

South Carolina Transportation Infrastructure Bank

Rural Project Program Frequently asked Questions March 2024

1. Can cities, counties and municipalities apply?

If the project is located in a “rural county” as defined in the Bank’s Operating Guidelines and meets all the other eligibility requirements in the SCTIB Act and Operating Guidelines, the county or a municipality in the county may apply for financial assistance for that project. Please review Section XIV.A in the Operating Guidelines.

2. Can Fripp Island (Beaufort County) apply since they are outside of the MPO and their population is less than 200,000? Referenced 11-43-130 (15).

The Rural Program is not currently applicable to any projects in Beaufort County because Beaufort County currently has an active project with the Bank.

3. With \$50 million allotted for the first round how many projects will be awarded?

Up to \$50 million is available for the current round of applications from rural counties. The number of projects that may receive financial assistance is based on a number of factors and cannot be predicted.

4. Can the projects cross jurisdictional lines?

A specific answer depends on a number of factors and cannot be given based on the question asked. Generally, each county or municipality would have to comply with the eligibility requirements in the SCTIB Act and the Bank’s Operating Guidelines, including Section XIV.A.

5. How do you measure county’s rural-ness for joint applicants?

Please read Section XIV.A of the Bank’s Operating Guidelines.

6. What is the definition of “reasonable proximity”?

This will be determined on a case by case basis depending in part on the relevant facts of the overall project. See, Bank Operating Guidelines, Section XIV.C.

7. Can the project be for both bridge and road widening?

Depending on the connection between the bridge work to the widening work and meeting all eligibility requirements, such a project may be considered. See, Bank Operating Guidelines, Section XIV.C.

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8. Is \$25 million the “total” cost of the project?

SC Code Section 11-43-180(C) of the SCTIB Act states: “The bank may not provide any loans or other financial assistance ...to any project unless the eligible costs of the project are at least twenty-five million dollars.” The foregoing refers to the total eligible project costs.

9. What type of funds is the SIB providing: grant or loan?

The applicant should thoroughly review the Rural Project Program Application, especially Part III and III.5, Financial Plan. The Applicant must state in the Application if it is requesting a loan, grant, or both.

10. What is the application timeframe: for approvals? Stages of the process?

After the Application period ends on May 17, 2024, the Bank’s staff and consultants will review the Applications and may request corrections or supplements to the Applications or ask for additional information. Deficient or ineligible Applications will be returned. The completed, eligible Applications will be referred to the Bank’s Evaluation Committee for review. The review may result in additional questions and requests. When it has complete information on all the eligible Applications, the Committee will make a recommendation to the Bank Board on the score or ranking of the Application and the amount and type of financial assistance. This will be done at a public meeting of the Committee. The Board will consider and take action on the Committee’s recommendations on Applications at a public meeting. The Evaluation Committee and Bank Board may request public presentations by the Applicant. If the Bank Board approves any financial assistance, the SCTIB Act requires that it be reviewed and approved by the SCDOT Commission and General Assembly’s Joint Bond Review Committee.

11. What is the minimum match percentage and the increments for application points?

Please review Application, Part III.2, and Section XIII.C of the Operating Guidelines.

12. How does the SIB allocate monies in regards to preliminary work?

The preliminary work is the responsibility of the project sponsor or owner. Please review Section IV of the Operating Guidelines.

13. Can the state budget year sync with the application timeframe?

The Bank Board plans rounds of Applications based on its available funding capacity, economic conditions that may impact its sources of revenues, and similar factors. The time requirements of these factors make it challenging to effectively tie those rounds to the State’s annual budget deliberations.

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14. Can the project cross: state lines? County lines?

See response to 4 above as to counties. The Bank cannot provide financial assistance to work in another state. If a county applies for a project in that county and the project crosses into another county, only the portion of project cost in the county that has been awarded financial assistance may be funded. Separate records on the work in each county will be required.

15. Can funding used to get construction plans be used as “match”?

Yes, if those costs are eligible project costs and are paid for by funds from the project sponsor or owner. See, SC Code Section 11-43-130(5) for definition of “eligible cost” and Section XIII.C of the Operating Guidelines on local match.

16. How is “match” defined?

See Section XIII.C of the Operating Guidelines on local match.

17. Can funds spent by the locality prior to an award being made count toward local match? For example, preliminary engineering costs etc.? Also, are there any procurement requirements that would need to be followed for these services if they are to be used for local match or if they are reimbursed by the Bank?

Funds may be spent on preliminary eligible project costs by the project sponsor or owner and be considered part of the local match subject to verification by the Bank. See, Section XIII.C of the Operating Guidelines. If awarded financial assistance, the standard Intergovernmental Agreement (IGA) with the Applicant who is the project sponsor or owner must use a procurement method that it is authorized by law to employ. The method should be one that will result in the best qualified firms and vendors, the lowest responsible contract costs, and the best value.

18. Timing of the State Statewide Transportation Improvement Program (STIP) and SCDOT prioritization list?

The inclusion of the project on a SCDOT prioritization list or the STIP may be beneficial to the Application. See, Application, Part II.10.

19. Are county or locally owned roads disqualified?

A project on county or municipal public roads may be considered by the Bank if they meet all eligibility requirements.

20. What is the statutory requirement under economic criteria?

Please see SC Code Section 11-43-180 (B) (6) and Rural Project Program Application, Part II, 13, 14, including footnote 1, pages 5-6.

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21. Can upfront costs spent count as match?

See response to items 15, 16, 17, above.

22. What revenue streams are not permitted for match: MPO & COG monies?

These are not currently considered as part of the local match from the project sponsor or owner as they are state or federal funds. However, funds from other sources including state and Federal funds may increase the Applicant's total Financial Plan Score. See, Operating Guidelines, Section XIII.C and Application, Part III.6

23. Can a grant/loan combo get more points?

Yes, that is a possibility.

24. Can Guideshare be used as match?

No. See response to item 22 above. Use of Guideshares may have to be approved by SCDOT.

25. Can revenue sources (such as sales tax on a ballot) be considered as a source of funds or does it have to be a guaranteed source?

The source of funds listed in the Application must be legally obligated to the project. The Bank does not grant conditional approvals on Applications.

26. Can SIB money be used to pay administrative fees?

Certain administrative fees may qualify as eligible project costs under SC Code Section 11-43-130(5). Such fees may not be reimbursable by the Bank at the pre-construction stage. See, Section IV.A., B and D of the Operating Guidelines on pre-construction costs. Most financial assistance granted by the Bank is for the eligible costs of construction.

27. Can CTC be used toward match?

See response to item 22, above.

28. Can county-owned and state-owned road projects in the same area be bundled together for an application to the Bank?

Related projects that meet the definition of a Rural Project may be combined as long as the projects are within reasonable proximity of each other and if each component of the project's public benefit has the same purpose and need. The purpose and need refers to the statement similar to that required by the Federal Highway Administration on federal aid projects, The Board retains the exclusive authority to make this determination on a case-by-case basis. See, Bank Operating Guidelines, Section XIV.C.

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29. When defining a local entity, would that include municipalities, special tax districts, and school districts?

Per the Bank Act, a qualified borrower means a government unit or private entity which is authorized by law to construct, operate, or own an eligible project. Of the entities you listed, statutory language only specifically lists a municipality as a government unit that might qualify if it had an eligible project.

30. If a municipality is inside the limits of a County already with a grant, would they still be eligible for their own SIB grant?

No, a municipality located within a county which has an active project is not eligible for a grant from the Bank in the Rural Project Program funding round. Eligibility for the Rural Project Program is determined at the county level for all projects regardless of the sponsor/applicant. Per the Bank's Operating Guidelines, the county in which the project is located must not have an active project with the Bank at the time of the submission or pendency of the application to the Rural Program.

Disclaimer: These answers are responses to brief general questions from various persons. The answers thus are general in nature. They do not apply to specific projects or circumstances. Each application and project will be reviewed subject to the SCTIB Act, the Bank's Operating Guidelines, and the Rural Program Application. Potential applicants are urged to review these resources carefully.