capital Program or any successor approved programs (collectively, “Authorized Purposes”). TBTA’s obligations to repay a Bank for the term loan and other amounts owing to a Bank under a Term Loan Agreement will be payable from monies of the Issuer or the MTA that are authorized under New York State law to be pledged by the Issuer and available to secure and be applied to the payment of obligations of the Issuer (“Authorized Revenues”), which may include, but is not limited to, monies derived from tolls, fees and other charges (“CBD Revenues”) under the Central Business District Tolling Program (“CBD Tolling Program”) after payment of certain costs of operating and administering, and properly allocable to, the CBD Tolling Program and certain mitigation costs. Amounts owed to the Bank may be payable from other available financing sources of TBTA and MTA.

BACKGROUND AND DISCUSSION

The CBD Tolling Program went into effect in January 2025. As is often the case with new funding sources, it is difficult for MTA to structure a new long-term bonding credit to leverage these monies until a sufficient operating and collection history is available. TBTA, under Section 553-j of the New York Public Authorities Law, is authorized to pledge the CBD Tolling Revenues to the payment of obligations incurred for Authorized Purposes under financing agreements, including the payment of debt service and other amounts required under financing agreements.

TBTA Board approval is sought for the Amendment to the TBTA Multiple Credit and Series 2025 Supplemental Resolution attached hereto (the “TBTA Amendment Resolution”), which delegates to the Chairman, the Chief Financial Officer of the MTA or the Deputy Chief, Financial Services of the MTA, or their designees (the “Authorized Officers”) the authority to enter into new Term Loan Agreements with or one or more financial institutions to finance the costs of approved transit and commuter projects, to determine and accept the terms and provisions thereof, including, without limitation, financial

and/or other covenants (including covenants of MTA), events of default and remedies, and to execute and deliver such additional agreements, including security agreements and account control agreements, and related closing certificates and documents and to take such other actions as may be necessary or desirable to effectuate such transactions. Any such Term Loan Agreement and documents will be in the forms such officers shall deem advisable, with the execution and delivery of such Term Loan Agreement and documents being conclusive evidence of the determinations and approval of any one or more of the foregoing Authorized Officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any such documents.

The TBTA Amendment Resolution also delegates to the Authorized Officers the authority to determine the Authorized Revenues to be pledged to secure the Issuer's repayment obligations under a Term Loan Agreement, which may include, but is not limited to, CBD Tolling Revenues.

The TBTA Multiple Credit and Series 2025 Supplemental Resolution currently authorizes the issuance of new money bonds, bond anticipation notes and refunding bonds to finance, among other things, in the aggregate principal amount of up to \$7.0 billion in the case of transit and commuter capital programs ("Transit and Commuter Authorized Principal Amount"). The TBTA Amendment Resolution provides that such Transit and Commuter Authorized Principal Amount will be reduced by the principal amount of any loan made under a Term Loan Agreement to finance transit and commuter projects.

ALTERNATIVES:

The authorization to enter into one or more Term Loan Agreements will allow MTA to finance Authorized Purposes using Authorized Amounts until a sufficient operating history is available to structure new long-term bonding credits using new funding sources for such amounts. TBTA and MTA could continue to finance such Authorized Purposes under other bond credits.

RECOMMENDATION:

The TBTA Board and MTA Board approve the above-referenced resolution authorizing the use of term loan agreements, and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith.

AMENDMENT TO TBTA MULTIPLE CREDIT
AND SERIES 2025 SUPPLEMENTAL RESOLUTION

WHEREAS, the Board of Triborough Bridge and Tunnel Authority (the “Issuer”) adopted the Multiple Credit and Series 2025 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations (the “TBTA Multiple Credit and Series 2025 Supplemental Resolution”) on December 18, 2024 (capitalized terms used herein and not otherwise defined herein shall have the meaning set forth in the TBTA Multiple Credit and Series 2025 Supplemental Resolution;

WHEREAS, the TBTA Multiple Credit and Series 2025 Supplemental Resolution, among other things, authorizes the issuance of Series 2025 Obligations to finance Applicable Transit and Commuter Projects as therein provided;

WHEREAS, the Issuer would like the ability to enter into one or more term loan agreements with banks and financial institutions payable from monies of the Issuer or the MTA that are authorized under New York State law and available to be pledged by the Issuer (“Authorized Revenues”) to secure and be applied to the payment of obligations of the Issuer to Capital Costs of Applicable Transit and Commuter Projects;

WHEREAS, the Issuer’s payment obligations under the term loan agreements may be payable from other available financing sources of TBTA and MTA, including the proceeds of bonds, notes and other obligations, including revenue anticipation notes, issued under the Issuer’s Applicable Transit and Commuter Resolutions (as defined in the TBTA Multiple Credit and Series 2025 Supplemental Resolution) and under the Metropolitan Transportation Authority’s (“MTA”) Applicable Transit and Commuter Resolutions (as defined in MTA’s Multiple Credit and Series 2025 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations adopted on December 18, 2024 (the “MTA Multiple Credit and Series 2025 Supplemental Resolution”));

BE IT RESOLVED by the Issuer as follows:

1. A new Article VI is hereby added to the TBTA Multiple Credit and Series 2025 Supplemental Resolution to read as follows:

“ARTICLE VI

Section 6.01. Term Loan Agreements.

(a) The Issuer intends to finance Applicable Transit and Commuter Projects (whether directly or as a reimbursement) consisting of capital assets, whether in the nature of personal or real property, as more fully described in the capital programs adopted by the Issuer or by the MTA by entering into one or more term loan agreements with financial institutions (“Term Loan Agreements”) evidencing the Issuer’s repayment obligations with respect to amounts loaned to the Issuer (“Term Loans”) under such Term Loan Agreements.

(b) The Transit and Commuter Authorized Principal Amount shall be reduced by the principal amount of the Term Loan made under a Term Loan Agreement to finance transit and commuter projects.

(c) There is hereby delegated to each Authorized Officer the following powers with respect to such Term Loans:

(i) to determine whether and when to enter into any Term Loan Agreement, the principal amount and maturity date of each Term Loan, the interest rate(s) applicable to such Term Loan, the prepayment terms, the amount of the Term Loan to be applied to finance Capital Costs of the Applicable Transit and Commuter Projects and to fund a reserve requirement, if any, and to pay any costs in respect of the entering into of such Term Loan Agreement, and the Authorized Revenues to be pledged to secure the Issuer's repayment obligations under the Term Loan Agreement, which may include monies derived from tolls, fees and other charges under the Issuer's Central Business District Tolling Program ("CBD Tolling Program") after payment of certain costs of operating and administering, and properly allocable to, the CBD Tolling Program and certain mitigation costs ("Net CBD Tolling Revenues");

(ii) to execute and deliver one or more Term Loan Agreements with one or more financial institutions selected by such Authorized Officer, to determine and accept the terms and provisions thereof, including, without limitation, financial and/or other covenants (including covenants of MTA), events of default and remedies, and to execute and deliver such additional agreements, including security agreements and account control agreements, and related closing certificates and to take such other actions as may be necessary or desirable necessary to effectuate the transactions authorized hereby. Any such Term Loan Agreement and documents will be in the forms such officer shall deem advisable, with the execution and delivery of such Term Loan Agreement and documents being conclusive evidence of the determinations and approval of any one or more of the foregoing Authorized Officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any such documents.

(d) For purposes of refunding or refinancing a Term Loan under a Term Loan Agreement, the Term Loan shall be treated under the Supplemental Resolution in the same manner as Series 2025 Notes to the effect that the authorization to issue Series 2025 Obligations to refinance a Term Loan made under a Term Loan Agreement shall continue in effect until the Term Loan has been refinanced by Series 2025 Bonds or otherwise repaid, including by the issuance of Cross-Credit Obligations and by revenue anticipation notes."

2. This amendment to the TBTA Multiple Credit and Series 2025 Supplemental Resolution shall take effect immediately upon adoption.