Throughput Infrastructure Fund

            

FY 2021 PHASE I (BLUE) APPLICATION

FY2021 PHASE II (BLACK) APPLICATION

draft

**Permanent Community Impact Fund Board**

**1385 S. State Street, 4th Floor**

**Salt Lake City, UT 84115**

**Office: 801-468-0043**

**Fax: 801-468-0211**

|  |
| --- |
| **Applicant Responsibilities** |
|

|  |
| --- |
| **The applicant is responsible for facilitating the coordination of all activities necessary for the consideration of the application for a project**.  |

 |
|  | Participate in an application review meeting with Board staff. |
|  | Complete necessary steps to hire a qualified consultant/contractor to perform required project work. |
|  | Hold regularly scheduled PHASE II project application review meetings with Board staff and/or corresponding experts. |
|  | Perform project close-out audit to ensure contractual compliance and issue close-out report. |
|  | Submit to Board all project deliverable and documentaries on-time and according to schedule, including periodic receipts and invoices. |
|  | Comply with all Board project PHASE II application reporting requirements: |
|  |  | 1. Status of project by task breakdown and percent complete  |
|  |  | 2. Changes and reason for change in project’s scope, schedule and/or budget |
|  |  | 3. Description of unanticipated problems and any resolution since the immediately preceding progress report |
|  |  | 4. Summary of work scheduled for the next progress period |
|  |  | 5. Updated project schedule |
|  |  | 6. Annual meeting with Board staff to review project finances and determine ability to repay. |

|  |
| --- |
| **Fund Policies** |
| **Fund allocation** |
|  | Per UCA 35A-8-302(8)(c), the Fund must maintain a revolving portion; accordingly, up to fifteen (15) percent of the total Fund balance may be granted in any fiscal year. The remaining eighty-five (85) percent must be loaned at 2.5 percent interest.  |
|  | Projects financed in whole or in part by Fund grants must be owned by the applicant for a minimum of ten (10) years. In the event that the applicant terminates its ownership within ten (10) years applicant will repay the Fund for the full grant amount |
|  | Loans made from the Fund must have a maximum maturity of twenty (20) years. |
|  |  |
|  | Supplemental funding requests will be required to undergo the same application process as the original application. |
|  | **Applications must be complete at time of submission**. Incomplete applications will be rejected by staff and will not be considered by the Board. |
|  | Fund will not reimburse for costs incurred prior to funding approval in writing from the Board. |
|  | Applicant shall have a robust procurement policy. |

The Throughput Infrastructure Fund (Fund) was created in 2014 and is managed by the Permanent Community Impact Fund Board (Board). The Fund is intended for use on major infrastructure projects that improve transportation infrastructure.

**35A-8-302 Definitions.**

          As used in this part:

(1) “Bonus payments” means that portion of the bonus payments received by the United States government under the Leasing Act paid to the state under Section 35 of the Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those payments.

(2) “Impact board” means the Permanent Community Impact Fund Board created under Section 35A-8-304.

(3) “Impact fund” means the Permanent Community Impact Fund established by this chapter.

(4) “Interlocal agency” means a legal or administrative entity created by a subdivision or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal Cooperation Act.

(5) “Leasing Act” means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et seq.

(6) “Qualifying sales and use tax distribution reduction” means that, for the calendar year beginning on January 1, 2008, the total sales and use tax distributions a city received under Section 59-12-205 were reduced by at least 15% from the total sales and use tax distributions the city received under Section 59-12-205 for the calendar year beginning on January 1, 2007.

(7) “Subdivision” means a county, city, town, county service area, special service district, special improvement district, water conservancy district, water improvement district, sewer improvement district, housing authority, building authority, school district, or public postsecondary institution organized under the laws of this state.

(8)

(a) “Throughput infrastructure project” means the following facilities, whether located within, partially within, or outside of the state:

(i) a bulk commodities ocean terminal;

(ii) a pipeline for the transportation of liquid or gaseous hydrocarbons;

(iii) electric transmission lines and ancillary facilities;

(iv) a shortline freight railroad and ancillary facilities;

(v) a plant for producing hydrogen, including the liquification of hydrogen, for use as a fuel in zero emission motor vehicles; or

(vi) a plant for the production of zero emission hydrogen fueled trucks.

(b) “Throughput infrastructure project” includes:

(i) an ownership interest or a joint or undivided ownership interest in a facility;

(ii) a membership interest in the owner of a facility; or

(iii) a contractual right, whether secured or unsecured, to use all or a portion of the throughput, transportation, or transmission capacity of a facility.

**35A-8-308 Throughput Infrastructure Fund.**

(1) There is created an enterprise fund known as the Throughput Infrastructure Fund.

(2) The fund consists of money generated from the following revenue sources:

(a) all amounts transferred to the fund under Subsection 59-12-103(12);

(b) any voluntary contributions received;

(c) appropriations made to the fund by the Legislature; and

(d) all amounts received from the repayment of loans made by the impact board under Section 35A-8-309.

(3) The state treasurer shall:

(a) invest the money in the fund by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and

(b) deposit all interest or other earnings derived from those investments into the fund.

**35A-8-309 Throughput Infrastructure Fund administered by impact board -- Uses -- Review by board -- Annual report.**

(1) The impact board shall:

(a) make grants and loans from the Throughput Infrastructure Fund created in Section 35A-8-308 for a throughput infrastructure project;

(b) use money transferred to the Throughput Infrastructure Fund in accordance with Subsection 59-12-103(12) to provide a loan or grant to finance the cost of acquisition or construction of a throughput infrastructure project to one or more local political subdivisions, including a Utah interlocal entity created under Title 11, Chapter 13, Interlocal Cooperation Act;

(c) administer the Throughput Infrastructure Fund in a manner that will keep a portion of the fund revolving;

(d) determine provisions for repayment of loans;

(e) establish criteria for awarding loans and grants; and

(f) establish criteria for determining eligibility for assistance under this section.

(2) The cost of acquisition or construction of a throughput infrastructure project includes amounts for working capital, reserves, transaction costs, and other amounts determined by the impact board to be allocable to a throughput infrastructure project.

(3) The impact board may restructure or forgive all or part of a local political subdivision’s or interlocal entity’s obligation to repay loans for extenuating circumstances.

(4) In order to receive assistance under this section, a local political subdivision or an interlocal entity shall submit a formal application containing the information that the impact board requires.

(5)

(a) The impact board shall:

(i) review the proposed uses of the Throughput Infrastructure Fund for a loan or grant before approving the loan or grant and may condition its approval on whatever assurances the impact board considers necessary to ensure that proceeds of the loan or grant will be used in accordance with this section;

(ii) ensure that each loan specifies terms for interest deferments, accruals, and scheduled principal repayment; and

(iii) ensure that repayment terms are evidenced by bonds, notes, or other obligations of the appropriate local political subdivision or interlocal entity issued to the impact board and payable from the net revenues of a throughput infrastructure project.

(b) An instrument described in Subsection (5)(a)(iii) may be:

(i) non-recourse to the local political subdivision or interlocal entity; and

(ii) limited to a pledge of the net revenues from a throughput infrastructure project.

(6)

(a) Subject to the restriction in Subsection (6)(b), the impact board shall allocate from the Throughput Infrastructure Fund to the board those amounts that are appropriated by the Legislature for the administration of the Throughput Infrastructure Fund.

(b) The amount described in Subsection (6)(a) may not exceed 2% of the annual receipts to the fund.

(7) The board shall include in the annual written report described in Section 35A-1-109:

(a) the number and type of loans and grants made under this section; and

(b) a list of local political subdivisions or interlocal entities that received assistance under this section.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| (8) |

|  |  |
| --- | --- |
| (a) | The first throughput infrastructure project considered by the impact board shall be a bulk commodities ocean terminal project. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| (b) | Upon receipt of an application from an interlocal agency created for the sole purpose of undertaking a throughput infrastructure project that is a bulk commodities ocean terminal project, the impact board shall:

|  |  |
| --- | --- |
| (i) | grant up to 2% of the money in the Throughput Infrastructure Fund to the interlocal agency to pay or reimburse costs incurred by the interlocal agency preliminary to its acquisition of the throughput infrastructure project; and |

|  |  |
| --- | --- |
| (ii) | fund the interlocal agency's application if the application meets all criteria established by the impact board. |

 |

 |

|  |
| --- |
| **Infrastructure Project Information** |
| Project Title: |  |
| Project Location: |  |
| Est. Completion Date: |  |

|  |
| --- |
| **Applicant Agency** |
| Legal Name: |  |
| Mailing Address: |  |
| City: |  | County: |  | Utah ZIP: |  |
|  |
| **Contact Person**  |
| Name: |  | Title: |  |
| Phone: |  | Fax: |  |
| Email: |  |

|  |
| --- |
| **Project Staff** |
| **Presiding Official**  |
| Name: |  | Title: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Clerk/Recorder/other** |
| Name: |  | Title: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Engineer/Architect** |
| Name: |  | Title: |  |
| Mailing Address: |  |
| City: |  | State: |  | ZIP: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Project Manager** |
| Name: |  | Title: |  |
| Mailing Address: |  |
| City: |  | State: |  | ZIP: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Legal Counsel** |
| Name: |  | Title: |  |
| Mailing Address: |  |
| City: |  | State: |  | ZIP: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Bond Counsel**  |
| Name: |  | Title: |  |
| Mailing Address: |  |
| City: |  | State: |  | ZIP: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Financial Consultant** |
| Name: |  | Title: |  |
| Mailing Address: |  |
| City: |  | State: |  | ZIP: |  |
| Phone: |  | Fax: |  |
| Email: |  |
|  |
| **Feasibility Consultant** |
| Name: |  | Title: |  |
| Mailing Address: |  |
| City: |  | State: |  | ZIP: |  |
| Phone: |  | Fax: |  |
| Email: |  |

|  |
| --- |
| **Administrative Advance PHASE I Funding Request –** up to 2% of available funds in the Throughput Infrastructure Fund to pay or reimburse costs incurred *by the interlocal agency* preliminary to its acquisition of the throughput infrastructure project. |
| Amount: |  | Terms:Maturity Date: |  |  |  |
| **Project Infrastructure PHASE II Funding Request** |
| Amount: |  | Terms:Maturity Date: |  |  |  |

Other Funds:

|  |
| --- |
| **Long-Term Operation & Maintenance** |
| Entity responsible for long term maintenance and operation: |  |

|  |
| --- |
| Credit Risk Rating *– Does CIB want this information?* |
| What is the applicant credit risk? |  |
| Loan Security Debt Capacity |
| Annual Revenue: |  | Debt capacity: |  |

|  |
| --- |
| **PHASE I Project Eligibility** |
| Please select project category |
|  | Bulk commodities ocean terminal |  |  |
|  | Oil or natural gas pipeline |  |  |
|  | Electric transmission line and ancillary facilities |  |  |
|  | Shortline railroad and ancillary facilities |  |  |
|  | Hydrogen fuel plant |  |  |
|  | Hydrogen truck production plant |  |  |

|  |
| --- |
| **PHASE I Project Ownership or Interest** |
| Please select ownership category and specify the level of interest |
|  | Ownership (full) |  |  |
|  | Ownership (partial) |  |  |
|  | Membership Interest |  |  |
|  | Secure contractual right to utilize facilities |  |  |
|  | Unsecured contractual right utilize facilities |  |  |
|  |  |  |  |

|  |
| --- |
| **Public Outreach**  |
| Public outreach in project area | Yes: |  | No: |  |  |
| Public hearing held in project’s immediate jurisdiction | Yes: |  | No: |  |  |

The Permanent Community Impact Fund Board prefers shovel-ready projects. The project must have acquired and completed all necessary permits, studies, and contracts before the application can be submitted. White spaces are for expanded comment.

|  |
| --- |
| **Property Owner Agreements-**  |
| Has project acquired rights to all necessary property? | *Yes* |  | *No* |  |
|  |
| **Rights-of-Way** |
| Has project acquired all necessary rights-of-way? | *Yes* |  | *No* |  |
|  |
| **Permitting** |
| Has project acquired all necessary permits? | *Yes* |  | *No* |  |
|  |
| **Studies/Feasibility/Viability/Benefits/Costs/Risks** |
| Has project completed all necessary studies? | *Yes* |  | *No* |  |
|  |
| **Service Agreements** |
| Has project signed all service agreements or letters of intent with **users/customers?** | *Yes* |  | *No* |  |
| Has project signed all service agreements or letters of intent with **suppliers?** | *Yes* |  | *No* |  |
|  |
| **Memorandum of Understanding with governments** |
| Has project signed all necessary MOUs with proper governments? | *Yes* |  | *No* |  |
|  |
| **Procurement Policy** |
| Applicant has a procurement policy | *Yes* |  | *No* |  |

|  |
| --- |
| **Purpose of PHASE I Administrative Funding Request** |
| Applicant has attached detailed statement for use of funds | *Yes* |  | *No* |  |

Please provide the following requested documents as attachments to the application. Clearly label each attachment properly. Applicants must meet ALL of the requirements listed below. Incomplete applications will be rejected.

|  |
| --- |
| 1. **PHASE I Objective-** Please clearly describe the issue that PHASE I FUNDING will address; the work that will be accomplished by the applicant; the end-state of the project; and the public benefits that the project is intended to achieve.
 |
| 1. **Project Background-**Please provide a high-level overview of the project and the applicant’s interest in the project. *Approximately 2-3 paragraphs.*
 |
| 1. **Project Location-** Provide information to provide information related to the geographic scope of the project. Be specific and detailed.
 |
| 1. **PHASE I Description of Work-** Describe the primary phases, tasks, and steps necessary to complete the project.
 |
| 1. **Project Ownership or Interest-** Provide relevant documents for ownership/interest terms and contracts
 |
| 1. **Project Partners-** List the active **private** and **public** partners in the project. *Describe their investment, role, and experience*
 |
| 1. **Project Beneficiaries-** List the active **private** and **public** beneficiaries in the project. *Describe their investment, role, and experience*
 |
| 1. **PHASE I Timeline-** Provide project timeline.
 |
| 1. **PHASE I Project Budget-** Provide project budget.
 |
| 1. **PHASE II Operating Budget-** Provide the estimated operating budget of the completed project
 |
| 1. **Rate & Fee Structure-** Provide rate and fee structure
 |
| 1. **PHASE II - Identify the estimated Return on Investment-** Provide ROI analysis, including projected revenues and expenses over the life of the loan
 |
| 1. **Applicant Budget-** Provide the applicant budget for the most recent fiscal year
 |
| 1. **Applicant Debt:** Provide a **complete listing** of applicant debt, organized by loan security.

*Applicant must include:* |
| Bond holder  | Security |
| Remaining principle balance | Annual payment |
| Interest rate | Maturity Date |
| 1. **Credit Risk-** Provide the credit risk rating analysis – SHALL THIS BE OMITTED?
 |
| 1. **Procurement Policy-** Please provide copy of applicant procurement policy **and** evidence of compliance with said policy. *Include all RFPs, RFQs, relevant contracts, etc.*
 |
| 1. **PHASE I & PHASE II Studies-** Please provide copies of completed studies.
 |
| 1. **Permits-** Please provide copies of acquired permits. *Include acquisition date and proof of acquisition.*
 |
| 1. **Right-of-Way-** Please provide list of acquired ROW. *Include acquisition date and proof of acquisition.*
 |
| 1. **Land Owner Agreement-** Please provide list of acquired properties. *Include acquisition date and proof of acquisition.*
 |
| 1. **Service Agreements-** Please provide copies of service agreements with suppliers **and/or** users and customers.
 |
| 1. **PHASE I Memorandum of Understanding -** Please provide copies of completed MOUs
 |
| 1. **PHASE I & PHASE II Impact-** Please describe the local impact of the project on:
 |
| Community | Local Infrastructure |
| Local/Regional Economy | Environment |
| 1. **Public Outreach-** Please provide evidence of applicant public outreach. *Include public hearing notice and minutes of said meeting.*
 |

**PHASE I / PHASE II PROJECT VISION STATEMENT**

(The vision statement should describe what the entity desires to achieve in the long-run - five to ten years and what the project will look like in the future; a defined direction for the planning and execution of the project.)