



Environmental  
Facilities Corporation

# EFC FUNDING OPPORTUNITIES

**Rates and Finance Workshop for Small Water Systems  
Environmental Finance Center**

**September 14, 2017**

# EFC Overview

- Public benefit corporation that provides low-cost capital and grants for water-quality improvement projects
- Provides financial assistance for local wastewater and drinking water infrastructure through Clean Water and Drinking Water State Revolving Fund Programs
- New York's Water Infrastructure Bank





# National Leader in Water Infrastructure Investment

- NYS leads the nation with the largest annual investment in water-quality infrastructure
- Since 2011, EFC has provided more than \$11.5 billion in subsidized loans, grants and loan re-financings to local governments





# **STATE REVOLVING FUND (SRF) PROGRAMS**



# Clean Water State Revolving Fund Overview

- Low-cost financing for wastewater and water quality infrastructure
- Administered by EFC and DEC
- A variety of publicly-owned water quality improvement projects are eligible for financing including:
  - ✓ Point Source Projects
  - ✓ Nonpoint Source Projects
  - ✓ National Estuary Projects



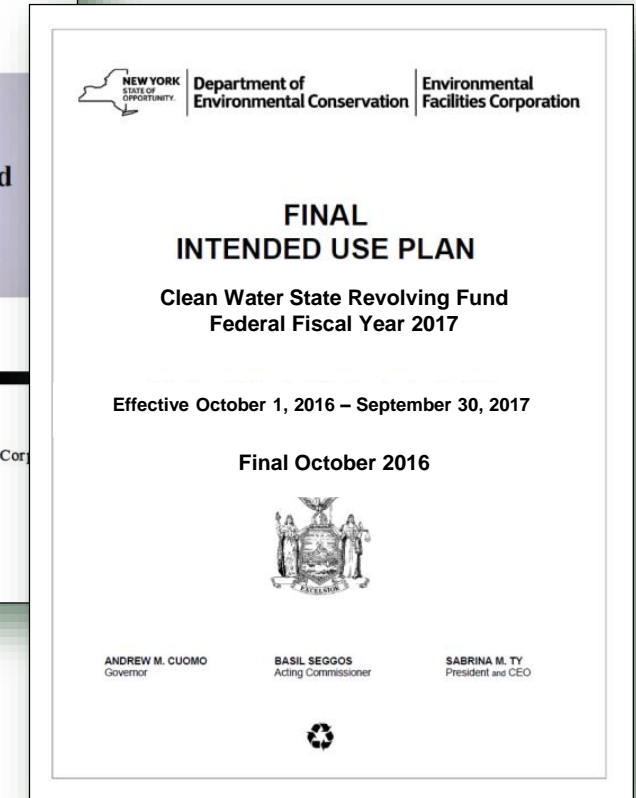
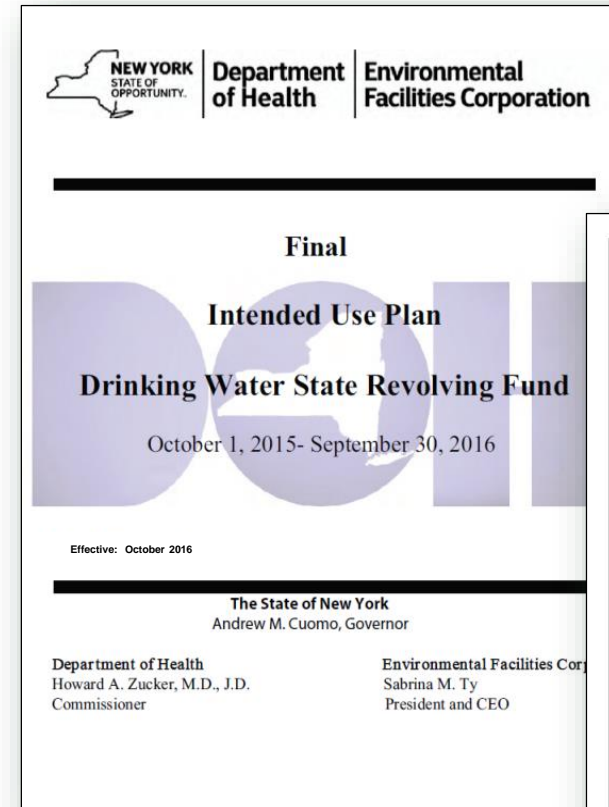
# Drinking Water State Revolving Fund Overview

- Provides low-cost financing and grants for public and private drinking water infrastructure
- Administered by EFC and DOH
- A variety of public and private water system projects are eligible for low-cost financing including:
  - ✓ Treatment Plants
  - ✓ Distribution Mains
  - ✓ Storage Facilities



# Intended Use Plans

- The Annual Intended Use Plan describes each SRF program, lists available funds and identifies the use of those funds each FFY (effective Oct. 1 through Sep. 30)
- EFC & DOH assigns a project priority score based on water quality and public health impacts





# Listing Your Project on the Intended Use Plan (IUP)

- EFC and DOH will use information provided on listing form and engineering report to score, rank, and list all projects.
- Projects will be categorized by population size on the CWSRF or DWSRF Annual IUP or Multi-Year List.
- Eligible project costs will be based on documented values from engineering reports, plans and specifications, and bid awards.





# Project Listing Requirements

- A municipality must first:
  - ✓ Complete a project listing form (*PLUS* for CWSRF [plus.efc.ny.gov](https://plus.efc.ny.gov))
  - ✓ Submit approvable engineering plan/technical report
  - ✓ Submit a smart growth assessment form





# **SRF FINANCING APPLICATION & PROGRAM REQUIREMENTS**



# SRF Financing

## EFC offers short-term and long-term financial assistance

### Short-term

- Initial financing to fund the planning, design and construction costs
- Financing can be interest-free, market-rate, or a combination
- Market-rate financings will be charged interest only on the disbursed amount

### Long-term

- Subsidized Interest Rate or Market-Rate
- Interest-Free / Financial Hardship

# Steps to Access Financing

- Projects listed on the IUP Annual List that are eligible for funding should prepare a Financing Application
- Financing Applications should be submitted as soon as possible to meet communities' needs for timely access to funds
- Financing Applications due June 29, 2018



# SRF Financing Application Requirements

1. CWSRF/DWSRF Application Form – due no later than 6/29/18
2. Completion of the State Environmental Quality Review (SEQR)
  - SEQR for SRF projects differs slightly from regular SEQR
3. Signoff of project by NYS Office of Parks, Recreation and Historic Preservation (SHPO)
4. Water/Sewer District Formation (if necessary)
5. Adoption of a Bond Resolution

# SRF Program Requirements

## American Iron & Steel

- Treatment works projects only

## Davis-Bacon [Federal Prevailing Wage]

- Applies to entire project, even if project is only partially funded by SRF

## MWBE Goals (20-30%):

- Goals depend on type of financing, but apply to:
  - ✓ Non-construction contracts/service agreements exceeding \$25,000
  - ✓ Construction contracts exceeding \$100,000
  - ✓ Any change order exceeding \$25,000



Visit [www.efc.ny.gov/MWBE](http://www.efc.ny.gov/MWBE)  
for more information





# SRF HARDSHIP ELIGIBILITY

# SRF Hardship Eligible Municipalities

**Projects may be eligible for interest-free loans based on financial hardship\***

- To be eligible, municipalities must have:
  - ✓ A population\*\* less than 300,000 and
  - ✓ A 2015 Median Household Income (MHI) that is
    - Less than 80% of the regionally adjusted Statewide MHI or
    - If the MHI is 80% to less than 100% of the regionally adjusted Statewide MHI, then the family poverty rate must be greater than the Statewide Family Poverty Rate of 12.0%

*\*This is subject to change as the 2018 IUPs are not Final*

*\*\*Per the 2015 American Community Survey 5-year data*



**Environmental  
Facilities Corporation**

# SRF Hardship Eligible Municipalities

## Regionally Adjusted MHI

- The Statewide MHI for New York State, taken from the 2015 American Community Survey, is \$59,269. This is adjusted for certain counties by a Regional Cost Factor (RCF).

Region	RCF	Adjusted MHI	80%	100%
Upstate	1.00	\$59,269	\$47,415	\$59,269
Dutchess, Orange, Putnam, Rockland, Sullivan, and Ulster Counties	1.31	\$77,642	\$62,114	\$77,642
Suffolk, Nassau and Westchester Counties	1.57	\$93,052	\$74,442	\$93,052





# **NYS WATER INFRASTRUCTURE IMPROVEMENT ACT (WIIA)**

# WIIA Clean Water Grant Award

CLEAN WATER

- For the latest round:
  - ✓ Grants covered up to **25%** of total net project costs
  - ✓ Grants not to exceed **\$5 Million**
  - ✓ No single project or municipality could receive more than \$5 million in CWSRF grant\* and/or WIIA grant over 5-year period

**\*Excluded:**

- ✓ Intermunicipal Water Infrastructure Grants Program (IMG) grants
- ✓ Engineering Planning Grants (EPG)
- ✓ Green Innovation Grant Program (GIGP) grants
- ✓ Storm Mitigation Loan Program (SMLP) grants

# WIIA Clean Water Grant

Total Project Costs – Other Grant Funding  
= **Net Project Costs**

**Example:**

$\$10,000,000 - \$400,000 = \$9,600,000$

**Total Project Costs – Other Grant Funding = Net Project Costs**

**Max Grant Amount:**

$\$9,600,000 \times 0.25 = \$2,400,000$





# WIIA Drinking Water Grant Award

DRINKING WATER

- For the latest round:
  - ✓ Grants covered up to **60%** of total net project costs
  - ✓ Grants not to exceed **\$3 Million**
  - ✓ No single project or municipality could receive more than \$3 million in DWSRF grant\* and/or WIIA grant over 5-year period

**\* Excluded:**

- ✓ Intermunicipal Water Infrastructure Grants Program (IMG) grants
- ✓ Storm Mitigation Loan Program (SMLP) grants

# WIIA Drinking Water Grant

Total Project Costs – Other Grant Funding  
= **Net Project Costs**

**Example:**

$\$1,000,000 - \$400,000 = \$600,000$

**Total Project Costs – Other Grant Funding = Net Project Costs**

**Max Grant Amount:**

$\$600,000 \times 0.60 = \$360,000$





# **INTERMUNICIPAL WATER INFRASTRUCTURE GRANTS PROGRAM (IMG)**



# Intermunicipal Water Infrastructure Grants Program (IMG)

- IMG grants are available for both drinking water and clean water projects that serve multiple municipalities
  - ✓ Must have a current and executed Intermunicipal Agreement (IMA) or an equivalent cooperative agreement between two or more municipalities
- IMG grants may be awarded only to projects at municipally-owned sewage treatment works or municipally-owned public water systems for:
  - ✓ Construction, replacement or repair of infrastructure; or
  - ✓ Compliance with environmental and public health laws and regulations related to water quality

# IMG Grant Award

CLEAN WATER &  
DRINKING WATER

- For the latest round:
  - ✓ Grant amount limited to the lesser of **\$10 million** or **40%** of total net project costs
  - ✓ One municipality is required to be the “**lead municipality**” and apply on behalf of all cooperating municipalities
  - ✓ IMG grant awardees seeking CWSRF and DWSRF financing could only apply for market-rate financing

# IMG Grant

Total Project Costs – Other Grant Funding  
= **Net Project Costs**

**Example:**

$\$10,000,000 - \$400,000 = \$9,600,000$

**Total Project Costs – Other Grant Funding = Net Project Costs**

**Max Grant Amount:**

$\$9,600,000 \times 0.40 = \mathbf{\$3,840,000}$





# **INTEGRATED SOLUTIONS CONSTRUCTION (ISC) GRANT**

# Integrated Solutions Construction (ISC) Grant Program



- Provides grant dollars for the incorporation of green infrastructure practices into CWSRF-financed CSO / SSO / stormwater projects.
- Grant covers 50% of green construction cost
- There is a **\$5 million** limit on EFC grants awarded to individual municipalities
- Green infrastructure practices must treat a minimum of 25% of the water quality volume from a combined, sanitary, or storm sewer system area
- CWSRF program requirements will apply and grant must be partnered with CWSRF financing



# Taking a Traditional Gray Project and Integrating Green



The ISC program was created to incentivize the incorporation of green infrastructure into traditional gray infrastructure projects.



**Environmental  
Facilities Corporation**



# ISC Grant Application

To be considered for the next round of ISC grant funding, applicants must:

- Be listed on the Annual List of the 2018 IUP  
(see EFC website for information on how to list a project and deadlines)
- Submit an acceptable CWSRF financing application indicating an interest in the ISC grant
- Submit an engineering report or amendment that describes the green infrastructure features
- Additional information on EFC's website: <http://efc.ny.gov/ISC>



# **ENGINEERING PLANNING GRANT (EPG) & GREEN INNOVATION GRANT PROGRAM (GIGP)**

# Engineering Planning Grant Award

**\$3 Million**

In 2017

To Date

**\$8.9 Million**

awarded to

**234 Projects**

- DEC and EFC offer grants to help municipalities pay for the initial planning of eligible CWSRF projects
- In the latest round:
  - Eligibility was expanded in Mid-Hudson and Long Island regions
  - EPG grant amount was limited to \$100,000 per award
  - A 20% match from local sources was required



# GIGP Grant Award

**\$15 Million**

in 2017

To Date

**\$140 Million**

awarded to

**190 GIGP projects**

- GIGP grants are awarded on a competitive basis to projects that improve water quality and demonstrate green stormwater infrastructure in New York
- In the latest round:
  - ✓ Grant amount was limited to a minimum of 40% to a maximum 90% of the total eligible project costs
  - ✓ A minimum of 10% up to a maximum 60% match from state or local sources was required

# EGP & GIGP Grant Application & Awards

- EPG & GIGP grants are awarded as part of the State's Consolidated Funding Application (CFA) process
- Grants are announced by the Governor as part of the Regional Economic Development Competition Awards Ceremony
- Apply for EPG & GIGP Grants through the CFA



<http://regionalcouncils.ny.gov/>

# EFC Client Services



## EFC Staff available for:

- Application Assistance
- Legal, Engineering and Financial Expertise
- Individual Project Consultations
- On-Site Visits
- Public Outreach and Education



# Any Questions?





# Environmental Facilities Corporation

**Carole Sitterly**

*Assistant Financial Development Manager*  
Public Finance

**Carole.Sitterly@efc.ny.gov**

**www.efc.ny.gov**

**518.402.6924**