



Environmental  
Facilities Corporation

# EFC FUNDING OPPORTUNITIES

**Association of Towns 2019 Annual Meeting**

**February 19, 2019**

# 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
- EFC's programs have provided more than \$34 billion in low cost financing and grants to local governments





# **STATE REVOLVING FUND (SRF) PROGRAMS**



# Clean Water State Revolving Fund

- Low-cost financing for wastewater and water quality infrastructure
- Administered by EFC and NYS Department of Environmental Conservation (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

- Provides low-cost financing and grants for public and private drinking water infrastructure
- Administered by EFC and NYS Department of Health (DOH)
- A variety of public and private water system projects are eligible for low-cost financing including:
  - ✓ Treatment Plants
  - ✓ Distribution Mains
  - ✓ Storage Facilities



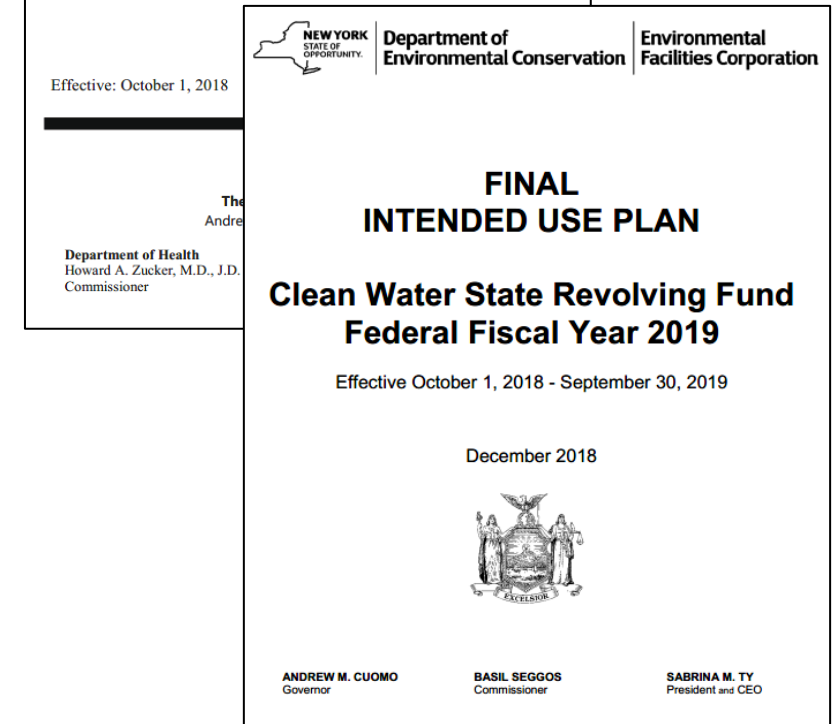
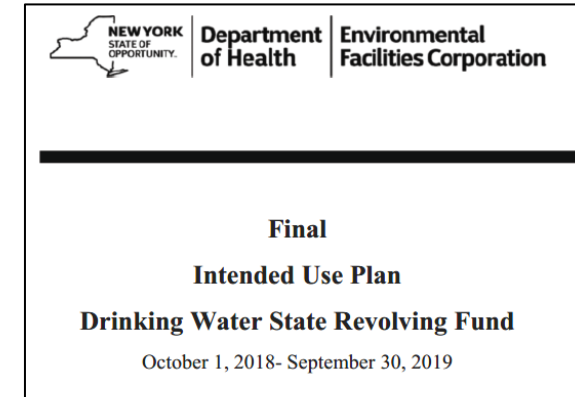


# First step to funding – Pre-Application

- A municipality must first:
  - ✓ Submit a project description and funding needs
    - Complete a project listing form
      - Use PLUS for CWSRF [plus.efc.ny.gov](http://plus.efc.ny.gov)
  - ✓ Submit approvable engineering plan/technical report
  - ✓ Submit a smart growth assessment form

# Intended Use Plans (IUP)

- 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](http://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 prior to long-term financing in order to properly size the long-term borrowing
  
- Long-term
  - ✓ Maturity of up to 30 years



# Loan Programs - Interest Rates

- 0%
- 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 community





# Grant Programs

# Water Infrastructure Improvement Grants

## (WIIA)

- Clean Water Infrastructure Act of 2017 invests \$2.5 billion in clean and drinking water infrastructure projects and water quality protection across New York
- Provides at least \$1 billion for the New York State Water Infrastructure Improvement Act of 2017 (WIIA)
- Grants assist municipalities in funding water quality infrastructure
- WIIA grants available for both drinking water and sewage treatment works (clean water) projects
- To date: \$680 M awarded to 424 projects

# WIIA Grant Awards



For the most recent round:

- Grants covered up to **25%** of total net project costs, or:

Project Cost	Maximum Grant Award
Less than \$50 Million	<b>\$5 Million</b>
Equal to or greater than \$50 Million but less than \$100 Million	<b>\$12.5 Million</b>
Equal to or greater than \$100 Million	<b>\$25 Million</b>



For the most recent round:

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



# Intermunicipal Water Infrastructure Grants Program (IMG)

- IMG grants were 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 could only apply for market-rate financing
- One municipality is required to be the “lead municipality” and apply on behalf of all cooperating municipalities
- To date: \$70 M awarded to 12 projects

# 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 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>



# GIGP Grant Award

**To Date**

**\$170 Million**  
awarded to  
**220 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

# Engineering Planning Grant Award

**\$3 Million**  
In 2018

To Date  
**14.9 Million**  
awarded to  
**384 Projects**

- DEC and EFC offer grants to help municipalities pay for the initial planning of eligible CWSRF projects
- \$30,000 Grant for municipalities with a population of 50,000 or less
- \$50,000 Grant for municipalities with a population greater than 50,000
- Median household income (MHI) of the municipality must be:
  - ✓ Equal to or less than \$65,000 according to the United States Census, 2015, American Community Survey for municipalities located in REDC regions of Capital District, Southern Tier, North County, Mohawk Valley, Central NY, Finger Lakes, or Western NY.
  - ✓ Equal to or less than \$85,000 according to the United States Census, 2015, American Community Survey for municipalities located in REDC regions of Long Island, New York City, and Mid-Hudson. EPG grant amount limited to \$100,000 per award
- A 20% match from local sources required

# EGP Grant Application & Awards

- EPG 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 Grants through the CFA



<http://regionalcouncils.ny.gov/>





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