

7380.0715 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 7380.0705 to 7380.0775 have the meanings given them in this part.

Subp. 2. **Act.** "Act" means the National Highway System Designation Act of 1995, Public Law 104-59, as amended.

Subp. 3. **Applicant.** "Applicant" means an eligible borrower under Minnesota Statutes, section 446A.085, subdivision 1, paragraph (b), that applies for a loan from the fund.

Subp. 4. **Application.** "Application" means the documents submitted to the executive director of the authority by an applicant that contain information and data in support of the applicant's loan request to the authority. The application includes the complete application forms provided by the authority. Municipal applicants must submit a municipal profile and current annual budget, or financial forecasts, as applicable, and financial audits for the last three years.

Subp. 5. **Authority.** "Authority" means the Minnesota Public Facilities Authority created in Minnesota Statutes, chapter 446A.

Subp. 6. **Basis point.** "Basis point" means the shorthand reference to 1/100 (0.01) of one percent.

Subp. 7. **Bond market index.** "Bond market index" means a nationally recognized index of yields on tax-exempt bonds, mainly of investment grade, that issuers would pay on issues of various maturities.

Subp. 8. **Debt service account.** "Debt service account" means a separate bookkeeping account established and maintained in a borrower's official financial records to account for the accumulation of resources for, and the payment of, the general obligation bond or revenue bond purchased by the authority.

Subp. 9. **Dedicated sources of revenue.** "Dedicated sources of revenue" means one or more sources of revenue pledged by a borrower for repayment of the loan.

Subp. 10. **Department.** "Department" means the Minnesota Department of Transportation.

Subp. 11. **Eligible costs.** "Eligible costs" means all or part of the cost of a project that may be financed by a loan from the fund provided the costs are permitted under the act and Minnesota Statutes, section 446A.085. Eligible costs include capitalized interest.

Subp. 12. **Executive director.** "Executive director" means the executive director of the authority.

Subp. 13. **Financial capability.** "Financial capability" means the capability of a borrower to retire debt incurred from the fund, as determined by its fiscal and socioeconomic data through such measures as: population trends, median household income, debt per capita, composition of municipal long-term debt, debt service coverage ratio, revenue coverage ratio, planned capital improvements, liquidity, revenue forecasts, audits or financial statements, as applicable, income and earning forecasts, financial forecasts, credit reports, and net worth calculations.

Subp. 14. **Fund.** "Fund" means the transportation revolving loan fund created in Minnesota Statutes, section 446A.085.

Subp. 15. **General obligation bond.** "General obligation bond" means a bond or note that is secured by the full faith and credit of a borrower as provided in Minnesota Statutes, chapter 475.

Subp. 16. **Loan.** "Loan" means financial assistance as defined in Minnesota Statutes, section 446A.085, subdivision 1, paragraph (d).

Subp. 17. **Loan agreement.** "Loan agreement" means the financing agreement between the borrower and the authority that provides the interest rate and the terms and conditions of the loan.

Subp. 18. **Municipal profile.** "Municipal profile" means a written document prepared by a municipality that describes population trends, major employers, building permits, largest taxpayers, trends of estimated market values, property tax rates, property tax collection, net tax capacity, indebtedness, budget forecasts, project capital expenditures, educational and health care facilities, and other information deemed necessary by the authority or its rating agencies to make an informed determination on the creditworthiness of the municipality.

Subp. 19. **Revenue bond.** "Revenue bond" means a bond or note payable from one or more specified sources of revenue and to which the full faith and credit of the issuing entity is not pledged.

Subp. 20. **Transportation committee.** "Transportation committee" means a committee of the authority, acting on behalf of the authority, as provided in Minnesota Statutes, section 446A.085, subdivision 1.

Statutory Authority: *MS s 446A.085*

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