

Iowa Water and Wastewater Funding Sources

Compiled by the Environmental Finance Center Network, May 2017

Organization	Program (key words)	Repayment / Finance Charges
Iowa Department of Natural Resources	Drinking Water State Revolving Fund (DWSRF) (water)	<p>Planning and Design (upfront engineering/other costs): Interest rate of 0% for up to three years. Loans can be rolled into SRF construction loans/paid off through other permanent financing</p> <p>Construction Financing: Interest rate of 1.75% for loans up to 20 years, 0.5% origination fee, .25% annual servicing fee on outstanding principal. Extended financing for up to 30 years is available for some projects (disadvantaged communities at 1.75% interest from 20-30 years, other extended term loans will be at 2.75%)</p> <p>Drinking Water/Source Water: Disadvantaged communities (based on Community Development Block Grant criteria) can qualify for extended terms; Interest rate of 1.75%, 0.5% origination fee, 0.25% annual servicing fee on outstanding principal</p> <p>On-Site Waste Water Assistance Program: Loan amounts start at \$2,000; terms up to 10 years; no money required up front; 3% fixed interest</p>
	Clean Water State Revolving Fund (CWSRF) (sewer)	
	On-site Wastewater Assistance Program (wastewater)	
USDA Rural Development	Water and Waste Disposal Loans and Grants (water, sewer)	Up to 40-year payback period, based on the useful life of the facilities financed with a fixed interest rate. The interest rate is based on the need for the project and the median household income of the area to be served.
	Water and Waste Disposal Guaranteed Loan Program (water, sewer)	
	Water & Waste Disposal Predevelopment Planning Grants (water, wastewater)	Grant maximum of \$30,000 or 75% of the predevelopment planning costs; at least 25% of the project cost must come from the applicant or third party sources
	Emergency Community Water Assistance Grants (water)	<p>Eligible Areas: Rural areas and towns with 10,000 or fewer people and Tribal Lands in rural areas</p> <p>Fund Usage: Water transmission line grants up to \$150,000 for construction of waterline extensions, repairs to breaks or leaks in existing water distribution lines, and related maintenance necessary to replenish water supply; Water Source grants up to \$500,000 for construction of a new water source, intake and/or treatment facility</p>



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	Special Evaluation Assistance for Rural Communities and Households (SEARCH) <i>(water, wastewater)</i>	Eligible Areas: Rural areas not in a city or town; Populations of 2,500 or less; Median household income below the poverty line/less than 80% of the statewide non-metropolitan median household income (based on latest Census data) Fund Usage: Predevelopment planning costs, including feasibility studies for funding water or waste disposal projects, preliminary design and engineering analysis, technical assistance for development of application for financial assistance
National Rural Water Association	NRWA Revolving Loan Fund <i>(water, wastewater)</i>	Below market interest rate (currently 3%) with maximum repayment period of 10 years Loan amounts may not exceed \$100,000 or 75% of the total project cost
Rural Community Assistance Partnership (RCAP)	Communities Unlimited Water/Wastewater Loans <i>(water, wastewater)</i>	Terms up to 15 years
Iowa Economic Development Authority	Community Development Block Grant (CDBG) Program <i>(water, sewer)</i>	At least 70% of CDBG funds to be used for activities that principally benefit low- and moderate-income persons (incomes at or below 80% of the area median income defined by HUD annually in March) Each activity funded (exception: program administration, planning activities) must meet one of three national objectives: Benefit to low- and moderate-income persons Aid in the prevention or elimination of slums or blight Meet a need having a particular urgency
Alliant Energy Interstate Power and Light - Low Interest Energy Efficiency Loan Program	Energy Efficiency for Local Government <i>(energy efficiency)</i>	Loan amounts available are between \$1,500 and \$25,000. Financing is limited to the cost of the equipment; installation costs are not eligible for financing. The longer the loan term, the higher the interest rate. Terms range from 0-60 months with the corresponding fixed APR between 0-6.9 percent. There are no fees to obtain the loan.

