



Environmental
Facilities Corporation

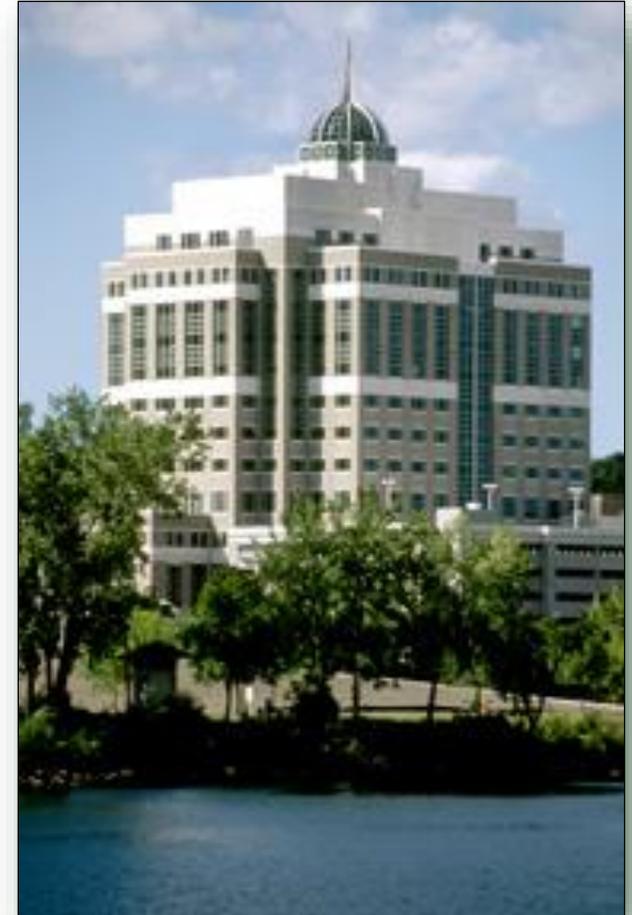
EFC FUNDING OPPORTUNITIES

**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



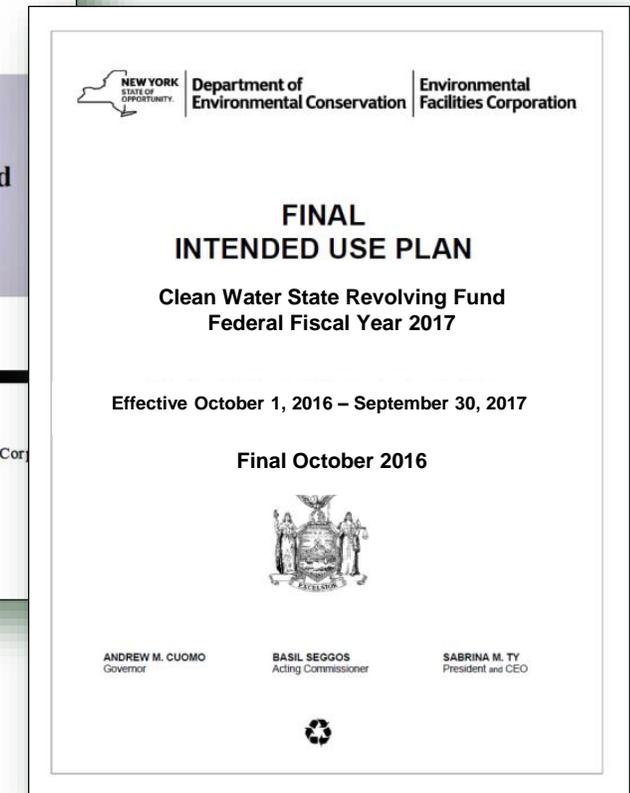
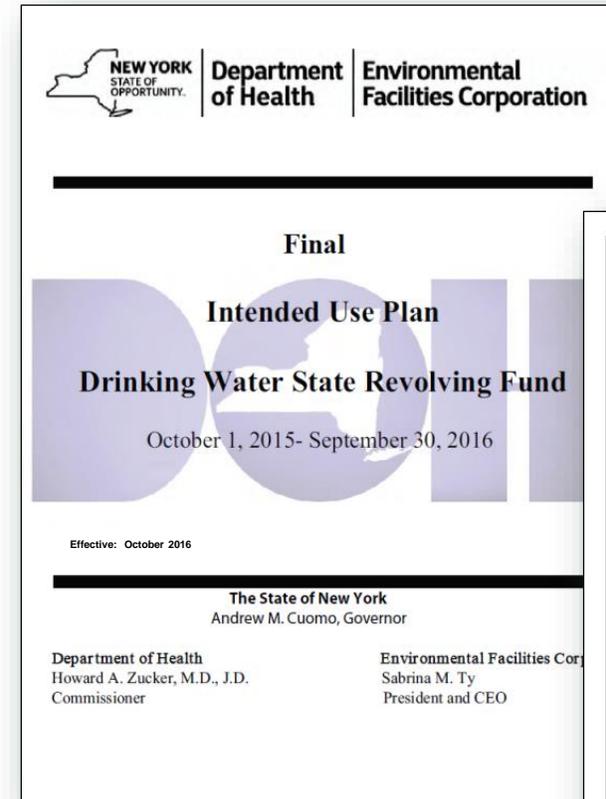
Drinking Water State Revolving Fund Overview

- 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)
 - ✓ 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
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*



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.



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?





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