



EFC FUNDING OVERVIEW

**Syracuse University Environmental Finance Center
2019 Local Leaders Conference**

April 3, 2019

EFC Overview

- Public benefit corporation which provides financial and technical assistance primarily to municipalities by providing low-cost financing for their water quality infrastructure projects
- EFC administers a number of programs, including managing the most successful State Revolving Funds in the nation.
- These programs have provided over \$34 billion in low-cost financing and grants for approximately 3,000 water and sewer infrastructure projects across New York State.



EFC Staff

- Lawyers, engineers, account staff, and financial and debt service professionals
- Staff provides various services to clients
 - ✓ Application Assistance
 - ✓ Legal, Engineering and Financial Expertise
 - ✓ Individual Project Consultations
 - ✓ On-Site Visits
 - ✓ Public Outreach and Education





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 water quality improvement projects are eligible for financing including:
 - ✓ Point Source Projects
 - ✓ Nonpoint Source Projects
 - ✓ National Estuary Projects



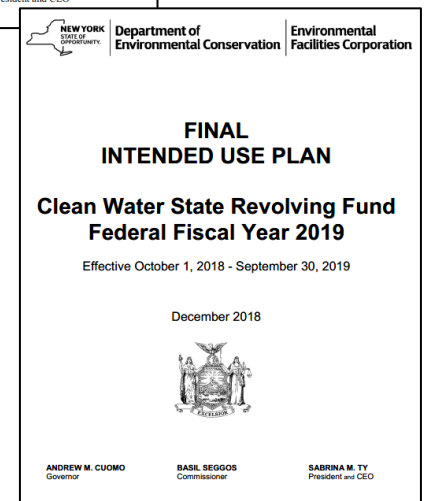
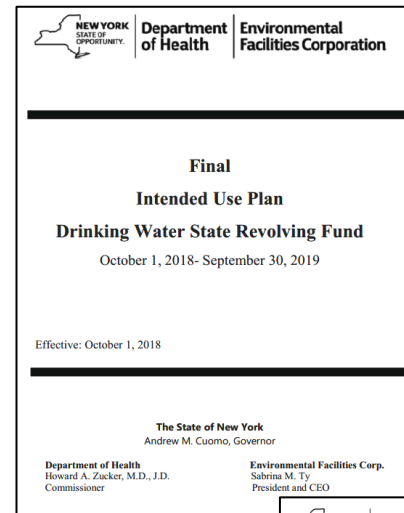
Drinking Water State Revolving Fund Overview

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



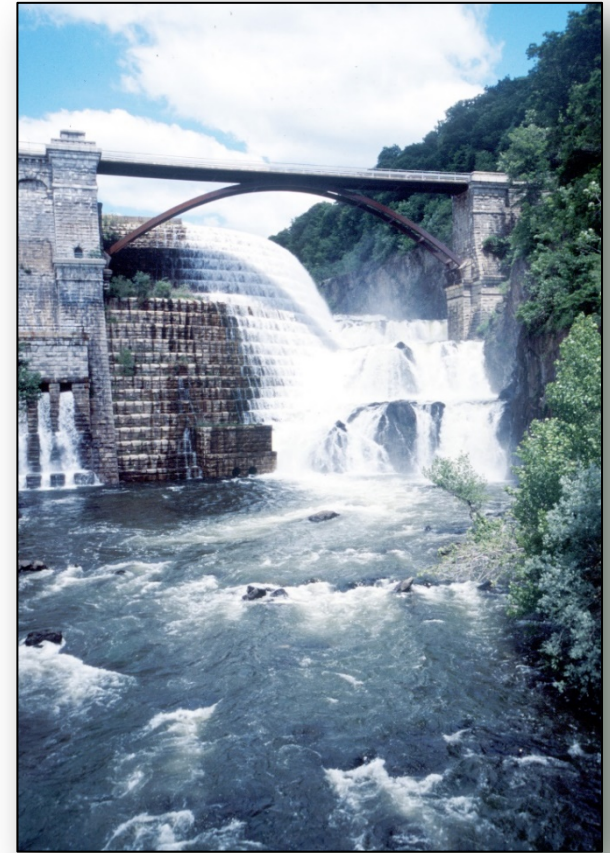
Intended Use Plan (IUP)

- The Intended Use Plan describes each SRF program, lists available funds and identifies the use of those funds each FFY
- EFC or DOH assigns a project priority score based on water quality and public health impacts
- Eligible project costs will be based on documented estimates from engineering reports, plans and specifications, and bid awards



Project Listing and Updates

- CWSRF Projects are listed through EFC's Project Listing and Update System (PLUS)
- DWSRF applicants submit a Project Listing Form to DOH
- Applicants provide the following information:
 - ✓ Contact Information & Description
 - ✓ Budget & Funding Sources
 - ✓ Schedule
- Submitted information is used to score and rank the project on the IUP



Project Priority Lists

- The Multi-Year List identifies all projects for which applicants have expressed an interest in receiving SRF financial assistance
- The Annual List is a subset of the Multi-Year List consisting of projects for which an approvable engineering report and a smart growth form have been submitted
- Only projects on the Annual List may receive financial assistance during the current FFY



Finance Application Requirements

1. Acceptable CWSRF/DWSRF Financing Application Form
2. Completion of the State Environmental Quality Review (SEQR)
3. Signoff of project by NYS Office of Parks, Recreation and Historic Preservation (SHPO)
4. Adoption of a Bond Resolution
5. Completed Water/Sewer District Formation (if necessary)
6. Other requirements
 - ✓ Program requirements

SRF Program Requirements

American Iron & Steel

- Treatment works projects only
- Applies to entire project, even if project is only partially funded by SRF

Davis-Bacon [Federal Prevailing Wage]

- Treatment works projects only

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

Types of Financial Assistance Offered by EFC

- Short-Term Loans
- Long-Term Loans
- Grants
- 0% Interest
- Subsidized
- Market Rate



Types of Financial Assistance Offered by EFC

Short-term Funding

- Generally up to 5-year term
- Designed to provide recipients with funding to design and initiate construction on SRF eligible projects
- Can be used to pre-finance costs that will be reimbursed from proceeds from other sources of funds

Long-term Funding

- Generally amortized up to a term of 30 years
- Market rate
- Subsidized interest rate
- 0% interest rate

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">▪ 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



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	\$5 Million
Equal to or greater than \$50 Million but less than \$100 Million	\$12.5 Million
Equal to or greater than \$100 Million	\$25 Million



For the most recent round:

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

WIIA Grant Award Examples - 2018

- Village of Dundee – Collection System and WWTP Improvements
 - ✓ \$8.2M project, awarded \$2.05 M Clean Water WIIA grant
 - ✓ 0.3 MGD wastewater treatment plant
 - ✓ Plant upgrades to improve removal of nitrogen and phosphorus to protect Seneca Lake
 - ✓ Installation of a UV disinfection system to improve water quality
 - ✓ Rehabilitation of sewers to reduce I/I into the collection system



WIIA Grant Award Examples

- Village of Lima – Water System Improvements
 - ✓ \$4 M project, awarded \$2.4 M Drinking Water WIIA grant
 - ✓ Rehabilitation of 0.5 M gallon water storage tank
 - ✓ Improvements to distribution system
- Village of Sloan – Inflow and Infiltration Correction
 - ✓ \$6.1 M project, awarded \$1.52 M Clean Water WIIA grant
 - ✓ Reduce I&I to eliminate Sanitary Sewer Overflows
 - ✓ Line or replace collection sewers

Intermunicipal Water Infrastructure Grants Program (IMG)

- IMG grants are available for both drinking water and clean water projects that serve multiple municipalities
- IMG grants may be awarded only to projects at municipally-owned sewage treatment works or municipally-owned public water systems for:
 - ✓ Construction, replacement or repair of infrastructure; or
 - ✓ Compliance with environmental and public health laws and regulations related to water quality
- To date: \$70 M awarded to 12 projects

IMG Grant Awards

CLEAN WATER &
DRINKING WATER



For the most recent round:

- Grant amount limited to the lesser of **\$10 million** or **40%** of total net project costs
- Only market-rate financing available for IMG grant awardees seeking CWSRF and DWSRF financing
- Requires a valid and binding Intermunicipal Agreement

IMG Grant Award Example

- Town of Farmington – Water System Improvements
 - ✓ \$9 M project, awarded \$3.6 M IMG grant
 - ✓ Addresses low pressure and flow issues in the distribution system
 - ✓ Replaces existing 1 M gallon ground level water storage tank with a 2 M gallon elevated storage tank
 - ✓ New 16-inch transmission main
 - ✓ Project involves multiple communities in Ontario County



What is Green Infrastructure?

- **Green infrastructure** includes a wide array of practices at multiple scales that manage wet weather and that maintain and restore natural hydrology by infiltrating, evapotranspiring and harvesting and using stormwater.
- On a **regional scale**, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains and wetlands, that help reduce overall imperviousness in a watershed.
- On a **local scale**, green infrastructure consists of site- and neighborhood-specific practices, such as bioretention systems, stormwater street trees, and permeable pavements.

How Can Combining Green Infrastructure with Gray Infrastructure Benefit My Community?

- Water management and flood alleviation
- Creating areas of natural beauty
- Health and well-being
- Land and property values
- Source water protection
- Climate change adaptation and mitigation
- Recreation
- Biodiversity

Concept Image
Green Street Pilot Project
Buffalo, NY



Integrated Solutions Construction (ISC) Awards

- The ISC program was created to incentivize the incorporation of green infrastructure into traditional gray infrastructure project
- Provides grant dollars for the incorporation of green infrastructure practices into CWSRF-financed CSO / SSO / stormwater projects
- Award 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 Award Application

To be considered for the next round of ISC funding, applicants must:

- Be listed on the Annual List of the 2019 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>



ISC Award Examples

- Village of Addison – Main Street Parking Lot Stormwater Management
 - ✓ Inflow and infiltration repairs to improve sanitary sewer system
 - ✓ Green infrastructure practices will be used to remedy an interconnected system of sanitary and stormwater collection in the vicinity of the project
- Buffalo Sewer Authority – Pratt Willert Green Infrastructure
 - ✓ Sewer separation project for the abatement of combined sewer overflows
 - ✓ Construction of green infrastructure practices at three sites in the Willert Park neighborhood
 - ✓ Combination of bioretention, infiltration, porous pavement and impervious area reduction

Green Innovation Grant Program (GIGP)

GIGP grants are available to fund transformative projects that:

- Utilize green infrastructure components to protect and improve water quality
- Spur innovation in the field of green infrastructure for stormwater
- Build capacity to construct and maintain green infrastructure
- Provide multiple benefits in the communities where they are built
- To date: \$170 million awarded to over 220 projects



GIGP Grant Award Example

- Town of Brighton – Monroe Ave Green Streets
 - ✓ Bioretention, porous sidewalks, stormwater street trees, and riparian buffers constructed to reduce stormwater pollution and protect water quality
 - ✓ Restored a section of Buckland Creek as a community resource



Engineering Planning Grant (EPG) Program

- DEC and EFC offer grants to help municipalities facing economic hardship pay for the initial planning of eligible CWSRF projects
 - ✓ Development of an Engineering Report
- Apply through the State's Consolidated Funding Application (CFA) process
 - ✓ Up to \$100,000 per locality for inflow/infiltration studies
 - ✓ Up to \$50,000 per locality with population above 50,000
 - ✓ Up to \$30,000 per locality with population below 50,000
- To date: \$15 million awarded to over 380 projects

EPG & GIGP Grant Application & Awards

- EPG & GIGP grants are awarded as part of the New York State 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/>

Contact Information

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