

Funder's Tips: Do's and Don'ts For Funding Applications

Engineers Roundtable: Navigating the Funding Frontiers

April 4, 2024 | 10:00 am - 3:00 pm EDT

New York State Department of Health (NYS DOH)

Drinking Water State Revolving Fund (DWSRF) and Water Infrastructure Improvement Act (WIIA) Funding Programs:

Do:

- Understand that DWSRF and WIIA are two separate funding programs and have different requirements
- Consult with Department of Health (DOH)/NYS Environmental Facilities Corporation (EFC) if you have questions about requirements for either program
- Attend the webinar or watch the webinar recording by NYS EFC regarding the WIIA program, to make sure you clearly understand all program requirements (WIIA program requirements are subject to change year by year)
- For WIIA, get the application in early, ahead of deadline if possible (this will give DOH a chance to potentially do a cursory review and let you know if it's missing any required items)
- For WIIA, clearly indicate whether or not the non-WIIA portion of the project will be funded with DWSRF (this decision will determine other requirements for the application process)
- WIIA and Inter-municipal Grants (IMG) are NOT considered for DWSRF financing unless marked on the WIIA application
- Make sure you understand the State Environmental Quality Review (SEQR) requirements and do the correct review
- Any project funded in full or in part with DWSRF must undergo a SEQR Type I coordinated review unless it's a Type II action
- For WIIA applications, SEQR must be completed correctly and documents submitted with the application - not doing so could negatively impact your application's acceptability

- Type II SEQR resolution must cite subparagraph in 6 NYCRR 617.5(c) specifying the reason why the project is classified as Type II
- Make sure the engineering report is up to date and that the project scope and cost in the report match those presented in the application
- Make sure the engineering report is stamped/signed by a P.E.
- Include applicable EFC Terms and Conditions into all executed agreements
- If you plan on applying for WIIA and DWSRF, submit a DWSRF project listing form and engineering report to DOH early (this will give DOH more time to review and score the project accurately)

New York State Environmental Facilities Corporation (NYS EFC)

Do:

- Submit your application early, if possible
- Be sure that your application is complete and includes all the required information and documents, even if you have previously submitted them to EFC
- Correctly identify whether you want SRF Loan with your WIIA/IMG Grant on the application
- If you want a CWSRF or DWSRF Loan and are not currently listed on the 2024 IUP, make sure you list your project by June 14, 2024, for funding in FFY 2025
- Confirm that the budget includes all project costs, is current, and has sufficient contingency
- Submit an engineering report that sufficiently follows the funding agency's report outline
- Reach out to the funding agencies if you have questions
- Include applicable EFC Terms & Conditions in all executed agreements to ensure the work is eligible
- Demonstrate project readiness and how your project will move forward
- If you are applying for an IMG, also indicate that you're interested in WIIA as well to increase your competitiveness for grants

United States Department of Agriculture- Rural Development (USDA-RD)

Do:

- Submit usage and connections for residential and commercial broken out in the Preliminary Engineering Report (PER) and Rural Development Apply (“RD Apply,” USDA-RD’s online applications system)¹
- Submit O&M expenses broken down by cost to purchase water (i.e. \$3.50 per 1,000 gallons) include any utilities, cost for employees, etc.
- Round project costs to the nearest \$1,000 - our underwriting system needs loan and grant amounts in 1,000’s
- Contact your local area office if you have questions on RD Apply
- Submit an Authorized Representative Role for the Mayor/Supervisor to be the Rep-Sign-Certify Role - only they can submit an application and they must have this role to submit the application
- Ensure, if authorized, the income survey is done by a third party not associated with the project (the engineer or fiscal advisor cannot do the income survey, if they are going to be involved in the project as the engineer or fiscal advisor)
- Include multiple housing unit or mobile home park as residential if individual meters, include as commercial if one master meter
- Include vacant parcels in PER (vacant land not vacant building)
- Be consistent in project name (i.e. Town’s district formation name) and name of the project should be the same as the name in the PER
- Review your RD Apply application and ensure that all your figures, amounts and information that is entered on your application matches the information in your PER. If things don’t match this will delay our processing of the application or may cause the application to be returned

Don’t:

- Submit Equivalent Dwelling Units (EDUs) - EDUs are an internal underwriting tool for only RD use. We do not set rates - the municipalities EDUs will not be the same as RDs
- Submit a flat fee for Operations & Maintenance (O&M) - (i.e. \$300 per EDU) we cannot accept cost per EDUs for O&M
- Submit an application via RD Apply unless reviewed before submission and all areas are completed, information matches the PER

¹ <https://www.rd.usda.gov/programs-services/rd-apply>

- Lump all your administrative costs and engineering costs together in RD Apply. We must have a breakdown of the admin costs (i.e. legal, bonding, misc., ROWs, etc.)
- Submit an Authorized Representative Role to assign more than one role per person
- Submit application via RD Apply unless the volume/flow, connections, project costs and financial information in the PER match the information input in RD Apply
- Request an income survey just to get a lower interest rate that is not an allowable reason for RD to approve an income survey
- Include estimated RD loan/grant funding in PER
- Include O&M expense in Short Lived Assets (SLA) or include SLA over 15 years (these are not considered short and cannot be included in underwriting)
- Provide high water cost or high usage in PER without explanation

New York State Department of Environmental Conservation (DEC)- Division of Water

Consolidated Funding Application:

Do:

- Review entire Request for Application (RFA) and then focus on your project type; including sections relevant to all project types and section for your project type
- Attach everything required, DEC will not contact you if application materials are missing and if an attachment is missing or incomplete, applicant is ineligible for funding
- Make the connections to water quality, show how your project fits the grant requirements
- Remember that reviewers evaluate the project based only on the materials submitted

Project Budget Tips for DEC's Water Quality Improvement Project Program (WQIP) and Non-Agricultural and Non-point Source Planning Grant (NPG):

Do:

- Fill out and attach expenditure budget
- Include only activities and costs to be reimbursed by the grant
- Calculate match as a percent of the award amount- not total project costs
- Calculate match based on eligible grant activities/costs; if it's not a grant-eligible cost then it cannot be used as match

- Be sure that match is from an eligible source
- Be sure the requested amount in the budget matches the requested amount in the application
- Check your math

Don't:

- Submit required documents (e.g. engineering report, map, budget) for the wrong municipality (they are switched)
- Submit incorrect information that is included in the application because it has been copied and pasted from another application and details have not been changed
- Submit a Sexual Harassment Prevention Certification Form for their own company/firm and not the municipal agent

New York State Homes & Community Renewal (NYS HCR)

Do:

- Read the current Request for Application (RFA)
- Use the current submission checklist to ensure completeness
- Document the required public hearing process
- Determine local priorities, choose projects, then determine funding to seek
- Read the regulations & requirements, one dollar of CDBG triggers compliance with all other funding sources
- Evaluate local administrative and financial capacity to implement the project
- Identify local partners and stake holders
- Identify available resources for project and complementary projects underway
- Review current community development projects for timeliness and completion

Don't:

- Take choice limiting actions prior to award and release of funds
- Forget to demonstrate a plan of finance
- Forget to include all committed sources and uses of funding
- Fail to show administrative capacity, adequate funding, budget inconsistencies, readiness