

DAUPHIN COUNTY INFRASTRUCTURE BANK  
GENERAL



FREQUENTLY ASKED QUESTIONS

*April 2023*



**1. Q: What is the Dauphin County Infrastructure Bank General (DCIB-G) Program?**

**A:** DCIB-G is a subsidized loan financing program for municipal entities (i.e. eligible borrowers) for the design and construction of infrastructure improvements, created by Dauphin County (the “County”). The DCIB-G Program intends to primarily fund infrastructure improvement projects that support economic development, and public health and safety including water, storm sewer, sanitary sewer and transportation projects.

**2. Q: Why would I apply for a loan from the DCIB-G versus Federal, State, or private loan programs?**

**A:** Recipients of DCIB-G loans may receive financing at interest rates lower than may be available through alternative conventional financing institutions. Additionally, the DCIB-G loan program attempts to reduce the costs of issuance often associated with loans by sharing the costs of issuance among the recipients, and by not requiring the recipient to deliver any opinions in connection with the loan. This approach usually results in cost savings to the Applicant.

DCIB-G loan recipients may also take advantage of the "Turnkey" Project Design and Delivery option for Applicants who may not have the necessary capacity to design proposed projects effectively. The Program Engineer will oversee and lead the project delivery process from planning and design through project completion. This Turnkey process combines the project delivery capabilities of the Program Engineer with Applicant resources to ensure projects are completed in an efficient and cost-effective manner.

**3. Q: Who is eligible to apply for a loan from the DCIB-G?**

**A:** The following entities may apply for DCIB-G loans (must be based in Dauphin County and eligible for tax-exempt borrowing):

- Municipalities
- Municipal Authorities (may require credit support from a local government unit)

(Note: School districts, public economic development entities, redevelopment authorities and private non-profit organizations may be beneficiaries of DCIB-G funding through cooperation with an eligible applicant but are not permitted to apply directly to the DCIB-G Program at this time.)

**4. Q: What type of projects are eligible for DCIB-G loan financing?**

**A:** The DCIB-G Program intends to primarily fund infrastructure improvement projects that support economic development, and public health and safety including water, storm sewer, sanitary sewer and transportation projects. The DCIB-G Program is not intended to support routine maintenance, private property drives and sidewalks, parks, playgrounds, municipal buildings/bricks and mortar, equipment and vehicle purchases, and historic/civic/charitable expenditures.

**5. Q: Are all project costs eligible for payment with DCIB-G loan proceeds?**

**A:** No. Funds may be used by the Applicant to pay for any of the following costs related to the eligible projects listed above:

- Planning/engineering/design/inspection
- Environmental site assessments and studies
- Land/easement acquisition/right-of-way necessary to construct the eligible project
- Construction/expansion/improvement/repair/rehabilitation of public infrastructure
- Demolition of structures/clearing and preparation of land necessary for eligible project construction
- Permit fees/inspection costs
- Utility relocation
- Legal fees
- Administrative costs associated with the financing (to be determined, in part, and confirmed by the County at the time of application approval)

Municipalities should consult with the County regarding specific eligibility questions. All Applicants must attend a pre-application conference to be considered for the DCIB-G Program.

**6. Q: Is there a maximum or minimum DCIB-G loan amount or percentage of project costs that an approved Applicant can receive?**

**A:** There is no minimum or maximum amount of project size or loan financing that may be awarded to an individual project. Loan amounts will be determined based on the scope of the proposed project, the amount of leveraged funds available to the Applicant through other public and private sources, the agreement of the Applicant and/or host municipality to support the credit worthiness necessary to repay the loan, and overall demand for the DCIB-G Program. The County will also consider the project's impact on regional public infrastructure goals, public health and safety, and economic development when determining subsidized loan

financing awards. Applicable costs of issuance associated with securing DCIB-G loans may be included and financed as eligible project costs.

**7. Q: What are the DCIB-G loan terms regarding interest, repayment and security?**

**A:** The maximum term for a DCIB-G loan is 1 to 20 years, unless otherwise determined by the Board of Commissioners. Repayments will likely be structured as semi-annual payments of interest and annual payments of principal, resulting in approximately level annual debt service over the length of the loan. Eligible Applicants may receive up to a 1.75% interest rate subsidy on the financing secured by the County. The final loan and payment terms will be determined following the issuance of the County financing.

All DCIB-G Program loans must be secured by the Applicant. The expectation is for DCIB-G loans to be secured by the full faith and credit of a taxing authority, but the County reserves the right to accept other forms of security upon credit review in accordance with Section 6 of the Program Guidelines.

**8. Q: What financial metrics might be used by the DCIB-G Program to assess creditworthiness/Applicant qualifications?**

**A:** In order to be considered for financing through the DCIB-G Program, all Applicants must demonstrate credit worthiness. The evaluation of credit worthiness will include, but is not limited to, the following factors, which may be adjusted by the County as deemed necessary:

- Ability to demonstrate an investment grade rating (Standard & Poor's BBB-rating or its equivalent. If a rating is not available, then the County may conduct a review using an equivalent methodology to be determined by the County).
- Ability to demonstrate compliance with submitting audited financial statements for the most recent three-year period.
- For Municipal Authorities, ability to demonstrate sufficient remaining life, under its Articles of Incorporation, to complete the financing.
- All Applicants must not be in default of any financial obligations.

**9. Q: Will the financial statements provided by private entities as part of the DCIB-G loan application credit review process be kept confidential?**

**A:** The DCIB-G Advisory Board intends to keep all documents submitted and designated as “confidential” or “proprietary” by eligible Applicants to the extent the documents are exempt from disclosure under the Right-to-Know Law.

**10. Q: What is the “Turnkey” delivery option and how does it differ from the “Finance Only” project delivery option?**

**A:** To ensure timely completion of projects funded by the DCIB-G Program, approved projects may take advantage of the "Turnkey" Project Design and Delivery option. If an Applicant selects the Turnkey option, they will independently contract with the DCIB-G Program Engineer to provide resources necessary to design and implement an approved project, and to oversee and lead the project delivery process from planning and design through project completion. This Turnkey process combines project delivery capabilities of the Program Engineer with Applicant resources to ensure projects are completed in an efficient and cost-effective manner, and in compliance with any applicable time restrictions associated with the County-secured financing. The delivery process will fulfill the Applicant project requirements and ensure adherence to both the County's and Applicant's schedule, as well as legal and fiduciary requirements. The Program Engineer will administer all phases of the project including planning, design, permitting, bid document preparation, bidding, contracting (including administering contracts between necessary vendors and the Applicant/loan recipient to complete the project), and commissioning. The County will not be a party to the Applicant's contract with the Program Engineer.

The “Finance Only” Project Design and Delivery option allows the Applicant to utilize their own professional to design, permit, and prepare plans and specifications for the proposed project, to be reviewed by the County. This option also provides the Applicant the ability to secure funding for a shovel-ready project.

**11. Q: Are there any pre-application requirements?**

**A:** Applicants interested in funding through the DCIB-G Program must request a pre-application conference with the County. Pre-application conferences must be completed per the published funding round schedule. The required conference is designed to provide potential Applicants with a with an overview of the Program, application process and eligibility, and assistance with budget development to assure the completeness of the project application for formal submission and review.

During the pre-application conference, the County's DCIB-G Program consultants and/or staff will discuss the proposed project with the Applicant, answer DCIB-G Program questions, and gather additional project details.

An important outcome of the pre-application conference will be the development of the Project Budget for the DCIB-G Program Application. The County's

engineering consultant will review the project budget and provide confirmation or recommended changes for both the Applicant's and the County's consideration and concurrence when processing the application. The mutually concurred Project Budget will serve as the basis for determining the project's financing need.

**To schedule the mandatory pre-application conference, contact George Connor at (717) 780-6254 or [gconnor@dauphincounty.gov](mailto:gconnor@dauphincounty.gov).**

**12. Q: How are the DCIB-G loan applications evaluated?**

**A:** The DCIB-G Advisory Board will review applications and make recommendations to the County Board of Commissioners based on the Applicant's creditworthiness, as well as the project's constructability and overall consistency with the DCIB-G Program statement of purpose; identified outcomes, such as the impact on water/wastewater/stormwater service/transportation, public health and safety, and economic development; and ability to meet the overall DCIB-G Program objectives. The following is an expanded list of potential project evaluation criteria:

- Successfully adhere to the application process and guidelines, including mandatory attendance at the pre-application conference and board presentation.
- Ability of the Applicant to demonstrate credit worthiness and secure any additional project funding necessary to complete the project.
- Level of non-County funds secured and available to the project (i.e., private investment leveraged).
- Project cost effectiveness when compared to other alternatives and project ability to efficiently serve County residents and visitors.
- Project readiness.
- Ability of the project to demonstrate local support.
- Ability to secure funding from other sources.
- Project consistency with all local economic development plans and ability to support local job creation/retention including, but not limited to, veterans, MBE/WBE and other workforce development initiatives within the County.
- Ability of the project to address public health and safety.
- Ability of the project to incentivize and support major economic development projects and/or new or existing tourism initiatives.

**13. Q: Where should DCIB-G applications be submitted?**

**A:** Please submit one (1) final completed electronic copy or hardcopy of the DCIB-G Program Application along with the required exhibits to:

Dauphin County Infrastructure Bank-General Advisory Board  
Dauphin County Office of Community & Economic Development  
c/o George H. Connor, Executive Director  
3211 North Front Street, Suite 301-C  
Harrisburg, PA 17110  
717-780-6254  
Email: [gconnor@dauphincounty.gov](mailto:gconnor@dauphincounty.gov)

Note that e-mail submissions cannot exceed 10MB and attachments need to be in word, excel or pdf format. Zip files will not be accepted. You may submit multiple e-mails. If more than one e-mail is necessary to complete the submission, please use the Subject Line of the e-mail to label the number of submissions (e.g., “[\_\_\_\_\_] Municipality - DCIB-G Application 1 of 3”).

**14. Q: When are DCIB-G project loans approved?**

**A:** Applicants should check the Dauphin County website for the current schedule of dates and deadlines applicable to the DCIB-G loan program cycle. The DCIB-G loan approval date is subject to change at any time as may be determined by the DCIB-G Advisory Board and Dauphin County Board of Commissioners.

**15. Q: What is the DCIB-G loan program approval process?**

**A:** The DCIB-G Advisory Board intends to follow the process described below. Applicants are encouraged to check the Dauphin County website for the current schedule of important dates and deadlines applicable to the current DCIB-G loan Program cycle and approval:

- The DCIB-G Advisory Board will complete a review period to confirm eligibility requirements established by the DCIB-G Program Guidelines. Any questions regarding eligibility can be directed [gconnor@dauphincounty.gov](mailto:gconnor@dauphincounty.gov).
- Applicants considered for award may be required to make a public presentation to the DCIB-G Advisory Board. The general public will have an opportunity to comment at the Dauphin County Commissioner’s meeting when the projects are presented to the Commissioners for funding consideration. Written comments will also be accepted. Invited Applicants will be notified of the date and time of the public presentation.



- Following public presentations, the County reserves the right to schedule follow-up meetings or request additional information. Such meetings would be held to ensure all Applicant and project related questions are addressed. Additional meetings will not have an impact on evaluation criteria when rendering final award decisions. The DCIB-G Advisory Board will establish a deadline for submitting written comments or materials.
- After public presentations have been completed and all written responses have been received, the final review process will ensue. The DCIB-G Advisory Board will review projects for creditworthiness and constructability, and use the evaluation criteria, as outlined in Section 6 of the Program Guidelines, to evaluate and rank projects, and make recommendations to the Dauphin County Board of Commissioners.
- Loan awards will be announced during a public meeting of the Dauphin County Board of Commissioners. Applicants receiving loan awards will also be notified by letter (as described below). The County reserves the right to approve or reject any project based on eligibility and project merits as outlined within the current program guidelines, which are subject to change due to changes in law affecting the County's ability to borrow funds.

**16. Q: How are DCIB-G loan application approvals/denials communicated to Applicants?**

**A:** Following the public meeting, Applicants will receive written communication from the County advising of the loan approval/denial, as applicable.

**17. Q: What is the procedure for accessing the DCIB-G loan funds?**

**A:** Upon approval of an application, a commitment letter will be issued to the Applicant that outlines the terms and conditions of the DCIB-G loan. The commitment letter must be signed and returned within 30 days or the offer may be withdrawn. Following the acceptance of an offer by the Applicant and the satisfactory completion of applicable special conditions, a loan closing will be scheduled. Loan recipients will be required to work with the County's appointed Note Counsel to complete Local Government Unit Debt Act proceedings or, if applicable, have an applicable guarantor complete such proceedings. The County and the Applicant will finalize the terms of the loan agreement, including collateral, repayment schedule, and the process for use of non-DCIB-G funds towards project construction, if any. The Applicant will be required to certify that the expenses during construction were incurred in accordance with the final design plans approved by the Applicant and the County.

All vendor contracts will be executed between the Applicant and vendor. During the project activity period, the County will receive and review project costs to

confirm eligibility and determine the appropriate release of loan funds in accordance with an agreed upon schedule for the release of loan proceeds. The Applicant will be responsible for loan payments to the County in accordance with the terms and conditions of the DCIB-G loan documents executed at closing.

**18. Q: Are administrative costs included in the DCIB-G loan?**

**A:** Yes. In addition to administrative costs associated with securing the financing, the following eligible project costs can also be included in the DCIB-G loan:

- Planning/engineering/design/inspection
- Environmental site assessments and studies
- Land/easement acquisition/right-of-way necessary to construct the eligible project
- Construction/expansion/improvement/repair/rehabilitation of public infrastructure
- Demolition of structures/clearing and preparation of land necessary for eligible project construction
- Permit fees/inspection costs
- Utility relocation
- Legal fees

Please note, if the Applicant is approved and participates in the loan financing, it will be responsible for a share of the costs of issuance, calculated based upon the proportionate share of funding available to the Applicant. Such “cost of issuance contribution” will be included in the DCIB-G loan.

**19. Q: How are project cost overruns handled during the project?**

**A:** Project cost overruns are the responsibility of the borrower. Careful consideration by all parties is given to manage and avoid cost overruns.

**Any additional questions about the DCIB-G program not previously covered in the Program Guidelines or FAQs should be directed to:**

Dauphin County Infrastructure Bank-General Advisory Board  
c/o George H. Connor, Executive Director  
3211 North Front Street, Suite 301-C  
Harrisburg, PA 17110  
E-mail: gconnor@dauphincounty.gov