

**PERMANENT COMMUNITY IMPACT FUND BOARD
GRANT & LOAN PROGRAM**

(Revised April 2016)

I. OVERVIEW

The Permanent Community Impact Fund Board (CIB) is a program of the state of Utah which provides loans and/or grants to state agencies and subdivisions of the state which are or may be socially or economically impacted, directly or indirectly, by mineral resource development on federal lands. The source of funding through CIB is the mineral lease royalties returned to the state by the federal government. The CIB will consider only those applications submitted by an eligible applicant for an eligible project.

Applicant Eligibility

Utah state statute defines a "subdivision of the state" as being any of the following: counties, cities, towns, school districts, building authorities, special service districts, water conservancy districts, county service areas, special improvement districts, water or sewer improvement districts, and public postsecondary institutions.

Indian Tribes, individuals, corporations, associations, private non-profit organizations are not eligible for financing from the CIB.

Project Eligibility

Utah state statute authorizes the CIB to fund the following types of activities: planning, construction and maintenance of public facilities, and provision of public services.

The CIB's administrative rules further define "public facilities and services" to mean public infrastructure traditionally provided by governmental entities.

All applicants must demonstrate that the facilities or services provided will be available and open to the general public and that the proposed funding assistance is not merely a device to pass along low interest government financing to the private sector. Nothing in the statutory language precludes the CIB from considering the effect of a proposed project on "economic development" or "job creation" as long as the proposed project can be determined to fall within one of the three eligible categories.

Funding Guidelines

- Total participation in any given project will generally be limited to a maximum of \$5,000,000, regardless of grant/loan mix.
- Planning, study or design requests require a fifty percent cash contribution from the applicant. **Note:** Applications for municipal planning shall be reviewed by the Permanent Community Impact Fund Board's Rural Planning Group. Contact ruralplanning@ruralplanning.org prior to applying.)
- Applicants cannot count the use of in-kind funds as local matching funds unless the in-kind participation has a demonstrable value, such as real property. Donated labor or staff time cannot be counted as local matching funds.

II. FUNDING PROCESS

Funding Cycles

The CIB reviews applications and authorizes funding assistance on a Trimester basis during the state fiscal year (July 1st – June 30th).

| <i>Trimester</i> | <i>Application Deadline</i> | <i>Review Meetings</i> | <i>Funding Meetings</i> |
|-------------------------|------------------------------------|-------------------------------|--------------------------------|
| First | June 1 | July, August, September | October |
| Second | October 1 | November, December, January | February |
| Third | February 1 | March, April, May | June |

Application Submission

- New applications must be received by the CIB's staff prior to close of business on the applicable deadline.
- New applications will be submitted on the most current application form.
- The CIB's staff will review all new applications for completeness. Incomplete applications will not be considered.
- Applications from ineligible applicants or applications for ineligible projects will not be reviewed by the CIB's staff and the applicant will be notified of the ineligibility.
- Complete applications accepted for processing will be placed on one of the Trimester's upcoming Project Review Meeting agendas.

Project Review Meetings

At a Project Review Meeting the CIB may:

- Deny the application;
- Place the application on the Pending List for consideration at a future Project Review Meeting after additional review, options analysis and funding coordination by the applicant and the CIB's staff;
- Place the application on the Prioritization List for consideration at the next Project Funding Meeting.

Applicants and their representatives shall be informed of any Project Review Meeting at which their applications will be considered. Applicants shall make formal presentations to the CIB and respond to the CIB's questions. If an applicant or its representatives are not present to make a presentation, the Board may either: a) deny the application; or b) place the application on the Pending List for consideration at a future Project Review Meeting.

No funds shall be committed by the CIB at Project Review Meetings, with the exception of bona fide public health or safety emergencies or for other compelling reasons.

Project funding Meetings

At a Project Funding Meeting the CIB may:

- Deny the application;
- Place the application on the "Pending List" for consideration at a future Project Review Meeting after additional review, options analysis and funding coordination by the applicant and the CIB's staff;
- Authorize funding for applications in the amount and terms as determined by the CIB

Requests for Special Consideration

In instances of bona fide public safety or health emergencies or for other compelling reasons, the CIB may suspend its rules and procedures and accept, process, review and authorize funding of an application on an expedited basis.

III. PRE-SUBMISSION REQUIREMENTS

Local Capital Improvement List.

A consolidated list of the anticipated capital needs for eligible entities shall be submitted from each county area, or in the case of state agencies, from the Housing & Community Development Division (HCD). This list shall be produced as a cooperative venture of all the eligible entities within each county area.

The list will contain a short term (one year) and a medium term (five year) component.

The list shall contain the following items: jurisdiction, summary description, project time frame, anticipated time of submission to the CIB, projected overall cost of project, anticipated funding sources, the individual applicants' priority for their own projects, and the county area priority for each project.

Projects not identified on a county's or HCD's list, will not be funded by the CIB, unless they address a bona fide public safety or health emergency or for other compelling reasons.

An updated list shall be submitted to the CIB no later than April 1st of each year. The up-dated list shall be submitted in the uniform format required by the Board.

Public Hearing

The CIB requires all applicants to have a vigorous public participation effort. All applicants shall hold a formal public hearing to solicit comment concerning the size, scope and nature of any funding request to be submitted to the CIB *prior to review by the Board*. At the public hearing, the public shall be advised the CIB may provide financing in the form of a loan, even if the application requests a grant.

Complete and detailed information shall be given to the public regarding the proposed project and it's financing. The information shall include the expected financial impact to the public as user fees, special assessments, or property taxes if the financing is in the form of a loan. The CIB may require further public hearings if it determines the applicant did not adequately disclose to the public the impact of the financial assistance.

Association of Governments Notification

All applicants are required to submit a copy of any proposed application for CIB funding assistance to the applicable Association of Governments (AOG) two weeks prior to submission. The member counties for the various AOG's are:

| County | Association of Governments |
|--|--|
| Box Elder, Cache, Rich | Bear River AOG, 170 N. Main, Logan, UT 84321. 435-752-7242 |
| Beaver, Garfield, Iron, Kane, Washington | Five County AOG, P.O. Box 1550, St. George, UT 84771. 435-673-3548 |
| Summit, Wasatch | Mountainland AOG, 586 East 800 North, Orem, UT 84097-4146. 801-229-3800 |
| Juab, Millard, Piute, Sanpete, Sevier, Wayne | Six County AOG, 250 North Main, Richfield, UT 84701. 435-893-0700 |
| Carbon, Emery, Grand, San Juan | Southeastern AOG, P.O. Box 1106, Price, UT 84501. 435-637-5444. |
| Daggett, Duchesne, Uintah | Uintah Basin AOG, 330 East 100 South, Roosevelt, UT 84066. 435-722-4518. |
| Morgan, Tooele | Wasatch Front Regional Council, 295 North Jimmy Doolittle Road Salt Lake City, UT 84116. 801-363-4250. |

Division of State History Notification

The Division of State History has requested that the CIB provide information concerning project applications affecting structures 50 years old or older and/or ground to be disturbed. The CIB will submit a copy of any proposed application to the State History Preservation Officer (SHPO) for review and comment regarding the effect of the proposed project will have on any district, site, building structure or specimen that is included in or eligible for inclusion in the National Register of Historic Places or the State Register. A copy of any comments made by the SHPO will be included in the application file. Please provide maps, photos or other items to identify property associated with the project. The SHPO can be contacted at the following address: Christopher Hansen, Division of State History, 300 Rio Grande, Salt Lake City, Utah 84101, 801-245-7239, chansen@utah.gov.

Affordable Housing Plans

In 1998 the State Legislature established a requirement that each municipality and county in Utah develop and adopt a plan for meeting the housing needs of moderate income persons. The requirements for these plans are contained in *Section 10-9a-403 UCA (municipalities) and Section 17-27a-403 UCA (counties)*. [Codification prior to 2012 Legislature] All applicants are required to submit a brief description of their efforts to meet the affordable housing planning requirements. (Do not send the whole plan) Additional information regarding these plans may be obtained from: Housing and Community Development Division, 1385 South State ~ Salt Lake City Utah 84115, (801) 468-0043.

Department of Environmental Quality Review

The CIB and the Utah Department of Environmental Quality (DEQ) have entered into an agreement by which DEQ staff act as technical advisors to the CIB on drinking water and waste water projects. All applicants for proposed drinking water and waste water projects must provide sufficient technical information to DEQ to permit detailed technical review of the project. The CIB will not act on any drinking water or waste water project applications unless such a review is received from DEQ. Please refer to the Drinking Water & Waste Water Project Supplement to the application. DEQ contacts are listed below.

| Drinking Water Applications | Waste Water Applications |
|--|---|
| Nathan Hall Division of Drinking Water 195 North 1950 West Salt Lake City, Utah 84114 (801) 536-0048 nhall@utah.gov | John Mackey Division of Water Quality 195 North 1950 West Salt Lake City, Utah 84114 (801) 536-4347 ikmackey@utah.gov |

Utah Department of Transportation

The CIB and the Utah Department of Transportation (UDOT) have entered into an agreement by which UDOT staff act as technical advisors to the CIB on street and road projects. All applicants for proposed street and road projects must provide sufficient technical information to UDOT to permit detailed technical review of the project. The CIB will not act on any street or road project applications unless such a review is received from UDOT. Please refer to the Application Addendum for Street and Road Projects and the Concept Cost Estimate Form. The UDOT contact is listed below.

Kendall Draney, P.E.
Engineer, Utah Department of Transportation
4501 South 2700 West
Salt Lake City, Utah 84114
801-864-7876 (w)
Email: kdraney@utah.gov

AGENCY CONTACTS

Permanent Community Impact Fund
1385 South State Street ~ 4th Floor
Salt Lake City, Utah 84115
Office: 801-468-0043
Fax: 801-468-0211

Web Site

<http://housing.utah.gov/cib/cib.html>

CIB Staff

Candace Powers
Fund Manager
801-468-0131
cpowers@utah.gov

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801-468-0129
ggardner@utah.gov

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801-468-0175
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Executive Secretary
801-468-0043
crhead@utah.gov

Rural Planning Group

Kyle Slaughter
Planning Consultant
801-468-0135
kslaughter@utah.gov

Paul Moberly
Planning Consultant
801-468-0074
moberpaul@utah.gov

The following Funding Guidelines were formally adopted by the Permanent Community Impact Fund Board on August 7, 2008. These Funding Guidelines supersede all prior versions.

MAXIMUM CIB PARTICIPATION

The current guideline for CIB participation in any given project is generally limited to a maximum of \$5,000,000, regardless of grant/loan mix.

PUBLIC EDUCATION (School Districts) PROJECT ELIGIBILITY

Section 35A-8-307(1)(d) UCA prohibits the CIB from funding any education project that could otherwise have reasonably been funded by a school district through a program of annual budgeting, capital budgeting, bonded indebtedness, or special assignments.

NOMINALLY PRODUCING/MARGINALLY IMPACTED AREAS

The CIB has adopted the following guidelines placing certain limitations on the amount and type of financial assistance to be offered to applicants from areas which produce nominal amounts of mineral lease funds or are marginally impacted (directly or indirectly) by production of mineral resources on federal lands within the state of Utah.

- Financial assistance will be offered as interest bearing loans.
- The interest rate on these loans will be at least one percentage higher than the CIB's benchmark interest rate at the time of application.
- The term on these loans will usually be limited to 20 years.
- All other statutory and programmatic requirements of the CIB will apply to these loans.

NON-CULINARY WATER PROJECTS

The CIB will not participate in the financing of non-culinary water projects where the primary beneficiaries are individuals, for profit corporations, associations, private non-profit organizations, stock companies, or other entities not specifically defined as eligible applicants.

The CIB may determine to participate in non-culinary water projects where an eligible applicant can demonstrate that the facilities or services provided would be available to or significantly benefit the general public and that the proposed funding assistance is not merely a device to pass along low interest government financing to the private sector.

Examples

YES: Construction of a pressurized secondary irrigation system within a town to reduce demands on treated culinary water.

NO: Construction of dam and reservoir to provide irrigation water to agricultural or industrial users.

Lining canals to prevent water loss to agricultural or industrial users.

ROAD AND STREET PROJECTS

Street and Road addendum must be completed and submitted to the CIB with all road applications.

SOLID WASTE DISPOSAL PROJECTS

On January 6, 1994, the Permanent Community Impact Fund Board (CIB) voted to lift its moratorium on accepting applications for funding assistance on solid waste disposal projects. However, certain policy guidelines were adopted to define the scope and nature of CIB participation in the range of solid waste disposal projects.

- ***Solid Waste Planning Projects***

Included are feasibility studies, environmental and siting studies, development plans, etc. Funding for approved applications will be provided on a 50/50 cash matching basis, with a \$25,000 ceiling on CIB participation. Applicants are encouraged to take a regional or countywide approach to solid waste planning activities. Development of specific plans should be coordinated with the Utah Division of Solid and Hazardous Waste (DSHW) to ensure compliance with DSHW regulations.

- ***Solid Waste Disposal Projects***

Included are upgrading of existing facilities and the development of new facilities. Funding for approved applications will be provided via an interest-bearing loan. The amount and length of the loan will be determined on a case-by-case basis. However, the interest rate must be at least one-half ($\frac{1}{2}$) of the most recent interest rate charged on state issued general obligation bonds. Applicants are encouraged to take a regional or countywide approach to the development of solid waste disposal facilities. Applicants will be required to establish and fund an invested replacement account as a condition to receiving a loan. Funding of approved applications will be contingent upon the project sponsor receiving the necessary permits from DSHW.

- ***Closure of Existing Landfills***

Included is the closure of existing landfills to meet U.S. Environmental Protection Agency Regulations. Funding for approved applications will be provided via an interest-bearing loan. The amount and length of the loan will be determined on a case-by-case basis. However, the interest rate must be at least one-half ($\frac{1}{2}$) of the most recent interest rate charged on state issued general obligation bonds. Funding of approved applications will be contingent upon the project sponsor receiving the necessary permits from DSHW.

**PERMANENT COMMUNITY IMPACT FUND BOARD
GUIDELINES FOR PUBLIC POSTSECONDARY INSTITUTIONS
INCLUDING APPLIED TECHNOLOGY COLLEGES**

(Revised 8/5/04)

Eligibility

The Permanent Community Impact Fund Board (CIB) may provide financial assistance to public postsecondary institutions in Utah, which includes all state supported public universities, colleges, community colleges and applied technology colleges. Private institutions are not eligible for CIB assistance.

Applications relating to public postsecondary institutions will fall into two categories, capital projects and public services. The details of the two categories and associated requirements are given below.

Capital Projects

This category includes: a) buildings; b) equipment and systems; and c) planning or design related to item a or b. **Note:** Applications for planning shall be reviewed by the Permanent Community Impact Fund Board's Rural Planning Group. Contact ruralplanning@ruralplanning.org prior to applying)

Applications for public facilities shall be submitted by the institutions in their own names. Applications will not be accepted which are submitted by a sub agency of the institution.

A. Buildings should be funded through the existing budgetary processes available to public postsecondary institutions. Application to CIB is not an alternative to circumvent review and approval by the State Board of Regents, the Utah College of Applied Technology's Board of Trustees, the State Building Board, the Governor or the Legislature. The CIB will only consider applications for buildings when extraordinary circumstances indicate CIB participation is appropriate.

B. Equipment and systems will be only considered by CIB when no other regular funding source is available. This type of application should increase the quality and accessibility of educational opportunities available in areas of the state, which are or may be socially or economically impacted, directly or indirectly, by mineral resource development.

C. Planning or design applications relating to actual building or equipment/systems projects will carry the same requirements as those building or equipment/systems applications. Applicants are advised that planning or design requests require a fifty percent (50%) cash contribution by the applicant.

Pre-submission Requirements for Capital Projects

In addition to CIB's standard requirements, applicants seeking financial assistance for higher education capital projects must meet the following requirements:

A) Local Community Support - All applications must contain evidence that interested and effected parties in the local community support the project. This will include letters of support from local governments and community based organizations, public opinion polls, etc. Applications shall indicate if the proposed project is in conformity with local development plans and ordinances.

B) Coordination between Institutions - Where more than one institution is designated to serve within the same geographic area, i.e. community college/university, the application will be jointly submitted from both institutions to assure proper planning within the Higher Education System regarding the use of CIB Funds. The co-location and sharing of facilities and resources between institutions is strongly encouraged.

C) *State Board of Regents Capital Planning* - All applications must include a letter from the State Board of Regents assuring the proposed project fits with the scope of State Board of Regents' projects.

D) *Utah College of Applied Technology's Board of Trustees Capital Planning* - All applications must include a letter from the UCAT Board of Trustees assuring the proposed project fits with the scope of UCAT Board of Trustees' projects.

Public Service Projects

Section 35A-8-305(4)(a) UCA, states CIB will consider the provision of public services to include contracts funded through public postsecondary institutions for research, education, or public service programs.

These projects should be of direct benefit to impacted counties or their political subdivisions. Applications to CIB for these types of projects shall be submitted from an impacted county and approved by the county legislative body.

General land use plans developed by a public postsecondary institution for an impacted county or its political subdivisions are considered to be a public service program.

Applications for studies and research projects should be for practical or applied research directed to immediate accomplishment of traditional governmental services.

Applicants are advised that public service project or program requests relating to public postsecondary institutions require a twenty percent (20%) cash contribution by the applicant.

Applicants are advised that for public service project or program requests relating to public postsecondary institutions CIB and the State Board of Regents have agreed to a ten percent (10%) cap on indirect costs. A waiver of the allowed ten percent (10%) indirect costs by the public postsecondary institution may not be counted towards the required twenty percent (20%) cash contribution by the applicant.

Capital Improvement List Requirement

The CIB's administrative rules require that all project applications be identified on a "Local Capital Improvement List" submitted annually from each county, or in the case of state agencies, from the Housing and Community Development Division (HCD). Projects not identified on a county's or HCD's list will not be funded by CIB, unless they are a bona fide public safety or health emergency or other compelling reason.

The list should contain the following items: jurisdiction, summary description, project time frame, anticipated time of submission to CIB, projected overall cost of project, anticipated funding sources. The list will contain a short term (one year) and medium term (five year) components.

Capital Project Applications shall be submitted by the public postsecondary institution in its own name as a state agency. These applications will be identified on the capital improvement list submitted by HCD.

Public Service Project Applications will be submitted by an impacted county. These applications will be identified on the local capital improvement list submitted by that county.