

## 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.

**Note:** Project applications to the Bank are encouraged to 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 their safety, roadway, bridge, and freight system programs for projects on and off the National Highway System. Applications that support SCDOT's MTP Goals for South Carolina would be eligible for consideration by the Bank.

#### 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 consistent with applicable local land use plans. **Must be submitted if applicable as an Economic Development project.**
- 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. **Must be submitted if applicable as an Economic Development Project.**
- 4.5 Current and five-year history of unemployment data for the counties served by the project.
- 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 Provide the project score, selected criteria, and the subsequent criteria weighting to the Board as part of their 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. This process will apply to all relevant SCDOT program category projects, locally funded projects on the state system, and MPO or COG program projects provided to the Bank as part of the application. The ranking and scoring is done as part of the program categories Long Range Plan. **The Maximum Prioritization Score Awarded by the Bank = 50 points**
- 4.15 Consultation with the Department of Commerce is recommended for guidance in scoring when submitting a project that supports Economic Development for the State. The prioritization scoring scale for a project with this purpose would use a 0-100% scoring scale based on the Department of Commerce scoring criteria. **The Maximum Prioritization Score Awarded by the Bank = 50 points**

An application could fall under section [4.14](#) or [4.15](#), but not both. The application to the Bank must use the scoring criteria most relevant to the primary purpose and need.

## 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. §§ 6-33-10 **Repealed** et seq., Tax Increment Financing and §§ 31-7-10 et seq.)? **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**  
**P. O. Box 191**  
**Columbia, South Carolina 29202-0191**
- 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.

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Revised 5/12/2008

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