

The New York State Environmental Facilities Corporation



Smart Management for Small Communities
Syracuse University Environmental Finance Center
April 27, 2011

The Environmental Facilities Corporation

Providing Low-cost Financing and Technical Assistance to Municipalities, Businesses, and NY State Agencies for Environmental Projects



A Public Benefit Corporation

- Accountability
- Transparency
- \$12 billion in assets

Clean Water State Revolving Fund (1987 Clean Water Act Amendments)

- Provides financial assistance for wastewater and water quality infrastructure



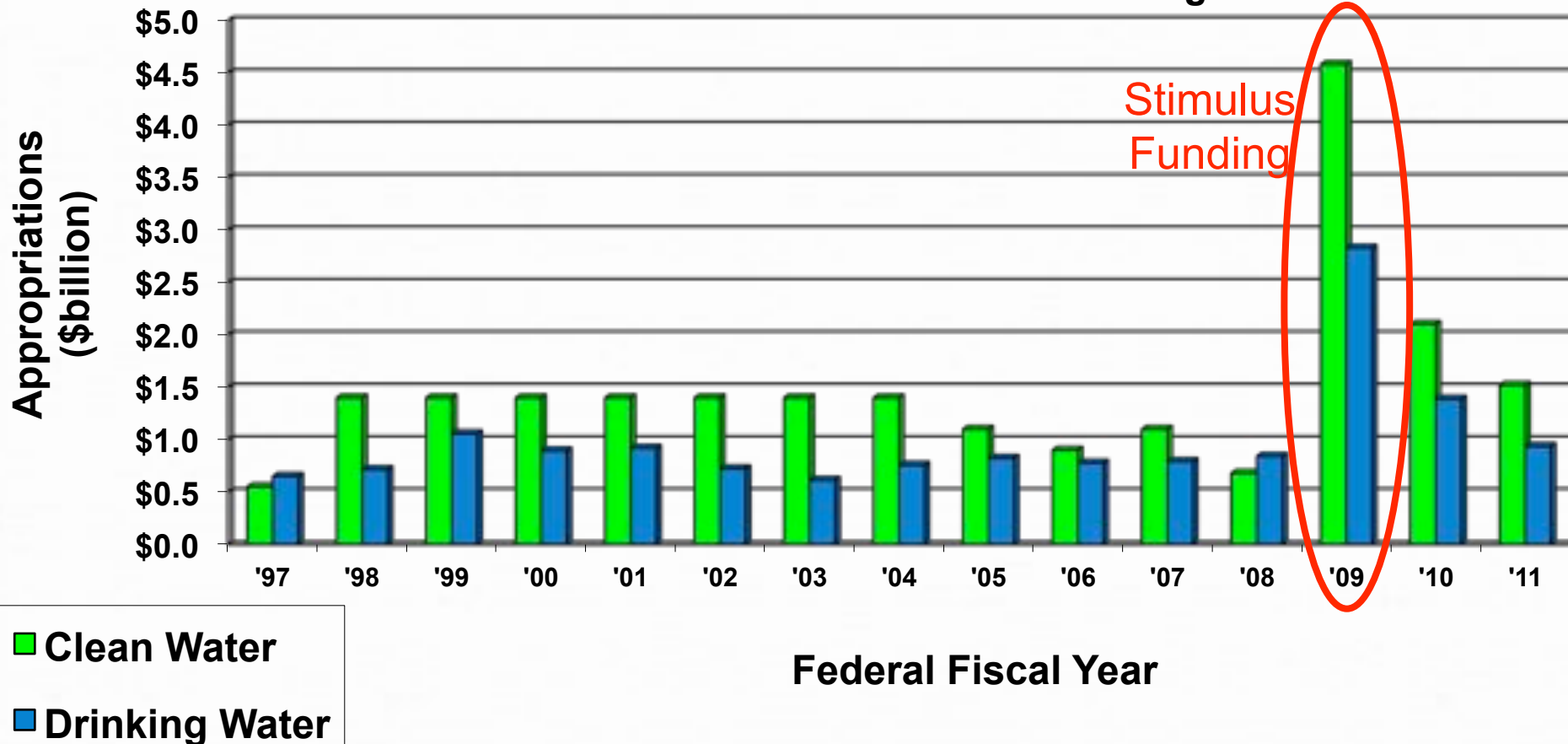
Drinking Water State Revolving Fund (1996 Safe Drinking Water Act)

- Provides financial assistance for drinking water infrastructure



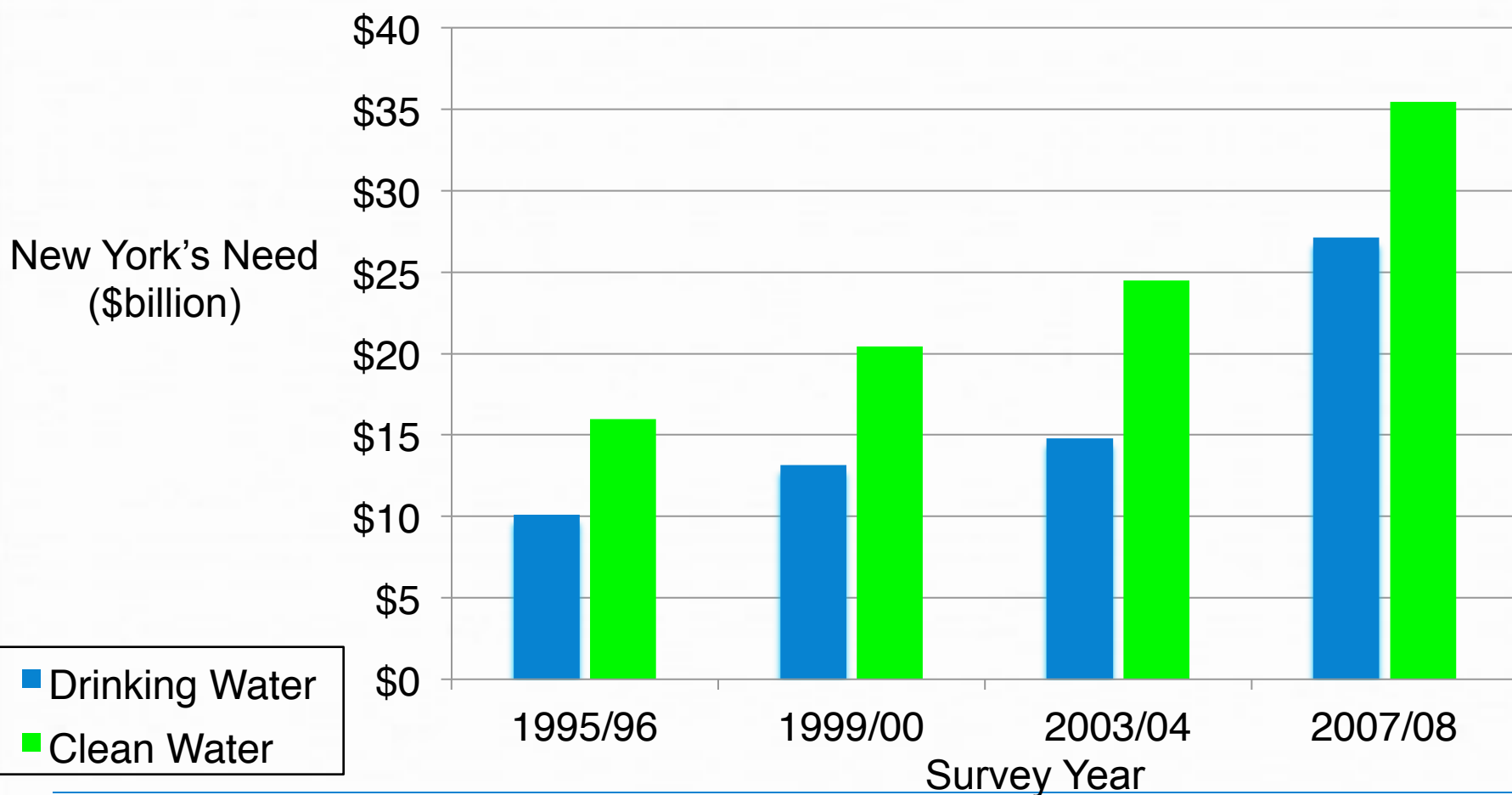
Historic Funding Levels

Federal Water Infrastructure Funding 1997-2010



NYS 20 Year Needs Horizon

USEPA's CW/DW Surveys



How SRF Programs Work



Clean and Drinking Water SRFs

Clean Water	Drinking Water
Leveraged rate financing with <u>50%</u> subsidy for up to 30 years	Leveraged rate financing with <u>33%</u> subsidy for up to 20 years
Hardship financing as low as 0% interest for up to 30 years	Grants up to \$2 million for hardship projects + financing as low as 0% interest for up to 30 years
Subsidy financing determined on priority scoring system, based on water quality and public health	
Short-term financing for 3 years as low as 0% interest	
Market Rate Programs (AAA tax free rate)	



SRF Intended Use Plan (IUP)

The Intended Use Plan (IUP), published on an annual basis, identifies funds available to the SRF and uses of those funds.

- Effective October 1st through September 30th (Federal Fiscal Year)
- Project Priority Lists of potentially eligible projects
 - Annual List (Projects expecting financing in current year)
 - Multi-Year List (Projects to be financed in future years)

Excerpt from 20XX Final CWSRF IUP - Project Category: B

Project #	Applicant Name	Service Area	Project Description	Est. Amount	Additional Above ST	SPDES no	Score
C1-XXX-XX-00	GREAT NECK, VILLAGE OF	VILLAGE	STP UP	\$17,200,000	\$17,200,000	NY0022128	154
C1-XXX-XX-00	NASSAU COUNTY	BAY PARK, SD #2	NPS, STMSEW	\$430,000	\$430,000	NY0026450	113
C6-XXX-XX-00	UTICA, CITY OF	PHASE A1	CSO, I/I CORR	\$2,850,000	\$2,850,000	NY0025780	112
C9-XXX-XX-00	TONAWANDA, TOWN OF	PARKERS-FRIES INTERCEPTOR	COLL, INT	\$24,310,000	\$24,310,000	NY0026395	111
C6-XXX-XX-00	ONEIDA COUNTY	PHASE 1	"Subsidy Line"	\$5,300,000	\$5,300,000	NY0025780	107
C6-XXX-XX-01	ONEIDA COUNTY	PHASE 2A		\$20,500,000	\$20,500,000	NY0025780	107



CWSRF IUP Categories

Category	Description
A	Populations up to 3,500
B	Populations 3,500 – 2 million
C	Populations over 2 million (New York City)
D	Hardship Communities
G	GIGP



Short-Term CWSRF Financing

Market-Rate	Interest-Free
Project Score below the IUP subsidy Line, or for short-term project costs above the amount available Interest-Free	Project Score above the IUP subsidy line
AAA/Aaa Borrowing Rates	0% Interest
SRF “line of credit” is available for up to 3 years or readiness for long-term financing, whichever is sooner, for recommended minimum term of six months	



Works like a credit card...SRF line of credit for municipalities to charge project costs.



Long-Term CWSRF Financing



*30 years...works just like
a home mortgage...*

Long-Term Market Rate (4.06% June 2010)	Subsidized- Interest (2.03% June 2010)
Below the Subsidy Line	Above the Subsidy Line
AAA/Aaa Borrowing Rates	AAA/Aaa Borrowing Rates Plus 50% interest rate subsidy for up to 30 years
Final financing costs are determined when project approvals are in place. Major contracts awarded, permits in place.	



Hardship Eligibility

Interest Rate Further Reduced for:

- Economically distressed communities.
- Total project cost up to \$14 million.
- Project listed on annual list of IUP above subsidy line.
- Application must include:
 - Equivalent Dwelling Units (EDUs) served by the project
 - Existing sewer debt service
 - Existing and projected operation and maintenance cost
 - Project cost funded by other sources (grant, loan, municipal sources, etc.)
- Hardship Confirmation Letter with Two Year Expiration.
- Hardship projects in IUP Category D

Clean Water Reduced Interest Rate Financing Drinking Water Hardship Grants



Green Innovation Grant Program

Eligible projects for GIGP include technologies and activities that protect water quality and fall into one or more of the following project categories:



- Water Efficiency, Reuse or Conservation
- Energy Efficiency
- Green Wet Weather Infrastructure
- Environmental Innovation

Green Roof, Steele Memorial Library,
Chemung County



Energy Efficiency

Village of Port Byron – WWTP Solar Panels

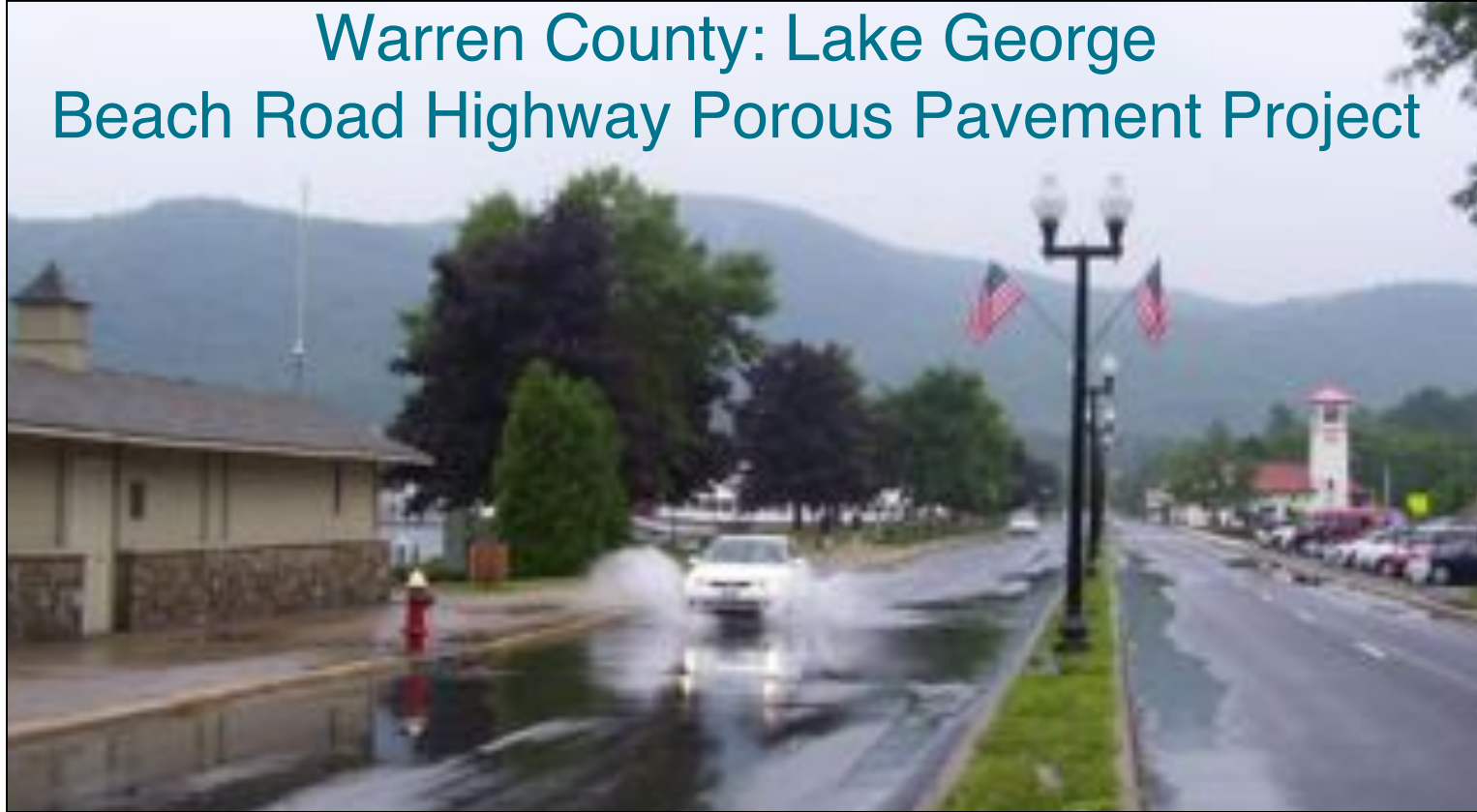


- Awarded \$131,306 GIGP ARRA grant
- Installed photovoltaic solar panels
 - Generates clean, renewable electric power



Wet Weather Infrastructure

Warren County: Lake George Beach Road Highway Porous Pavement Project



- Awarded \$415,000 GIGP2 grant
- First large-scale pervious asphalt pavement project on heavily traveled highway in the cold climate conditions of the Northeast
- Help to address water quality decline due to stormwater runoff

Wet Weather Infrastructure



New York's Water Infrastructure



- Backbone of our Communities
- Retains Business and Industry
- Attracts New Industry
- Protects Water Resources
- Provides Better Place to Live and Play



Where Are We Now?

2011 Budget

<u>2011 Budget</u>		
	National	New York
Clean Water	\$1.52 billion	\$161 million
Drinking Water	\$936 million	\$61 million

2012 Budget

- Proposed February 14, 2011 - Not yet finalized

<u>President's Budget</u>		
	National	New York
Clean Water	\$1.55 billion	\$167.7 million
Drinking Water	\$990 million	\$63.8 million

Clean Water Collaborative Advisory Group Recommendations

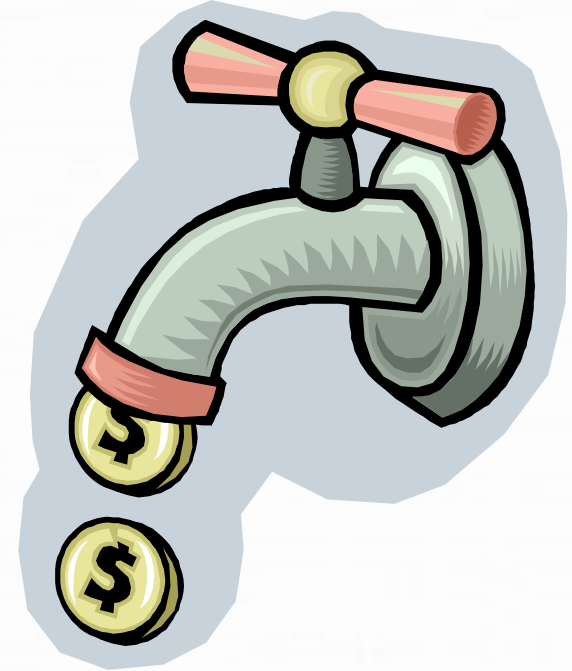
Tools to Consider:

- Provide technical assistance and education
- Provide more attractive funding to reward certain actions
- Require/prioritize certain actions to get funding



Spend Wisely – Thinking for the Future

- Encourage Smart Growth
 - Reinvest into existing structures
- Increase Energy Efficiency
 - Link to other State goals
- Support Asset Management
 - Strategic budgeting and planning
- Promote Green Infrastructure
 - Enhance streetscapes, improve livability



How EFC Fits Into the Future

- Growing jobs
 - Helping build a base to support economic development
- Supporting business
 - Equals strong infrastructure and reliability
- Promoting economic development
 - Identify industries with site-specific needs
- Supports Water Infrastructure Industry
 - Creating innovative partnerships
- Generating private investment
 - Every \$1 invested = \$6.35 return
 - New Indenture

EFC Client Services



- Application Assistance
- Legal, Engineering, Financial Expertise
- Individual Project Consultations
- On-site Visits
- Field Offices
- Public Outreach and Education
- Co-Funding
- Post Closing Assistance



Stay Informed

Email

- Receive immediate notice of funding opportunities, programs, and initiatives

SRF Newsletter

- Sign up to receive EFC's quarterly newsletter

Phone

- 800-882-9721 (Within NYS)
- 518-402-6924

Webcasts

- Join EFC live to discuss important issues

www.efc.ny.gov

