

Arizona Department of Transportation
Highway Extension and Expansion Program
2016 Annual Report



INTRODUCTION

The Highway Expansion and Extension Loan Program (HELP) provides the State and its communities with an innovative financing mechanism to accelerate the funding of transportation projects. This mechanism is referred to as a State Infrastructure Bank (SIB) and was initially authorized by Congress in 1995. A SIB operates like a bank by providing loans for eligible projects.

HELP, Arizona’s SIB, was established in 1998, and is operated under the authority of the State Transportation Board. The members of the State Transportation Board as of June 30, 2016 are shown below.

Deanna L. Beaver Chairman District 6	
William F. Cuthbertson, Vice Chairman District 3	Michael S. Hammond, Member District 2
Steve Stratton, Member District 4	Jack Sellers, Member District 1
Arlando S. Teller District 5	Joseph E. La Rue Member District 1

FY 2016 ACTIVITY

No new HELP loans were approved in 2016 and no loans were outstanding.

Laws 2015, Chapter 8 transferred \$20 million of non-federal funds from the HELP fund to the state general fund to occur in fiscal year 2016. After this transfer, the remaining balance of the fund at June 30, 2016 was \$59,293,343.

FINANCIAL CONDITION OF THE HELP FUND

**Arizona Department of Transportation
 Highway Expansion and Extension Loan Program Fund
 Statement of Net Position
 For the fiscal years ended June 30, 2016 and 2015
 (Audited)**

	<u>2016</u>	<u>2015</u>
Current assets	\$ 59,293,343	\$ 78,770,273
Non-current assets	<u>-</u>	<u>-</u>
Total assets	<u>59,293,343</u>	<u>78,770,273</u>
Current liabilities	-	-
Non-current liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>
Net assets		
Restricted	<u>59,293,343</u>	<u>78,770,273</u>
Net position	<u>\$ 59,293,343</u>	<u>\$ 78,770,273</u>

FINANCIAL CONDITION OF THE HELP FUND

**Arizona Department of Transportation
Highway Expansion and Extension Loan Program Fund
Statement of Revenues, Expenses and Changes in Net Position
For the fiscal years ended June 30, 2016 and 2015
(Audited)**

	<u>2016</u>	<u>2015</u>
Revenues:		
Operating revenues		
Interest on loans receivables	\$ -	\$ -
Non-operating revenues		
Income from invested cash	<u>559,869</u>	<u>587,016</u>
Total revenues	<u>559,869</u>	<u>587,016</u>
Expenses:		
Operating expenses	-	-
Non-operating expenses	<36,799>	43,169
Distribtuions to other state agencies	<u><20,000,000></u>	-
Total expenses	<u><20,036,799></u>	<u>43,169</u>
Change in net position	<19,476,930>	543,847
Net position - July 1	<u>78,770,273</u>	<u>78,226,426</u>
Net position - June 30	<u>\$ 59,293,343</u>	<u>\$ 78,770,273</u>

**HIGHWAY EXPANSION AND EXTENSION LOAN PROGRAM
(HELP)**

LOAN STATUS AS OF JUNE 30, 2016 STATEWIDE LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
ADOT	Reconstruction	SR260, Show Low to Pinetop	2/18/2000	2.93%	\$5,664,000	Feb-02	\$4,666,837	Paid in full 02/25/2002
TOWN OF CHINO VALLEY	Construction	Center Street	3/17/2000	4.50%	\$300,000	Jan-05	\$300,000	Paid in full 01/11/2005
ADOT	Design, Right of Way	Various projects state wide	5/19/2000	3.46%	\$5,707,000	Mar-04	\$5,165,861	Paid in full 03/16/2004
CITY OF SIERRA VISTA	Construction	Buffalo Soldier Trail 7th St. to SR 90	7/21/2000	4.00%	\$1,970,000	Jun-03	\$1,970,000	Paid in full 06/13/2003
LA PAZ COUNTY	Reconstruction	Salome Road - Centennial Wash	12/18/2000	2.93%	\$2,000,000	Jan-04	\$1,448,568	Paid in full 05/31/2002
ADOT	Reconstruction	SR 260, Pinetop to Hon-Dah	1/19/2001	2.93%	\$8,400,000	May-03	\$6,038,856	Paid in full 05/20/2003
SANTA CRUZ COUNTY	Reconstruction	South River Road	1/19/2001	3.11%	\$1,150,000	Jan-07	\$643,827	Paid in full 09/27/2005

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LOAN STATUS AS OF JUNE 30, 2016 STATEWIDE LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
ADOT	Design	Naha 'Ta' Dziil Rd Sanders TI	3/16/2001	3.32%	\$1,000,000	Jan-05	\$1,000,000	Paid in full 01/20/2005
CITY OF YUMA	Reconstruction	Ave. A, 40th Street to Desert Avenue	4/20/2001	1.65%	\$1,000,000	Dec-06	\$1,000,000	Paid in full 12/05/2006
TOWN OF TAYLOR	Reconstruction	Paper Mill Road	5/18/2001	3.42%	\$1,000,000	Jun-05	\$1,000,000	Paid in full 06/02/2005
ADOT	Reconstruction	SR 260, Christopher Creek	5/18/2001	2.85%	\$41,900,000	Jul-05	\$37,678,400	Paid in full 06/22/2005
TOWN OF PAYSON	Reconstruction	McLane Road	6/15/2001	3.56%	\$1,100,000	Jul-06	\$1,100,000	Paid in full 06/30/2006
CITY OF YUMA	Reconstruction	I-8, Giss Parkway - Redondo Drive TI	6/15/2001	1.77%	\$2,000,000	Jul-06	\$2,000,000	Paid in full 07/05/2006
ADOT	Design, Right of Way	SR89A, Glassford Hill Section	09/21/2001	1.76%	\$3,216,000	Sep-03	\$2,031,264	Paid in full 09/17/2003
TOWN OF MIAMI	Reconstruction	Rose Road & Sullivan Street	1/18/2002	2.20%	\$80,000	Jun-05	\$80,000	Paid in full 06/02/2005

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LOAN STATUS AS OF JUNE 30, 2016 STATEWIDE LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
ADOT	Construction	SR 89A, Glassford Hill Section	3/15/2002	1.35%	\$13,855,000	Oct-04	\$13,855,000	Paid in full 10/19/2004
ADOT	Construction	Avenue 3E Traffic Interchange	3/15/2002	0.86%	\$9,900,000	Aug-04	\$9,900,000	Paid in full 8/19/2004
YAVAPAI COUNTY	Construction	SR 89A, Glassford Hill Section	3/15/2002	1.83%	\$4,500,000	Jun-05	\$4,500,000	Paid in full 06/06/2005
ADOT	Right of Way	US 60/SR 79 Traffic Interchange	3/15/2002	1.56%	\$4,000,000	Oct-04	\$2,691,459	Paid in full 10/19/2004
ADOT	Design	SR 95, Parker to Lakeside	3/15/2002	1.14%	\$500,000	May-05	\$500,000	Paid in full 05/19/2005
GILA COUNTY	Reconstruction	Fossil Creek Road	4/19/2002	1.43%	\$1,237,500	Mar-09	\$1,237,500	Paid in fill 03/19/2009
GILA COUNTY	Reconstruction	Six Shooter Canyon Road	4/19/2002	1.81%	\$600,000	Jun-08	\$600,000	Paid in full 06/13/2008
GILA COUNTY	Construction	Six Shooter Road and Bridge	4/19/2002	3.12%	\$487,500	Dec-08	\$487,500	Paid in full 12/05/2008

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LOAN STATUS AS OF JUNE 30, 2016 STATEWIDE LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
ADOT	Construction	SR 260, Cottonwood to Camp Verde	5/17/2002	1.99%	\$5,000,000	Jun-06	\$5,000,000	Paid in full 06/19/2006
YAVAPAI COUNTY	Construction	Fain Road Realignment	6/21/2002	2.25%	\$4,500,000	Jun-06	\$4,500,000	Paid in full 05/31/2006
CITY OF LAKE HAVASU CITY	Reconstruction	SR 95, North City Limits	6/21/2002	1.18%	\$789,508	Feb-05	\$789,508	Paid in full 02/01/2005
ADOT	Design	Fort Grant Road Traffic Interchange	6/21/2002	1.35%	\$650,000	Nov-06	\$650,000	Paid in full 04/26/2006
CITY OF SAFFORD	Construction	20th Avenue	8/16/2002	2.42%	\$2,000,000	Oct-07	\$2,000,000	Paid in full 10/02/2007
TOWN OF THATCHER	Construction	20th Avenue	8/16/2002	1.56%	\$2,000,000	Oct-07	\$2,000,000	Paid in full 10/03/2007
CITY OF KINGMAN	Construction	North Bank Street	9/23/2005	3.11%	\$2,000,000	Nov-11	\$2,000,000	Paid in full 11/17/2011
CITY OF ELOY	Reconstruction	Sunshine Boulevard	11/16/2007	1.49%	\$3,200,000	Mar-14	\$3,200,000	Paid in full 04/16/2013

LOAN STATUS AS OF JUNE 30, 2016 STATEWIDE LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
PINAL COUNTY	Reconstruction	Thornton Road	12/21/2007	2.35%	\$2,000,000	May-12	\$2,000,000	Paid in full 04/25/2012
CITY OF TOMBSTONE	Construction	Yellow Jacket Way	11/18/2005	To be Determined	\$150,000	Nov-10	Loan award lapsed	-
MOHAVE COUNTY	Design and Construction	Highway 91, Beaver Dam Wash Bridge	4/21/2006	To be Determined	\$8,700,000	Jun-10	Loan award lapsed	-
CITY OF BISBEE	Reconstruction	Arizona Street	9/21/2007	To be Determined	\$2,400,000	Oct-10	Loan award lapsed	-
TOWN OF PAYSON	Reconstruction	Bonita Street, Phase II	3/21/2008	To be Determined	\$1,200,000	May-13	Loan award lapsed	-
TOWN OF MAMMOTH	Reconstruction	Main Street	12/14/2001	-	\$334,800	-	Withdrawn	-

* Interest rate will be determined by the State Transportation Board when the first construction draw is made.

LOAN STATUS AS OF JUNE 30, 2016 MAG LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
CITY OF CHANDLER	New Construction Urban Freeway System	Price Freeway: Warner to Frye	3/20/1998	3.59%	\$26,000,000	Jul-02	\$26,000,000	Paid in full 11/30/2001
CITY OF MESA	New Construction Urban Freeway System	Red Mountain Freeway: Country Club to Gilbert	3/20/1998	4.41%	\$24,000,000	Mar-03	\$24,000,000	Paid in full 03/21/2003
ADOT	Purchase of Right of Way for Urban Freeway System	Various: As stipulated in Senate Bill 1201	11/15/1999	3.92%	\$100,000,000	Jun-01	\$90,324,109	Paid in full 06/28/2001
ADOT/ CITY OF PHOENIX	Construction	SR 51 Completion Union Hills - L101	11/17/2000	2.48%	\$22,500,000	Jun-05	\$22,500,000	Paid in full 02/17/2005
ADOT	Right of Way, Construction	Regional Freeway System	9/21/2001	3.30%	\$50,000,000	Dec-08	\$50,000,000	Paid in full 04/17/2008
ADOT	Right of Way, Construction	Regional Freeway System	11/21/2003	1.44%	\$80,500,000	Jun-09	\$80,500,000	Paid in full 06/15/2009
CITY OF GOODYEAR	Design	I-10 Widening	4/21/2006	3.13%	\$7,369,000	Jun-10	\$6,783,964	Paid in full 06/10/2010

LOAN STATUS AS OF JUNE 30, 2016 MAG LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
MARICOPA COUNTY	Design, Right of Way, Construction	MC 85, 107th Ave. to 75th Ave.	3/21/2008	-	\$25,700,000	Jul-13	Withdrawn	-
CITY OF PHOENIX	Design, Right of Way, Construction	Dixileta Drive TI	11/18/2005	-	\$11,900,000	-	Withdrawn	-
CITY OF PEORIA	Design, Construction	SR 101 - Union Hills Drive TI	5/16/2008	-	\$9,910,000	-	Withdrawn	-

* Interest rate will be determined by the State Transportation Board when the first construction draw is made.

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LOAN STATUS AS OF JUNE 30, 2016 PAG LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
CITY OF TUCSON	Street Improvements	6th Avenue, 19th Street to I-10	3/17/2000	4.50%	\$2,000,000	Jan-05	\$2,000,000	Paid in full 05/01/2001
ADOT	Design, Right of Way	Various projects in Pima County	5/19/2000	1.77%	\$5,285,000	Jun-05	\$5,285,000	Paid in full 06/22/2005
CITY OF TUCSON	Street Improvements	6th Avenue, Ajo Way to Rodeo Wash	6/15/2001	2.91%	\$4,500,000	Jan-06	\$4,500,000	Paid in full 01/03/2006
ADOT	Construction	I-10 / I-19 Interchange	9/21/2001	2.11%	\$62,500,000	Jan-06	\$62,500,000	Paid in full 04/18/2005
PIMA COUNTY	Street Improvements	Ajo Way, Country Club to Alvernon	12/14/2001	3.23%	\$3,700,000	Jul-07	\$3,700,000	Paid in full 01/17/2007
PIMA COUNTY	Street Improvements	Shannon Road, Ina Rd to Magee Rd	12/14/2001	3.23%	\$1,400,000	Jul-07	\$1,400,000	Paid in full 01/17/2007
ADOT	Design	I-10 Mainline, Grant to Congress	3/15/2002	0.86%	\$5,500,000	Jun-06	\$4,098,869	Paid in full 06/20/2006
TOWN OF ORO VALLEY	Construction	Tangerine Road Widening	8/16/2002	1.19%	\$1,716,000	Jul-05	\$1,716,000	Paid in full 08/01/2005

LOAN STATUS AS OF JUNE 30, 2016 PAG LOANS								
PROJECT SPONSOR	PURPOSE OF LOAN	PROJECT LOCATION	LOAN APPROVAL	INTEREST RATE*	MAXIMUM LOAN	FINAL MATURITY	DRAWS TO DATE	OUTSTANDING LOAN BALANCE
TOWN OF ORO VALLEY	Construction	La Canada Drive Extension	2/20/2004	2.52%	\$5,000,000	Feb-08	\$5,000,000	Paid in full 03/07/2008
TOWN OF MARANA	Construction	Thornydale Road	11/19/2004	2.51%	\$7,000,000	Mar-10	\$7,000,000	Paid in full 04/21/2010
PIMA COUNTY	Construction	Alvernon Way, River Rd. to Ft. Lowell	5/20/2005	3.06%	\$4,836,000	Jun-09	\$4,836,000	Paid in full 06/01/2009
CITY OF TUCSON	Construction	Mountain Avenue, Roger Rd. to Ft. Lowell	3/16/2007	1.97%	\$14,000,000	May-11	\$13,400,000	Paid in full 05/03/2010
TOWN OF ORO VALLEY	Construction	La Canada Drive Widening	7/20/2007	3.20%	\$8,000,000	Aug-12	\$8,000,000	Paid in full 07/22/2011
ADOT	Construction	I-10, Pinal Air Park to Marana TI	11/19/2004	-	\$18,500,000	-	Withdrawn	-
CITY OF TUCSON	Construction	Harrison Road	8/20/2004	-	\$12,293,000	-	Withdrawn	-
TOWN OF SAHUARITA	Construction	La Canada Phase II	9/23/2005	-	\$3,900,000	-	Withdrawn	-

* Interest rate determined by the State Transportation Board when the first construction draw is made.