

## Texas Water and Wastewater Funding Sources

Compiled by the Environmental Finance Center Network, April 2017

Organization	Program (key words)	Repayment / Finance Charges
<b>Texas Water Development Board (TWDB)</b>	Loan <b>Clean Water State Revolving Fund</b> (CWSRF)  (water, sewer, stormwater )	For loans, the interest rate subsidy is 120 basis points off the entity's underlying credit rating (estimated rates available at <a href="http://www.twdb.texas.gov/financial/interest.asp">http://www.twdb.texas.gov/financial/interest.asp</a> ) 1.85% loan origination fee Principal forgiveness for qualifying disadvantaged and green projects Up to 30-year repayment period No maximum funding limit
	Grant / Loan <b>Economically Distressed Areas Program</b> (EDAP)  (water, sewer )	Grant funding available as determined by a grant-to-loan calculation reflecting the entity's ability to repay Projects with documented nuisance conditions eligible for grants greater than 50% EDAP (Tax Exempt), 20 year, 2.73% rate
	Loan/Loan Forgiveness <b>Drinking Water State Revolving Fund</b> (DWSRF)  (water )	Loans: interest rate is 125 basis points off entity's underlying credit rating; 20-30 years (estimated rates available at <a href="http://www.twdb.texas.gov/financial/interest.asp">http://www.twdb.texas.gov/financial/interest.asp</a> ), 2.25% loan origination fee Loan forgiveness: Disadvantaged project (up to 70%): dependent on MHI/HH cost factor for project area Very Small Systems (up to 100%): population of <1,000, \$200,000 maximum Urgent Need (up to 100%): \$500,000 maximum Green Projects (up to 15%): green project components must total 30% of project total cost
	Loan <b>Texas Water Development Fund</b> (DFund)  (water, sewer, stormwater )	Long-term fixed interest rates based on TWDB's cost of funds sold with the State's General Obligation AAA rating Typical 20- to 30-year repayment terms (up to 50 years allowed)
	Loan <b>State Water Implementation Fund for Texas</b> (SWIFT)  (water )	Base interest rates reflect the TWDB's low cost of funds (additional subsidies may apply and are set by the Board for each funding cycle) Up to 30-year repayment period Flexible financing structures: Low-interest Loans Deferred Loans - Principal and interest deferred up to eight years or until end of construction (for planning and design phase costs), whichever is sooner
	Loan <b>State Participation</b> (SP) Program  (water )	TWDB may acquire ownership interest in the water rights or a co-ownership interest of the property and treatment works. The loan repayments that would have been required, if the assistance had been from a loan, are deferred (estimated rates available at <a href="http://www.twdb.texas.gov/financial/interest.asp">http://www.twdb.texas.gov/financial/interest.asp</a> ). Administrative cost recovery fee of 0.77%



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	Loan <b>Rural Water Assistance Fund (RWAF)</b> (water, wastewater)	Maximum 40-year maturity on loans (consistent with the useful life of the project). Estimated interest rates available at <a href="http://www.twdb.texas.gov/financial/interest.asp">http://www.twdb.texas.gov/financial/interest.asp</a> No maximum funding limit
	Loan <b>Agricultural Water Conservation Loan (AG) Program</b> (water)	Up to 10-year repayment terms
	Grant <b>Agricultural Water Conservation Grant Program</b> (water)	Grant program
	Grant <b>Regional Water Plans/Planning Group Grants</b> (water)	Grant program
	Loan <b>Groundwater Conservation District Loan Program (GDLP)</b> (water)	The loan may be made for a period not to exceed three years as mandated by 31 Tex. Admin. Code §363.802. Interest rates are established by maturity for each installment closed approximately 45 days prior to closing (estimated rates available at <a href="http://www.twdb.texas.gov/financial/interest.asp">http://www.twdb.texas.gov/financial/interest.asp</a> )
<b>USDA Rural Development</b>	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.



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	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)	<b>Eligible Areas:</b> Rural areas and towns with 10,000 or fewer people and Tribal Lands in rural areas <b>Fund Usage:</b> 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
	Individual Water & Wastewater Grants  (water, sewer )	Grant program Program provides funds to households in an area recognized as a Colonia before October 1, 1989.
	Special Evaluation Assistance for Rural Communities and Households (SEARCH)  (water, wastewater)	<b>Eligible Areas:</b> 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) <b>Fund Usage:</b> 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
<b>Texas Department of Agriculture (TDA)</b>	Community Development Block Grant (TxCDBG)  (water, wastewater )	<b>Award Amounts</b> Application Minimum Single Jurisdiction - \$75,000 Multi-Jurisdiction - \$75,000
		Application Maximum Single Jurisdiction - \$800,000 Multi-Jurisdiction - \$800,000
	Colonia Fund - Planning (CFP)  (water, wastewater )	For the Colonia Area Planning Fund, the maximum contract amount is \$100,000. For the Colonia Comprehensive Planning Fund, the maximum contract amount is \$100,000.



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	Colonia Fund - Construction (CFC) (water, wastewater )	Awards are made on a biennial basis through a competitive process among eligible counties Awards range from a minimum of \$75,000 to a maximum of \$500,000
	Colonia Economically Distressed Areas Program (CEDAP) Fund (water, wastewater )	Awards are made on an as-needed basis with priority given to applications on a "first-come, first serve" basis. Maximum award: \$1,000,000
	Planning and Capacity Building Fund (PCB) (water, wastewater )	Awards are made on an annual basis through a statewide competition. Maximum grant award: \$55,000
	Disaster Relief Fund and Urgent Relief (DR/UN) Fund (water, wastewater )	DR Awards range from a minimum of \$50,000 to a maximum of \$350,000 UN Awards range from a minimum of \$25,000 to a maximum of \$250,000
	Small Towns Environment Program (STEP) (water, wastewater )	Maximum grant award: \$350,000 Awarded on a first-come, first-serve basis.
	Texas Capital Fund Infrastructure / Real Estate Programs (INFRA/RE) (water, wastewater )	Application Minimum/Maximum \$100,000/\$1,500,000 INFRA/RE Program will be available monthly, on a competitive basis, to eligible applicants statewide. Scoring is based on: Unemployment rate; Job Impact; Proportion of Jobs Created; Wage Impact; Preferred Job Categories; Cost per Job; and Return on Investment
	Small and Microenterprise Revolving Loan Fund (SMRF) (water, wastewater )	SMRF Fixed Award amount of \$100,000 Minimum 10% cash or in-kind administrative match No single loan may exceed \$50,000 Two years to complete job creation/retention activities



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<b>Border Environment Cooperation Commission (BECC)</b>	North American Development Bank (NADB) Loan <i>(water, wastewater)</i>	Interest base rate: related to the yield on U.S. Treasury securities or to the LIBOR Swap rate, TIE rate, or any other U.S. dollar or Mexican peso rate related to the interest rate on borrowings by the Bank
	Border Environment Infrastructure Fund (BEIF) <i>(water, wastewater)</i>	The cost of any project shall not exceed US\$30 million. Project sponsors are generally expected to finance part of the project with a debt component and must be able to confirm the commitment of other funding sources to complement the BEIF grant prior to certification.
	Community Assistance Program (CAP) <i>(water, wastewater)</i>	The project sponsor must contribute at least 10% of the total project cost in the form of cash. On a case-by-case basis, in-kind contributions such as land, equipment, or other tangible assets or cost components of a project may be considered towards fulfilling this contribution. Projects may receive a CAP grant for up to \$500,000.
<b>North American Development Bank (NADB)</b>	NADB Loan Program <i>(water, wastewater)</i>	Interest on outstanding balances will be payable on monthly, quarterly or semi-annual installment dates. NADB will charge a base interest rate related to the yield on U.S. Treasury securities or to the LIBOR rate, TIE rate, or any other U.S. dollar or Mexican peso rate related to the interest rate on borrowings by the Bank. NADB will charge an administrative spread over the base rate to cover administrative costs. NADB will charge the borrower a commitment fee on the undisbursed balance of the loan, which will begin to accrue 30 days after the date of the first disbursement of a loan.
<b>Communities Unlimited</b>	Water/Wastewater Loans <i>(water, wastewater)</i>	Terms of up to 15 years. Loans are made to nonprofit corporations or local governments who: serve a significant number of low-income customers; are in qualifying rural communities; can repay the loan with system revenues; and can provide evidence of permanent take-out financing.
<b>National Rural Water Association</b>	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
<b>Texas Department of State Health Services (TDSHS)</b>	Funding Information Center (FIC) <i>(Varies, information only)</i>	Varies
<b>Texas Commission on Environmental Quality (TCEQ)</b>	Financial, Managerial and Technical (FMT) Assistance <i>(water, wastewater)</i>	Varies



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	Small Business and Local Government Assistance (SBLGA)  <i>(water, wastewater )</i>	None
<b>US Department of the Interior - Bureau of Reclamation</b>	Water & Energy Efficiency Grants  <i>(water, energy efficiency)</i>	<p><u>Water and Energy Efficiency Grants</u>                      Funding Group I: Up to \$300,000 will be available for smaller projects that may take up to two years to complete.                      Funding Group II: Up to \$1,000,000 will be available for larger, phased projects that will take up to three years to complete. No more than \$500,000 in federal funds will be provided within a given year to complete each phase.</p> <p><u>Small-Scale Water Efficiency Grants</u>                      Federal share of any one proposed project shall not exceed 50 percent of the total project costs                      Projects funded under this opportunity should be completed within 2 years of award.</p>

