

SC RURAL INFRASTRUCTURE AUTHORITY

Grant & Loan Funding Opportunities

Rates & Finance Workshop for Small Systems
May 12, 2016





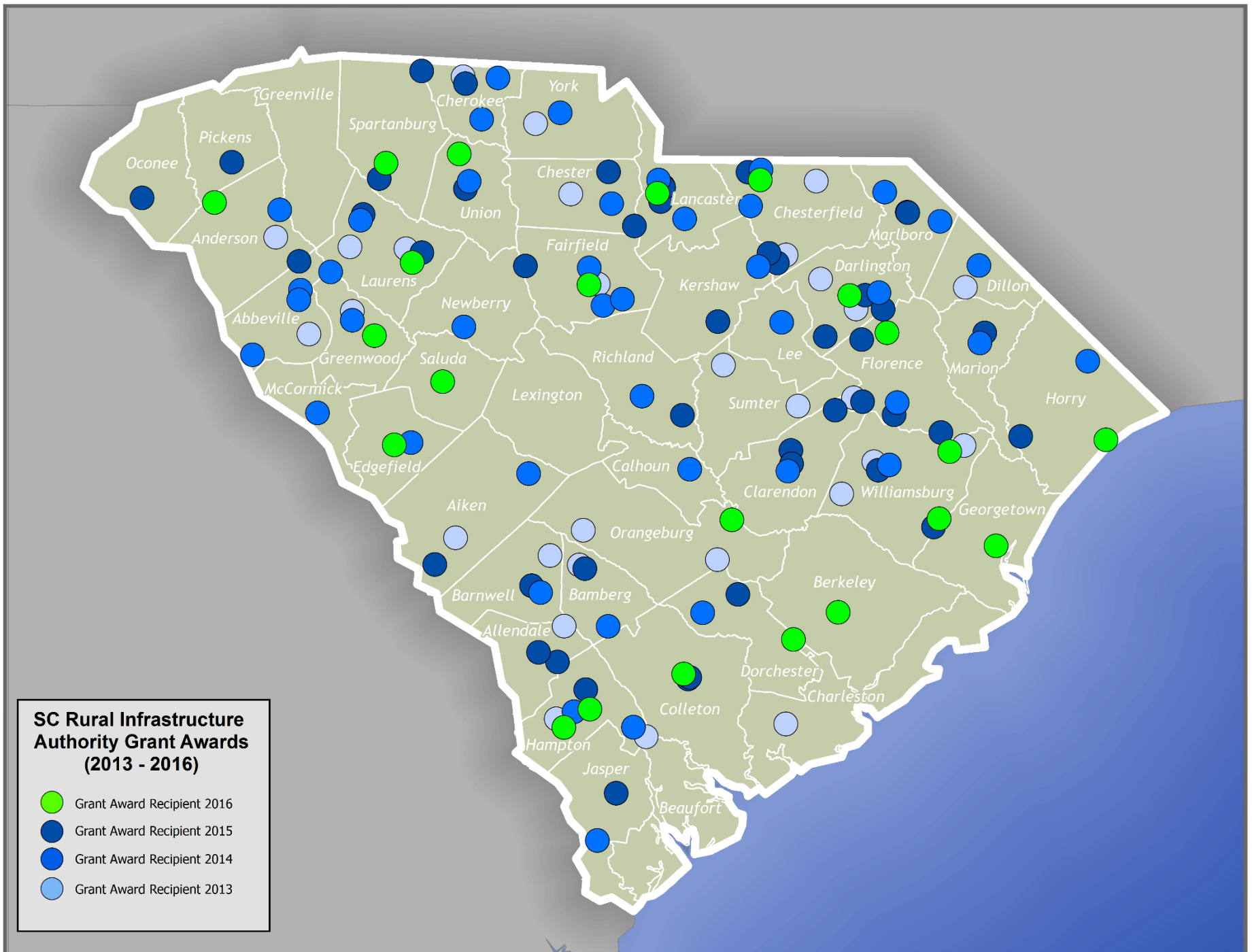
SOUTH CAROLINA RURAL INFRASTRUCTURE AUTHORITY

Mission: Assist in financing qualified infrastructure projects

- ✓ Grants
- ✓ Loans
- ✓ Technical Assistance



Construction of sewer upgrade project for Latta



WHO IS ELIGIBLE?



*Calhoun Falls after RIA-funded
tank renovation*

Eligible Applicants

- Local Governments*
- Special Purpose Districts
- Public Service Districts
- Public Works Commissions

* A local government may also apply on behalf of a not-for-profit water/sewer company operating within their jurisdiction.



PROJECT ELIGIBILITY

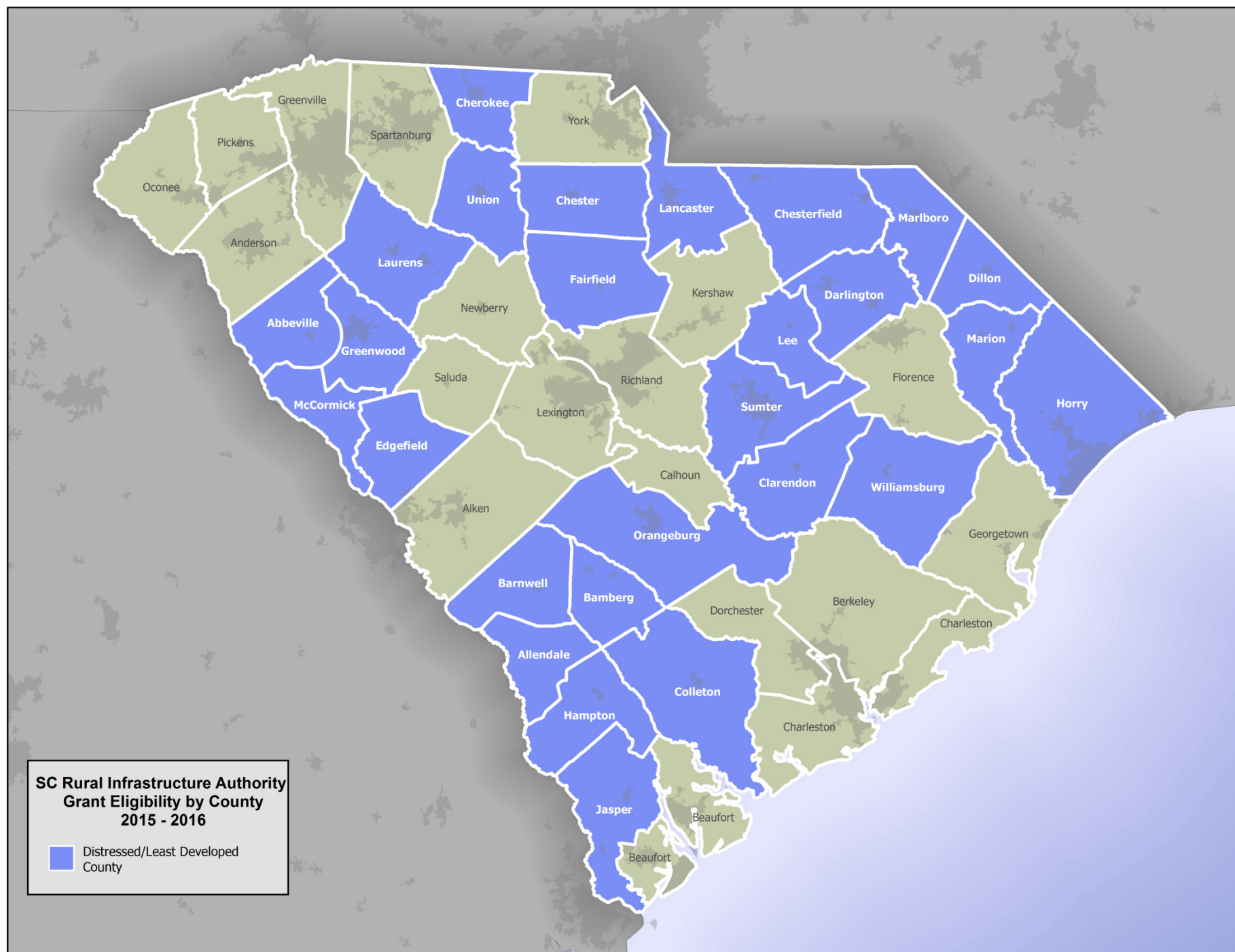
Three Ways to Qualify

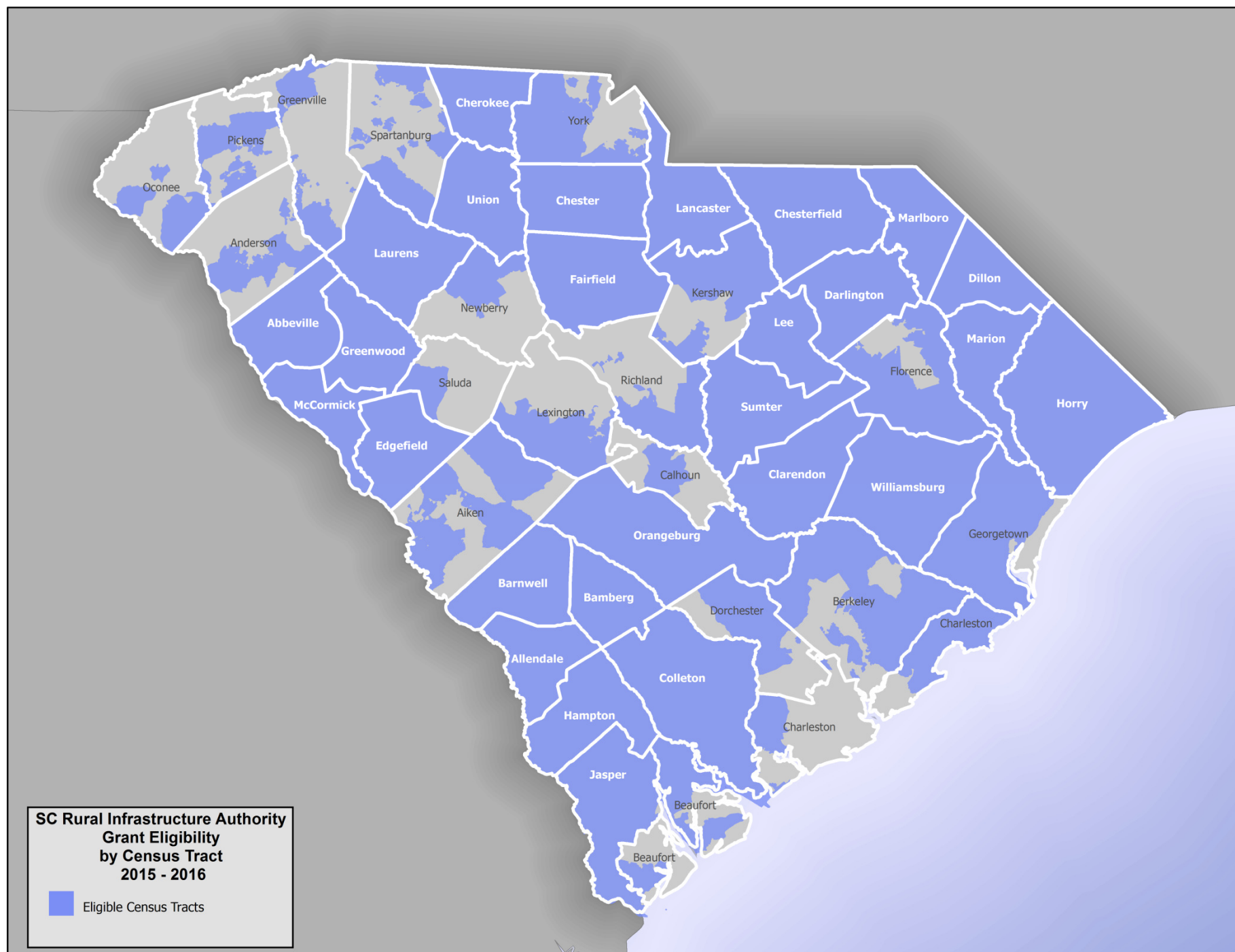
**Distressed/least
developed
(Tier III & IV)
counties.**

**Distressed
census tract in
non-urban area of
Tier I & II
counties.**

**Service area of
current State
CDBG or USDA
infrastructure
grant.**







GRANT PROGRAM CATEGORIES



BASIC



ECONOMIC



BASIC INFRASTRUCTURE

Objectives:

- Protect the public health
- Bring systems into compliance with environmental quality standards
- Increase community sustainability



Ware Shoals water line upgrade



BASIC INFRASTRUCTURE

Up to \$500,000 per project

Match Requirements

All Applicants:
Non-construction
costs

Tier I and II
Counties:
25% of
construction costs



Basic Infrastructure

Priorities:

EPA or DHEC Consent Orders, Violations or Unsatisfactory ratings.

Other health/environmental concerns not documented by DHEC but supported by other appropriate documentation.

Existing infrastructure that has aged or severely deteriorated.

Other system enhancements that significantly improve system capacity.



BASIC INFRASTRUCTURE EXAMPLES



Example #1

PROBLEM: Deteriorating 2” lines with lead joints,

SOLUTION: Upgraded water lines for capacity and reliability

RIA FUNDS: \$283,000

MATCH: \$36,400



BASIC INFRASTRUCTURE EXAMPLES



Example #2

PROBLEM: Unsatisfactory rating for water tank (as part of a Consent Order).

SOLUTION: Constructed new water tank

RIA FUNDS: \$252,500

MATCH: \$750,000



BASIC INFRASTRUCTURE EXAMPLES



Example #3

PROBLEM: Sewage overflows during peak wet weather and flooding conditions.

SOLUTION: Constructed new pump station at higher elevation

RIA FUNDS: \$350,000

MATCH: \$1,529,715



BASIC INFRASTRUCTURE EXAMPLES

Example #4



PROBLEM: Blockage and back-up, result of failing vitrified clay pipe in constant need of service and repair

SOLUTION: Conversion to Low Pressure Sewer System with installation of small grinder pumps

RIA FUNDS: \$268,500

MATCH: \$150,000



ECONOMIC INFRASTRUCTURE

Objectives:

- Build the capacity of publically-owned infrastructure
- Create opportunities for economic development
- Support job creation and investment



ECONOMIC INFRASTRUCTURE

Up to \$500,000 per project

Match Requirements

All Applicants:
Non-construction
costs

Tier I and II
Counties:
25% of
construction
costs



ECONOMIC INFRASTRUCTURE PROJECTS



BEFORE
Fairfield County
Industrial Park
Development



AFTER
BOMAG
121 jobs
\$18.2M Capital Investment



ECONOMIC INFRASTRUCTURE PROJECTS



Southern Carolina Industrial Park

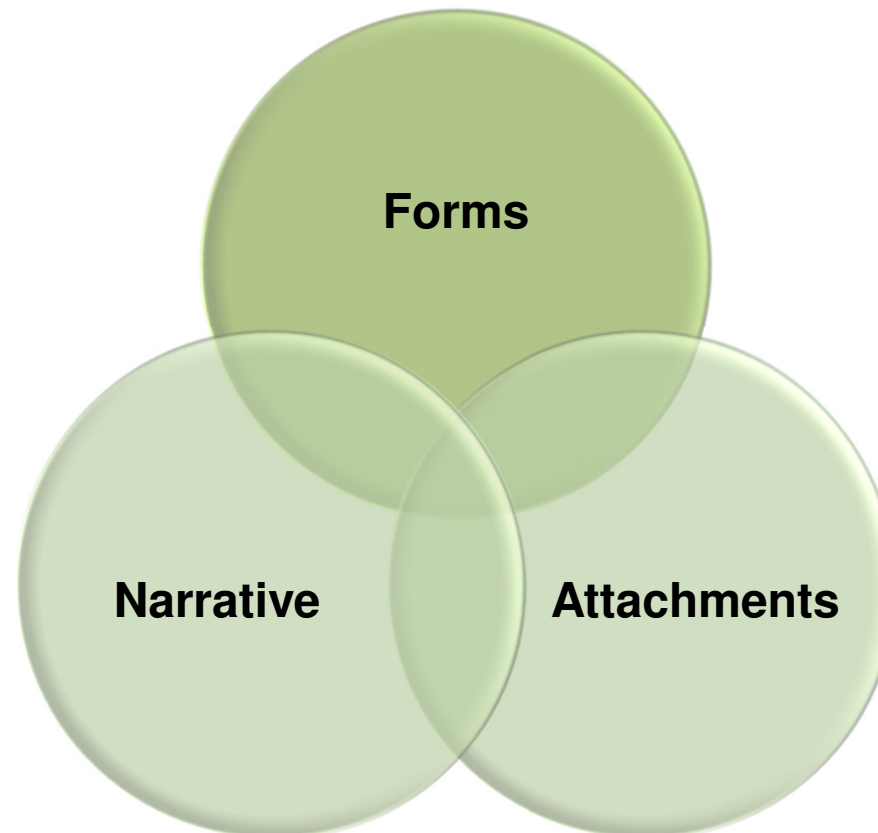
**Hampton County Spec Building
Nupi Americas Inc.
37 new jobs \$4.9 M investment**



Water and Sewer Improvements



GRANT APPLICATION



ATTACHMENTS

1. Narrative
2. Preliminary Engineering Cost Estimate
3. Maps
4. Program Documentation
 - Basic Infrastructure
 - Economic Infrastructure
 - Product Development
 - Economic Development/Jobs
5. Funding and Other Commitments



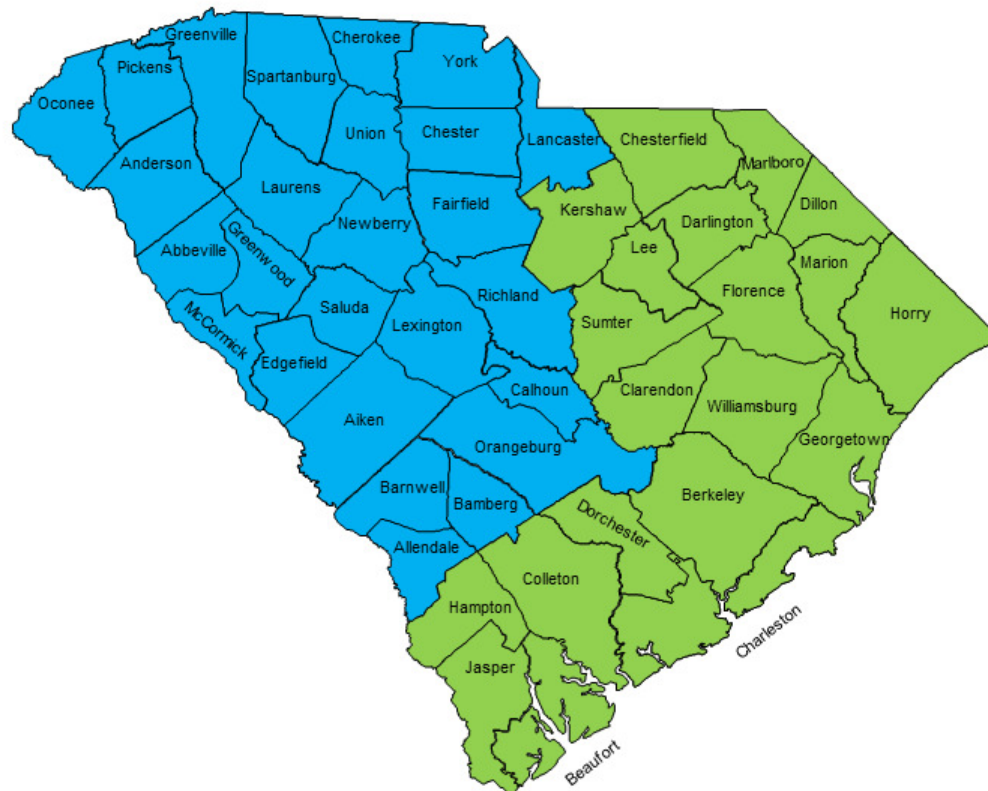
GRANT APPLICATION DEADLINE

Applications accepted
twice a year
Spring and Fall

Applications
available at
ria.sc.gov



County Assignments



Liz Rosinski:

(803) 737-6804

lrosinski@ria.sc.gov

Abbeville, Aiken, Allendale, Anderson, Bamberg, Barnwell, Calhoun, Cherokee, Chester, Edgefield, Fairfield, Greenville, Greenwood, Lancaster, Laurens, Lexington, McCormick, Newberry, Oconee, Orangeburg, Pickens, Richland, Saluda, Spartanburg, Union, York

Jackie Calvi-Mack:

(803) 737-0392

jcalvi@ria.sc.gov

Beaufort, Berkeley, Charleston, Chesterfield, Clarendon, Colleton, Darlington, Dillon, Dorchester, Florence, Georgetown, Hampton, Horry, Jasper, Kershaw, Lee, Marion, Marlboro, Sumter, Williamsburg

Economic Development/ Jobs Projects in all counties.

RIA LOAN RESOURCES

- State Revolving Funds
 - Drinking Water Program
 - Clean Water Program
- Jointly administered
 - DHEC's Bureau of Water
 - RIA's Office of Local Government
- Two Step Application Process
 - Project Questionnaire – Submit to DHEC
 - Loan Application – Submit to RIA/OLG



SRF FINANCIAL SUMMARY

Clean Water SRF

- Making loans since 1989
- \$972 million in loans
- Average loan amount - \$5.7 million
- Range from under \$1 million to \$36 million

Drinking Water SRF

- Making loans since 1998
- \$261 million in loans
- Average loan amount - \$3.8 million
- Range from under \$1 million to \$14 million



FY 2016 INTEREST RATES

Standard
1.80%

Small System
1.30%

Hardship/Takeover
1.0%

Storm Water
1.30%

Green
1.0%



ELIGIBLE EXPENSES

- 100% Financing of all eligible expenses
- Reasonable costs associated with completing a project as determined by DHEC

Examples:

- | | |
|------------------------------------|-------------------------------------|
| ➤ Planning, design and engineering | ➤ Materials |
| ➤ Legal and appraisal | ➤ Construction |
| ➤ Land, ROW/Easement acquisition | ➤ Construction management oversight |
| ➤ Equipment | ➤ Construction contingency |



CLEAN WATER: PROJECT EXAMPLES

- New, Upgrade or Expansion of a Waste Water Treatment Plant
- Sewer Line Rehabilitation or Replacement
- New or Rehabilitated Pump Stations
- New or Improved Collection Systems
- New or Rehabilitation of Interceptors
- Storm water Projects
- Relocation of Waste Water Lines due to Road Widening Projects



DRINKING WATER: PROJECT EXAMPLES

- New, Upgrade or Expansion of a Surface Water Treatment Plant
- Water Storage Facilities
- New or Rehabilitation of Water Lines
- Looping of Distribution Lines
- Interconnecting Systems
- Addition of New Wells
- Water Meter Replacement
- Relocation of Water Lines due to Road Widening Projects

FINANCIAL BENEFITS OF SRF LOAN

- Low-interest rates
- Fixed rate financing
- Terms of up to 30 years
- Low closing costs
- Up to 100% financing of all eligible costs


ADDITIONAL RESOURCES

Funding Partners:




- US Department of Agriculture: Rural Development
- US Economic Development Administration
- SC Department of Commerce
- SC Department of Health and Environmental Control
- SC Rural Infrastructure Authority

INFRASTRUCTURE FUNDERS RESOURCES

 South Carolina Public Infrastructure Funding Resources						
Agency	Program	Program Description	Grant or Loan?	Funding Available	Eligible Applicants	How to Apply
SC Department of Commerce	Community Development Block Grant Program (CDBG) (water, sewer, drainage, public facilities)	The CDBG Program provides grants for a wide variety of projects from revitalizing neighborhoods to improving community infrastructure, providing public facilities and creating or retaining jobs. The program targets low-to-moderate income areas.	Competitive Grants	In FY2015, \$18.5 million is estimated for grants including \$15 million for community development.	Units of local government in areas of the state that do not directly receive their own funding from the US Department of Housing and Urban Development.	Community infrastructure application requests due March 13, 2015 and applications due April 13, 2015. Applications are available upon request by the Chief Administrative official for the local government. Before submitting an application request, review the 2015 CDBG Program Description and Application Guidelines.
SC Department of Commerce	Appalachian Regional Commission Area Development Funds (ARC)	ARC funds may be used for projects that meet one or more of the following goals: 1) Increase job opportunities and per capita income in Appalachia; 2) Strengthen the capacity of the people of Appalachia to compete in the global economy; and 3) Develop and improve Appalachia's infrastructure to make the region economically competitive. Priority is given to economic development, workforce development, education or infrastructure projects. Separate funding may be available for local access road development.	Competitive Grants	FY2015 estimated at \$2.5 million.	Community-based organizations, public and private non-profit organizations, educational institutions, Local Development Districts (LDDs), local and state governments. Projects must benefit the Appalachian counties of Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg.	Application proposals must be submitted in November. Please contact the ARC Program Manager for additional information.
SC Department of Health and Environmental Control (DHEC) for Project Management and SC Rural Infrastructure Authority, Office of Local Government (OLG) for Financial Assistance	State Revolving Funds (SRF) (sewer, stormwater) Drinking Water SRF	Both SRF programs provide long-term, low-interest loans. The Clean Water SRF finances all types of sewer facilities including treatment plants, collection systems, stormwater improvements, and the relocation for road widening for environmental and growth purposes up to 30 years at 1.0% to 2.0% for FY15. The Drinking Water SRF finances water supply and distribution facilities needed to achieve or maintain compliance with drinking water regulations and relocation of lines for road widening, for up to 30 years at 1.0% to 2.2% for FY15. DHEC manages projects and technical requirements of SRF. OLG makes the loans and manages financial portion of SRF.	The SRFs are loan programs. There is, however, a very limited amount of funds available as principal forgiveness for projects facing health or environmental threats.	In FY15, more than \$200 million is available for Clean Water SRF projects and about \$40 million is available for Drinking Water SRF projects.	Municipalities, counties and special purpose districts. In the Drinking Water SRF only, assistance to private non-profits may also be available on a limited basis.	Submit a Clean Water SRF Project Questionnaire (PQ) or a Drinking Water SRF PQ to DHEC to be ranked added to the Priority List, and begin process. (Forms are available at: www.scdhe.gov/homeAndEnvironment/BusinessandCommunity/Governmental/EnvironmentalGrantsandLoans/StateRevolvingFundSRFDocumentsForms/) Once a project is added to either SRF Priority List, contact OLG to submit preliminary financial information for assessing affordability of loan amount. Final loan applications are accepted by OLG from October 1 to July 31 of each fiscal year for projects that have met the technical requirements with DHEC.

Information compiled February 2015

 SC Infrastructure Funders Project Information Form		
GENERAL INFORMATION		
Organization Name:		
Address:		
Contact Name:	Title:	
Telephone Number:	Email Address:	
Engineer Name:	Telephone Number:	Email Address:
Organization Type: <input type="checkbox"/> Local Government <input type="checkbox"/> Public Works Board, Commission or District <input type="checkbox"/> Non-Profit <input type="checkbox"/> Special Purpose District <input type="checkbox"/> Other (describe)		
Type of Service Provided: <input type="checkbox"/> Water Avg. Monthly Residential Water Bill: \$ _____ Avg. Monthly Residential Usage: _____ gallons Water Source and capacity:		<input type="checkbox"/> Sewer Avg. Monthly Residential Sewer Bill: \$ _____ Sewer Treatment provider and capacity:
PROJECT INFORMATION		
Provide a brief project description and justify the need:		

COORDINATION OF MULTIPLE FUNDING SOURCES TO ADDRESS EPA ORDER


City of Lancaster

PROBLEM: Under EPA Administrative Order on Consent for their collection system.

SOLUTION: Multi-year, multi-phased approach. CIPP lining in five Priority Areas (as identified by EPA) – located in three of city's service areas.

Due to significant costs associated with project, multiple agencies participating in effort (SRF, CDBG and RIA)

TOOLS AND RESOURCES




South Carolina
Rural Infrastructure Authority

1201 Main Street, Suite 1600, Columbia, SC 29201
(803) 737-0390 info@ria.sc.gov

SEARCH

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Improving the Quality of Life in South Carolina

A STATEWIDE RESOURCE FOR WATER AND SEWER FINANCING

The success of communities is vitally important to our quality of life in South Carolina. One way to build stronger communities is to invest in infrastructure that is capable of supporting homes, schools and businesses. Infrastructure refers to water and waste water systems as well as storm water drainage and other public facilities.

Access to basic infrastructure is essential for growth and economic development. Communities can ensure that existing facilities will meet appropriate environmental and health standards as well as prepare for the future by upgrading, improving and expanding their infrastructure capacity. Such investments will help maintain the quality of life for residents and open the door to new opportunities.

The SC Rural Infrastructure Authority (RIA) was created to help communities develop infrastructure projects. Competitive grants are offered to assist in the development of reliable infrastructure that protects public health and encourages economic growth.

ria.sc.gov

ANY QUESTIONS?



South Carolina
Rural Infrastructure Authority

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SRF:

- All time low interest rate of 1.8%
- Funding is competitive

RIA:

- Highest priority given to projects that address consent orders & violations
- \$500K grants available for construction costs



In Closing...