

Alaska Water and Wastewater Funding Sources

Compiled by the Environmental Finance Center Network, September 2018

Organization	Program (key words)	Repayment / Finance Charges
Alaska Department of Environmental Conservation	Alaska Drinking Water Fund Loan (ADWF) (water)	<u>Contract Term</u> (5-20 Years/Less than 5 Years): <ul style="list-style-type: none"> • Accrual of finance charges begins one year after date of first payment to the borrower • Finance charges are assessed at a rate of 1.5%/1.0% of the total amount of financial assistance disbursed, or 18.75%/12.5% of the current bond rate as defined by the Municipal Bond Index, whichever is higher <u>Financial Assistance Repaid within 1 Year after First Payment</u> <ul style="list-style-type: none"> • Finance charges are assessed at a rate of 0.5% of the total amount of financial assistance disbursed
	Alaska Clean Water Fund Loan (ACWF) (sewer)	
U.S. Environmental Protection Agency	Water Infrastructure Finance and Innovation (water, wastewater)	The maximum amount of WIFIA credit assistance to a project is 49 percent of eligible project costs. There is no fee to submit letters of interest. The final fee rule, Fees for Water Infrastructure Project Applications under WIFIA, 40 CFR 35.10080, was signed by EPA on June 19, 2017, and establishes the fees related to the provision of federal credit assistance under WIFIA.
	Alaska Native Villages and Rural Communities Water Grant Program (water)	A match requirement is required and is set by the annual appropriations act. Funds appropriated for the Alaska Native Villages Program may not be awarded solely to repay loans received from a State Revolving Fund or other indebtedness unless there are explicit instructions to do so in the annual Appropriations Act.
USDA Rural Development	Water and Waste Disposal Direct 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)	Interest rates may be fixed or variable as negotiated between the lender and borrower and is subject to USDA approval. Up to 40-year payback period, based on the useful life of the facilities financed.
	Water and 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. In-kind contributions do not count toward this minimum.

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USDA Rural Development	Emergency Community Water Assistance Grants (water)	Area to be served must also have a median household income less than the state's median household income for non-metropolitan areas. Partnerships with other federal, state, local, private and nonprofit entities are encouraged
	Grants for Rural and Native Alaskan Village (water, waste disposal)	The state of Alaska or local contributions must provide at least 25 percent of the project costs. The funds may be used to pay up to 75 percent of the project costs to provide drinking water or waste disposal services.
National Rural Water Association	NRWA Revolving Loan Fund (water, wastewater)	<ul style="list-style-type: none"> • Reasonable, below market interest rate (currently 3%) and a maximum repayment period of 10 years • Straightforward application process and quick turnaround time (just a few days if documents are in order) • Loan amounts may not exceed \$100,000 or 75% of the total project cost, whichever is less • Emergency loans are 90-day no interest, with immediate turn around on applications • NRWA charges no administrative or processing fees
Rural Community Assistance Partnership (RCAP)	Rural Community Assistance Corporation (RCAC) Environmental Infrastructure Loans (water, wastewater)	<p><u>Short-Term (1-3 Yrs.)</u></p> <ul style="list-style-type: none"> • Maximum of \$50,000 • Unsecured, Promissory Note only <p><i>For Pre-development:</i></p> <ul style="list-style-type: none"> • Maximum of \$350,000 • Normal term is one year • Unsecured, Promissory Note only • Technical assistance as necessary <p><i>For Construction:</i></p> <ul style="list-style-type: none"> • Maximum of \$3 million • Commitment letter for permanent financing from funding source • Loan term corresponding with construction period for loan portion <p><u>Intermediate Term (Up to 20 Yrs.)</u></p> <ul style="list-style-type: none"> • 5% interest first 10 years • Maximum of \$100,000 <p><u>Long-Term</u></p> <ul style="list-style-type: none"> • Fees – 1 percent loan fee, 1 percent guarantee fee on guaranteed portion of loan (generally 90 percent) • Interest rate – set at time of closing in accordance with the secondary market rate for the term of the loan

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Alaska Department of Commerce, Community, and Economic Development Division of Community and Regional Affairs	Community Development Block Grants (CDBG) (water, sewer)	CDBG competitive grants are single-purpose project grants. The maximum grant given is \$850,000 per community.
Chilkoot Indian Association	Micro-Loan Program (water, sewer)	Loans are available up to \$10,000 and loan terms are available up to 60 months. Fixed interest rate is 8%. A minimum monthly payment of \$150 is available. No collateral is required.