

South Carolina Transportation Infrastructure Bank (the Bank)

Financial Assistance Application Process [SC Code Sections 11-43-130(6) and 11-43-180(B)]

I. Eligibility

Only **major projects** which provide a **public benefit required by the South Carolina Transportation Infrastructure Bank Act (the Act), SC Code Sections 11-43-110 et seq.**, are eligible for financial assistance from the Bank. There are two requirements for eligibility that comprise:

- **Major Projects** – Construction of or improvements to highways, including bridges, with at least \$25 million in cost are eligible for financial assistance. This cost includes: preliminary engineering; traffic and revenue studies; environmental studies; rights of way acquisition; legal and financial services associated with the development of projects; construction; construction management; facilities; and other costs necessary for the project. The cost shall not include financial costs or interest on loans used for the project. While the total cost must be at least \$25 million, the final assistance requested may be less than \$25 million. Projects may not be combined to meet the minimum project cost of \$25 million. No minimum cost has been established for transit facilities.
- **Public Benefit** – The proposed project must provide a public benefit in one or more of the following areas: enhancement of mobility and safety; promotion of economic development; or increase in the quality of life and general welfare of the public.

Once the Bank determines that a project is eligible under the Act and Board policies, it next must determine if the project qualifies for financial assistance and if so, in what form, amount and under what conditions. The Board will refer the application to its Evaluation Committee (the Committee), which will review and evaluate the application and issue a report to the Board on these issues.

II. APPLICATION FORMAT

The application must be submitted to the Bank using the following format, containing the following contents, and presented in the following order using the numerical section and subsection designations listed below. A Table of Contents with page numbers and the numerical section and subsection designations listed below are required. In cases where information or a response is required from SCDOT, the applicant shall include a copy of the request to SCDOT for the information or response and a copy of the response from SCDOT, if received prior to the application being submitted. If the SCDOT information or response is not included, the applicant must provide it immediately upon receipt.

III. DESCRIPTION OF PROJECT

Describe the project in sufficient detail through a narrative presentation and through data so the Board may determine the project's scope, intent, benefits, financing components and its eligibility for financial assistance. Provide a map depicting the project location with a scale of sufficient size (at least 1 inch = 2 miles) so all information on the map may be easily read and with traffic volumes and other useful data referenced thereto.

IV. PUBLIC BENEFIT

50 POINTS

The proposed project must provide a public benefit in one or more of the following areas: enhancement of mobility and safety; promotion of economic development; or increase in the quality of life and general welfare of the public. The application must identify each public benefit, explain how each is substantiated by the information in the application, and rank the public benefits in the order of importance from the perspective of the applicant. Evidence to substantiate the public benefit(s) shall include but not be limited to:

- 4.1 Traffic studies including the current and projected traffic volume, truck volume and accident data and the pavement quality index of existing road or highway to be improved (cite source and date of information and if not SCDOT, state why another source was used). **Required information. The information must be the most current available data, and source data dated by year.**
- 4.2 Urgency of project (why accelerating the project is critical). **If yes, the reason for urgency.**
- 4.3 If applicable, a resolution from the local governing body or bodies which make a finding, with supporting information, that the project is essential to the economic development in the area or state and is consistent with applicable local land use plans. **See 4.15 and 4.16 below.**
- 4.4 If applicable, a certificate that the project is essential to the economic development in the state from the Advisory Coordinating Council for Economic Development of the Department of Commerce. **See 4.15 and 4.16 below.**
- 4.5 Current and five-year history of unemployment data for the counties served by the project. **See 4.15 and 4.16 below.**
- 4.6 Local support of the project from residents through items such as petitions or comments at public hearings. **Must provide comments/petition if available.**
- 4.7 Resolutions, with substantive comments from municipalities, county councils, advisory groups, Metropolitan Planning Organizations (MPO) or Council of Governments (COG) and planning documents indicating where project is on all priority lists maintained by or in possession of those entities, SCDOT and the applicant. **Must provide resolutions if available.**
- 4.8 If applicable, explain and substantiate why the project is of regional or statewide significance.
- 4.9 Review and evaluate the pros and cons of all alternative transportation plans to the project. **Are there other reasonable alternatives for the application project? If so, why was the application project pursued?**
- 4.10 Provide an analysis of the environmental impact of the project. **Expected level of necessary Environmental Document, and if a US Army Corps permit is likely to be required.**
- 4.11 Provide a time table bar chart of events/milestones to implement phases of project (including when the facility will be open for use). Include each critical factor necessary for the project success (i.e. environmental approvals, permit approvals, etc.) and the status of each. **Must provide timetable and critical factors.**
- 4.12 Include a complete description of the current status of the project, and its **purpose and need.**
- 4.13 Include a clear statement of the entity (including contact name, address and telephone number) responsible for each of the following activities: **Must provide entity contact person for the listed activities.**
 - environmental studies,

- design of project,
- rights of way acquisition,
- construction,
- construction management,
- operation, and
- maintenance.

4.14 This item applies to all relevant SCDOT program category projects, locally funded projects on the state system, and MPO or COG program projects. The applicant must provide to the Bank as part of the application the ranking and scoring from SCDOT, MPO or COG on the project done as part of the program categories Long Range Plan. Provide that project score, selected criteria, and the subsequent criteria weighting to the Board as part of this application. If the project cumulative score is not based on a 0-100% scale, the scale will be converted to equate to a 0-100% to have all application submittals on the same scale.

Project applications that support one of SCDOT's Multimodal Transportation Plan (MTP) goals: SCDOT has applied performance and asset management principals in support of these goals to address system deficiencies in its safety, roadway, bridge, and freight system programs for projects on and off the National Highway System. Applications that support SCDOT's MTP Goals may be eligible for a Public Benefit score multiplier:

Projects that provide a statewide benefit as part of the National Highway System and/or State Freight Network, an additional 1.1 multiplier may be added to the project Public Benefit score by the Bank. If the project provides a regional benefit, a 1.05 multiplier may be added to the project Public Benefit score by the Bank. Regional benefits would be reviewed for projects that provide support to a statewide National Highway System route.

The Maximum Score that may be awarded by the Bank under item 4.14 for Public Benefit is 50 points.

4.15 Include a brief, accurate description of how the project will promote economic development, provide the following information and data, and cite the full source and date for all information and data provided:

- a. current and five-year history of unemployment data for the counties served by the project; and
- b. include any resolutions from county or municipal governing bodies explaining how the transportation project is essential to economic development in those jurisdictions, or a resolution or certificate from the Department of Commerce's Advisory Coordinating Council Economic Development that the project is essential to economic development in the state.

The Bank may award up to an additional 10 points under item 4.15 to the award of points for Public Benefit under item 4.14, but the total Public Benefit score may not exceed 50 points.

4.16 If the applicant asserts that the project in this application is essential to a specific existing economic development project(s),¹ provide the following information and data and cite the full source and date for all information and data provided:

- a. describe the specific existing economic development project(s) to which the project in the application is related and provide a strong, clear and detailed explanation and justification of why the project in the application is essential to the existing economic development project;
- b. a map showing the existing specific economic development project site(s) in relation to the project in the application, and a map showing representations of the economic development project(s) and the completed project in the application;
- c. amount and type of state and local government incentives legally obligated for the existing economic development project(s) and explain how the incentives are legally obligated;
- d. private investment obligated for the existing economic development project(s);
- e. for the existing economic development project(s), provide the truck volumes over the past 5 years to/from the economic development project and the same projected truck volumes for the next 10 years;
- f. projected annual full-time job creation over the next 10 years directly resulting from the existing economic development project comparing that to present employment at that project;
- g. an explanation (i) of the utility and public benefits of the project in the application should the existing economic development project(s) not be fully completed and (ii) if that occurs, how and from what sources the Bank may recover financial assistance provided by it on the project in the application;
- h. current and five-year history of unemployment data for the counties served by the project;
- i. include any resolutions from county or municipal governing bodies explaining how the project in the application is essential to economic development in those jurisdictions, or a resolution or certificate from the Department of Commerce's Advisory Coordinating Council Economic Development that the project on the application is essential to economic development in the state;
- j. daily vehicular traffic projections over the next 10 years directly resulting from the existing economic development project; and

¹ "Economic development project" is defined as a specific plant or facility primarily engaged in manufacturing, processing, or other qualifying industry that is receiving state and local government incentives authorized by Title 4, Chapter 29; S.C. Code Ann. § 4-12-30(D)(4)(a)(i), (ii); S.C. Code Ann. § 12-6-3360; Title 12, Chapter 44; and related sections of the S.C. Code, and is creating a significant number of full time jobs. This determination will be made at the discretion of the Board.

The Bank will not consider economic development projects that do not have significant obligated financial investment and significant legally obligated incentives.

Project applications that support one of SCDOT's Multimodal Transportation Plan (MTP) goals: SCDOT has applied performance and asset management principals in support of these goals to address system deficiencies in its safety, roadway, bridge, and freight system programs for projects on and off the National Highway System. Applications that support SCDOT's MTP Goals may be eligible for a Public Benefit score multiplier:

Projects that provide a statewide benefit as part of the National Highway System and/or State Freight Network, an additional 1.1 multiplier may be added to the project Public Benefit score by the Bank. If the project provides a regional benefit, a 1.05 multiplier may be added to the project Public Benefit score by the Bank. Regional benefits would be reviewed for projects that provide support to a statewide National Highway System route.

The Maximum Score that may be awarded by the Bank for Public Benefit under 4.16 is 50 points. An application may fall under 4.14, including 4.15, or 4.16 for the scoring of Public Benefit, but not both. The determination of which scoring criteria apply will be made by the Bank based on the primary purpose and need of the project presented in the application.

V. FINANCIAL PLAN

50 POINTS

Provide a financial plan that clearly describes the funding for development, implementation, operation and maintenance of the project, including, but not limited to:

- 5.1 The total cost of the project, including source(s) used to determine cost. **Required Information. If not provided, application will be returned as incomplete.**
- 5.2 Project with total cost:
 - a. In excess of \$50 million: the amount of the local contribution must be at least 25% of the total project costs and the application may receive 10 points for each increase in the local contribution of 5% of the total project costs up to a maximum of 50 points. (See 5.24 below on what costs local contribution and non-Bank funding must cover.)
 - b. Equal or less than \$50 million: the amount of the local contribution must be at least 15% of the total project costs and the application may receive 10 points for each increase in the local contribution of 5% of the total project costs up to a maximum of 50 points. (See 5.24 below on what costs local contribution and non-Bank funding must cover.)
- 5.3 Source of local contribution may be in several forms. Refer to Section XIII.C of the Operating Guidelines. The type of local match may receive the following scoring:
 - a. Payments on project cost 0 points
 - b. Payment of Non-State Tax Revenues to Bank that can be pledged to Bank Bonds up to 25 points
- 5.4 Amount of financial assistance requested from the Bank. **Must provide total request, or application will be rejected.**

- 5.5 Form of financial assistance requested (e.g. loan, grant, other). Financial assistance in the form of loan rather than a grant may receive up to 25 points if it covers the Bank's financing costs to provide the financial assistance and is secured by a credit worthy payment source in an amount, in a form, and with terms acceptable to the Bank in its discretion. **Must identify form of financial assistance or application will be returned as incomplete; preference will be given to projects requesting loans.**
- 5.6 Other proposed sources of funds, include written commitment of all parties. **If yes, the applicant must provide details regarding the source type, commitment and timing of funding availability. If this information is not provided as part of the application, the application will be returned to the applicant as incomplete.**
- 5.7 The anticipated schedule of when disbursement of funds will be required (cash flow diagram). **If not provided, the application will be considered incomplete and returned to the applicant.**
- 5.8 If applicable, a schedule of project receipt for local contributions on the amount listed, local match, or loan payments and description of risks of such payments such as taxes, user fees, toll rates, etc. (cite source or method used to determine projected revenues). **If yes, and not provided the application will be considered incomplete and returned to the applicant.**
- 5.9 Commitment to be responsible for future maintenance requirements. **The application will be considered incomplete if not addressed.**
- 5.10 Explain contingency plans should the Board approve less than the requested financial assistance or actual project costs exceed estimated project costs, and explain how the scope of the project may be reduced if the Board approves less than the requested financial assistance or actual project costs exceed estimated project costs. **If the contingency plan is not provided, the application will be considered incomplete, and returned to the applicant**
- 5.11 Whether the County(s) or other political subdivisions benefited by the project has adopted impact fees to assist in financing the project (see S.C. Code Ann. § 6-1-930)? **If the response is negative, please explain why no impact fee to assist in financing the project has been adopted.**
- 5.12 Whether the County(s) or other political subdivisions benefited by the project have adopted any local hospitality tax or fee dedicated to the project to assist in its financing (see, e.g., S.C. Code Ann. § 6-1-700 et seq., Local Hospitality Tax Act)? **If the response is negative, please explain why no such tax has been adopted.**
- 5.13 Whether the County(s) or other political subdivisions benefited by the project have adopted any local sales tax dedicated to the project to assist in its financing (see, e.g., S.C. Code Ann. § 4-10-300 et seq., Capital Project Sales Tax Act)? **If the response is negative, please explain why no such tax has been adopted.**
- 5.14 Whether the County(s) or other political subdivision benefited by the proposed project have adopted any user fee dedicated to the project to assist in its financing or future maintenance (see, e.g., S.C. Code Ann. § 6-1-300 et. seq.)? **If the response is negative, please explain why no such user fee has been adopted.**
- 5.15 Whether the County(s) benefited by the proposed project has implemented any Tax Increment Financing Districts to assist in financing the proposed project (see, S.C. Code Ann. §§ 31-7-10 et seq., Tax Increment Financing)? **If the response is negative, please explain why no Tax Increment Finance District has been implemented.**

- 5.16 Whether the County(s) benefited by the proposed project has implemented an assessment program (*see, S.C. Code Ann. § 4-35-10 et seq.*) to assist in financing the proposed project? **If the response is negative, please explain why no such assessment program has been implemented.**
- 5.17 Whether the applicant and/or other political subdivisions benefited by the project have established any development agreement programs with developers or property owners or entered into any development or other agreements to assist in financing the project? **If the response is negative, please explain why no development agreement programs have been established or such agreements entered.**
- 5.18 What, if any, zoning or other land use controls has the applicant (and/or other political subdivisions benefited by the project) established to foster the use of existing roads to connect developments? **If the response is negative, please explain why no such zoning or other land use controls have been established.**
- 5.19 Discount, to present value, any and all cash flows provided in the application using a 5% discount rate to include, without limit: The value of the applicant's future payments or contributions to the proposed project; and the value of the any non-Bank third-party future payments or contributions to the proposed project; and the value of future expenditures associated with the proposed project. **If not provided, the application will be considered incomplete, and returned to the applicant.**
- 5.20 For purposes of cost estimates associated with the proposed project, please set forth the inflation rate assumed. **If not provided, the application will be considered incomplete, and returned to the applicant.**
- 5.21 Should condemnation be needed to complete the proposed project, is the applicant and/or other political subdivisions benefited by the project willing to serve as the named party in such condemnation proceedings? **If the response is negative, please explain why, the applicant and/or other political subdivisions benefited by the project are unwilling to serve in such role.**
- 5.22 Whether the applicant and/or other political subdivisions benefited by the proposed project have sought sources of funding other than those listed hereinabove? **If the answer is affirmative, please explain the status and amount of each other source of funding. If the answer is negative, please explain why such other sources of funding have not been sought or obtained**
- 5.23 A description and explanation of potential obstacles (legal issues, lack of local support, public opposition, rights of way costs, environmental impact and concerns, etc.) and methods the applicant proposes be used to manage or avoid those obstacles. **If not provided, the application will be considered incomplete, and returned to the applicant.**
- 5.24 Local match or contribution, and all other non-Bank sources for the project must cover, at a minimum, all costs associated with the design of the project, including; traffic analysis, necessary federal/state approved environmental documentation, permitting approvals, any mitigation costs, rights of way fees and acquisition, as well as any legal costs associated with these activities. These local funds may be combined with federal grants approved toward the specific project, along with other federal funding dedicated to the project through the local area MPO, COG, and/or SCDOT. These federal funds would not be considered local match, but would be a preferred funding source along with the local match for all costs associated with design, environmental documentation and permitting approvals, and rights of way acquisition. Any remaining local/federal funds would be used toward the project construction costs. See Operating Guidelines Sections [VI](#) and [XIII.C](#). for more information. **For each 5% of the overall project cost brought to the project through a combination of federal grants and/or MPO/COG/SCDOT federal program funds will add 5 points to the project Financial Plan up to a maximum of 25 points.**

The SCTIB Act requires the Board to give preference to eligible projects which have local financial support. Local financial support may include local fees, grants, tolls, donated rights of way, local taxes or similar payments. The Board reserves the rights to determine the suitability of the form of the local financial support.

VI. OTHER

The Board may consider other significant factors not included in the above in determining award of financial assistance to a project.

VII. APPLICATION SUBMITTAL AND EVALUATION

- Applications should include an executive summary and list a contact person for the applicant including that person's full name, mailing and street addresses, telephone and facsimile numbers, e-mail address, and relationship to applicant.
- All requests for information shall be submitted to the South Carolina State Transportation Infrastructure Bank.
- Applications will be no longer than 50 pages, excluding appendices. Evidence of local support, studies, and other reports may be attached as appendices.
- Applications should include cross-referencing rather than using repetition in explaining the project and assistance requested. The applicant must include the name(s) of those preparing the application and the costs associated with application preparation.
- Applications shall be submitted as follows:
 - Fifteen complete copies on fifteen compact discs in Word software, (or if compact discs are not possible, 15 bound copies) mailed to the address below, **and**
 - One complete un-bound printed copy mailed to:
South Carolina State Transportation Infrastructure Bank
955 Park Street, Room 120B
Columbia, South Carolina 29201
- Each application submitted to the Board will be reviewed to determine if a project is eligible for financial assistance. Projects that are not eligible for Bank financial assistance will be returned to the applicant with proper notification.
- The Bank reserves the right to request or obtain additional information about any and all applicants and applications and to return applications that do not comply with the format set forth herein, are not found to be eligible by the Bank, or are filed after any deadlines established by the Board.

VIII. EVALUATIONS OF ELIGIBLE APPLICATIONS

The Evaluation Committee of the Board will review applications determined to be eligible by the Board. The Committee will review each application and rate its strengths and weaknesses based on prescribed evaluation criteria. The Committee will issue a report to the Board on each application. The final decision on financial assistance on each application will be determined by the Board. The Board may place conditions on financial assistance it provides.

IX. PRESENTATIONS

By invitation from the Board, an applicant may be given the opportunity to make a presentation to the Board. Presentations usually will occur before the Committee reviews the applications. Further presentations may be requested to answer any questions from the Board or the Committee.

X. ADDITIONAL PROVISIONS APPLICABLE TO ALL APPLICATIONS AND APPLICANTS

Projects and financial assistance approved by the Board must also be submitted for review and consideration to the SCDOT Commission and the Joint Bond Review Committee (JBRC) of the General Assembly prior to implementation. Please note that this application and consideration of it by the Committee and Board is subject to the SCTIB Act, Act 275 of 2016, and the Bank's Operating Guidelines Revised 12/15/2016. Any award of financial assistance is subject to the availability of funds.

The General Assembly may enact a joint resolution allowing the Bank to fund a project without using the prioritization criteria provided in subsection. The joint resolution must be specific as to the project and the amount authorized to be funded.

The Bank is not responsible for providing any additional financial assistance of any kind to a project beyond what it and the JBRC initially approve under any circumstances regardless of the actual cost of the project.

The Board assumes no liability for and will not reimburse any costs or liabilities incurred by applicants or others, whether provided financial assistance by the Bank for the project or not, in developing, submitting or presenting applications.

Revised 10/19/2005

Revised 5/12/2008

Revised 10/08/2013

Revised 12/15/2016

Revised 3/25/2019

Revised 8/7/2019