



Environmental
Facilities Corporation

EFC FUNDING OPPORTUNITIES

**State and Federal Funding, Financing and Resources
for Municipal Infrastructure**

March 15, 2018

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

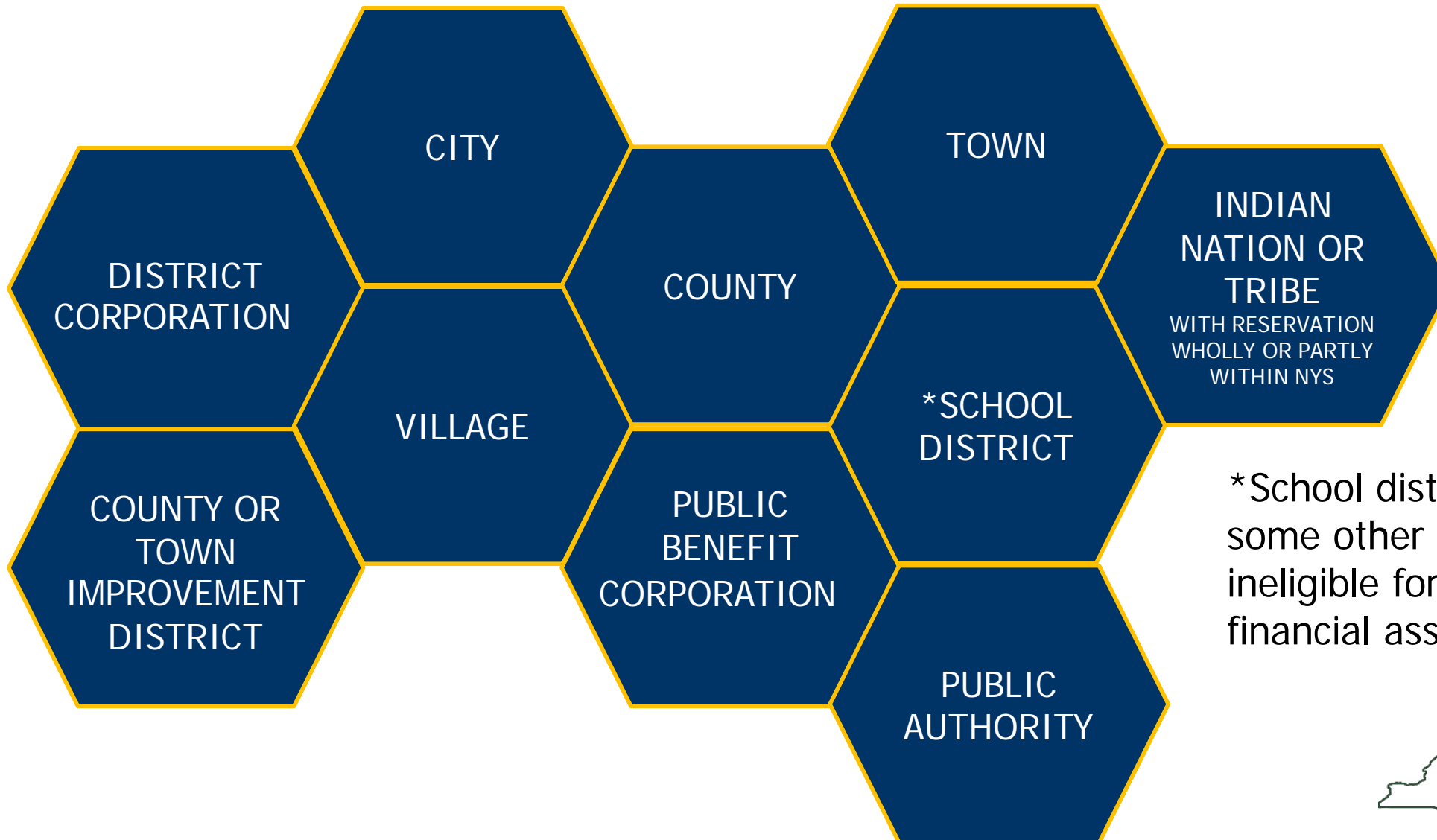


Drinking Water State Revolving Fund Overview

- 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



Eligible SRF Recipients



*School districts and some other districts are ineligible for CWSRF financial assistance



First step to funding – Pre-Application

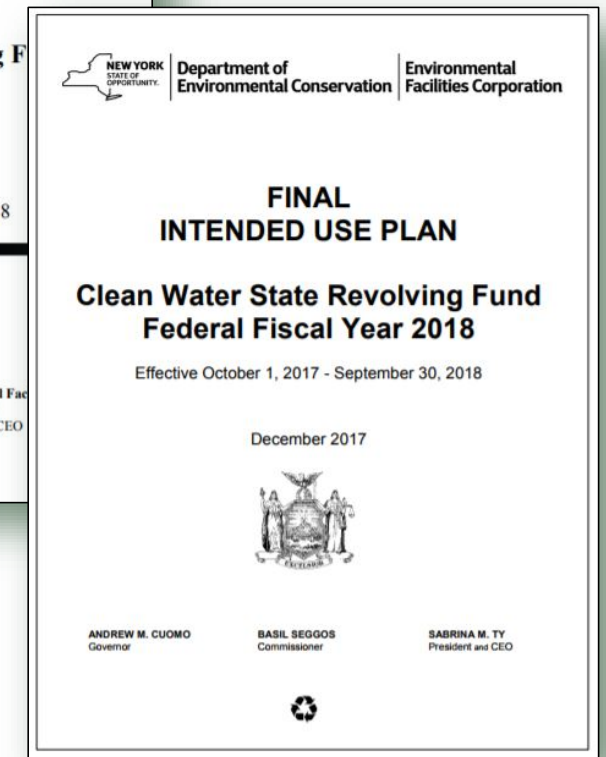
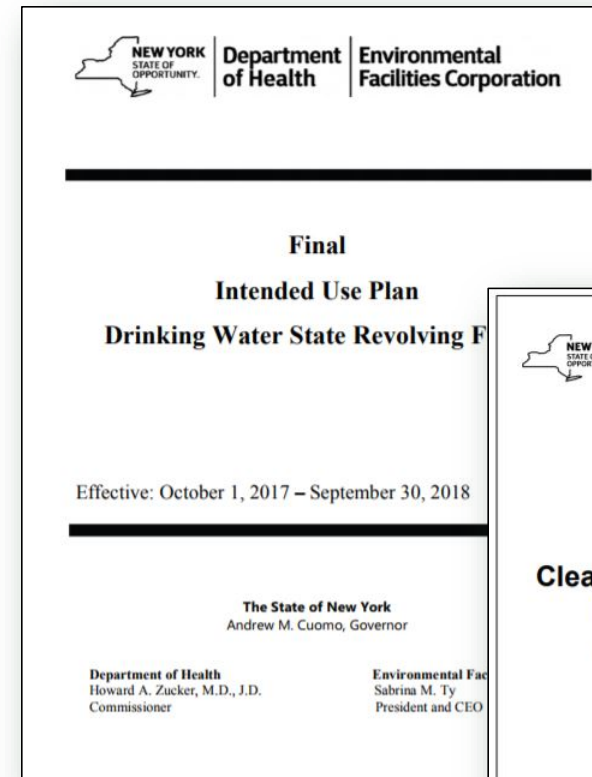
A municipality must first:

- Submit a project description and funding needs
- Complete a project listing form (*PLUS for CWSRF* plus.efc.ny.gov)
- Submit approvable engineering plan/technical report
- Submit a smart growth assessment form



Intended Use Plans

- The Annual Intended Use Plan describes each SRF program, lists available funds and identifies the use of those funds each Federal Fiscal Year (FFY) - effective Oct. 1 through Sep. 30
- Using information provided by applicant, EFC and DOH:
 - ✓ Assign project priority score
 - ✓ Rank based on water quality and public health impacts
 - ✓ Determine eligible costs
 - Based on documented values from engineering reports, plans and specifications, and bid awards.
- Projects will be categorized by population size and are placed either on Annual IUP or Multi-Year List



Next Step – Apply for Financing

The Municipality must:

1. Submit a CWSRF/DWSRF Application Form
2. Complete a State Environmental Quality Review (SEQR)
 - ✓ SEQR requires that all agencies determine whether the “actions” they directly undertake, fund or approve may have a significant impact on the environment. Basic purpose of SEQR is to incorporate the consideration of environmental factors into the planning, review and decision-making processes of state, regional, and local government agencies.
3. Obtain signoff of project by NYS Office of Parks, Recreation and Historic Preservation (SHPO)
4. Form a Water/Sewer District (if necessary)
5. Adopt a Bond Resolution

Common Items Needed to Complete An Application

- An engineering agreement or construction contract
- Permits/Approvals
- Contracts/agreements and related amendments
- Existing debt information for credit review
- Third-party funding sources
- Inter-municipal agreements

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



FINANCE OVERVIEW

Loan Programs - Timing

Short-term

- typically for a period of 3 to 5 years
- to finance the estimated costs of the planning, design and construction of a water or wastewater project
- The municipality provides EFC with a bond anticipation note and draws funds as it incurs costs for the project
- Designed to help identify all project costs in order to accurately size the long-term financing amount

Long-term

- Maturity of up to 30 years

Loan Programs - Interest Rates

- Hardship Interest-Free
- Subsidized
- Market-rate
- In general, the rate for the financing will depend on where the project is listed on the IUP (score) as well as the income of the recipient



SRF Hardship & Grant Eligibility

CWSRF & DWSRF General Criteria	DWSRF Specific Criteria
<p>To be eligible, municipalities must have:</p> <ul style="list-style-type: none"> ▪ A population less than 300,000 and ▪ A 2015 Median Household Income (MHI) that is: <ul style="list-style-type: none"> ✓ Less than 80% of the regionally adjusted Statewide MHI or ✓ 80% to less than 100% of the regionally adjusted Statewide MHI with a family poverty rate greater than the Statewide Poverty Rate of 12.0% 	<ul style="list-style-type: none"> ▪ Project cost of less than \$14 million ▪ If privately owned, must be regulated by the Public Service Commission (PSC) ▪ Grant limited to the lesser of \$3 million or 60% of total project costs

Note: Population, MHI and Poverty Rate as measured by 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) &
INTERMUNICIPAL WATER INFRASTRUCTURE
GRANTS PROGRAM (IMC)**

WIIA Clean Water and Drinking Water Grant Awards

Clean Water Grants:

- Grants covered up to 25% of total net project costs
- Grants not to exceed \$5 Million

Drinking Water Grants:

- Grants covered up to 60% of total net project costs
- Grants not to exceed \$3 Million

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 x 0.25 = **\$2,400,000**



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)

- IMG grants are available for both drinking water and clean water projects that serve multiple municipalities
- Grant amount limited to the lesser of \$10 million or 40% of total net project costs
- IMG grant awardees seeking CWSRF and DWSRF financing may only apply for market-rate financing
- One municipality is required to be the “lead municipality” and apply on behalf of all cooperating municipalities



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
- 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

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
- 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 (EPG) 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 2016:
 - ✓ 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

Green Innovation Grant Program (GIGP) 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

EPG & 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/>



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