



FUNDING ROUNDTABLE SESSION NY CONFERENCE OF MAYORS FALL TRAINING SCHOOL

September 19, 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.



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 for approximately 3,000 projects 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 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



First step to funding – Pre-Application

For **CWSRF**:

A municipality must first:

- ✓ Submit a project description and funding needs
 - Complete a project listing form

Use PLUS for CWSRF

[*https://plus.efc.ny.gov*](https://plus.efc.ny.gov)

- ✓ Submit approvable engineering plan/technical report
- ✓ Submit a smart growth assessment form



First step to funding – Pre-Application

For **DWSRF**:

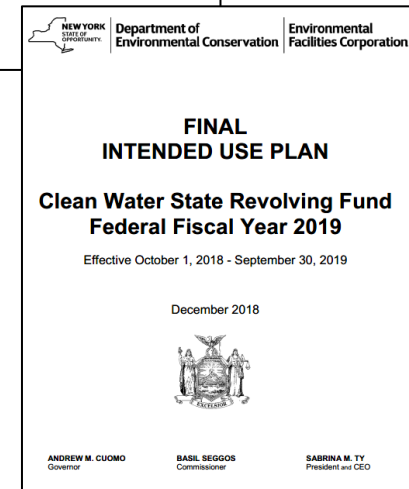
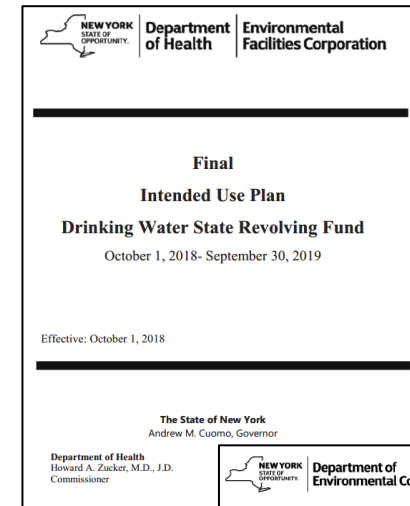
A municipality must first:

- ✓ Complete a project Listing Form
 - PDF form available at efc.ny.gov
 - E-mail Listing Form to DOH project manager or:
bpwsp@health.ny.gov
- ✓ Submit approvable engineering plan/technical report for project to be placed on Annual List
- ✓ 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



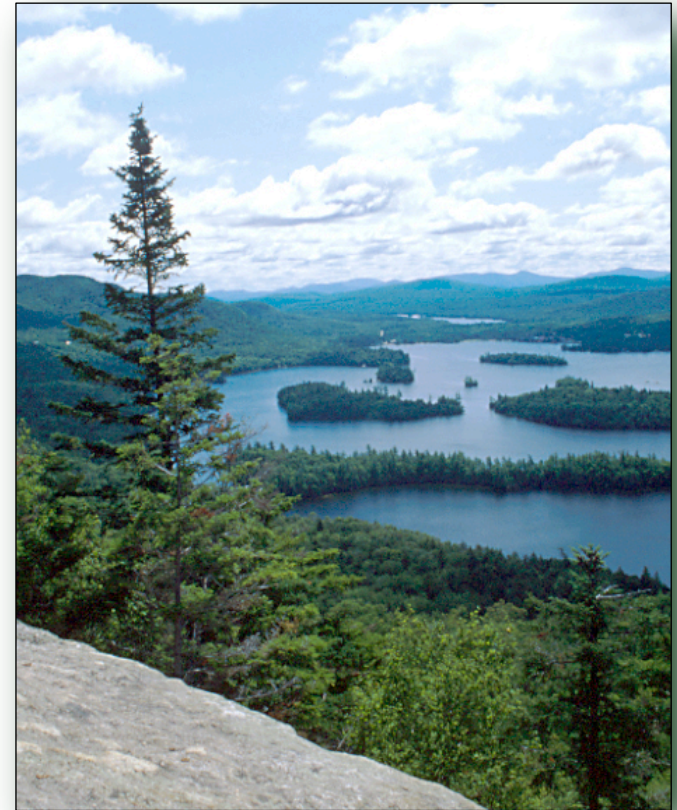
Next Step – Apply for Financing

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 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 generally 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)

- The Clean Water Infrastructure Act invests \$3 billion in clean and drinking water infrastructure projects and water quality protection across New York
- Grants assist municipalities in funding water quality infrastructure
- WIIA grants available for both drinking water and sewage treatment works (clean water) projects
- To date: \$680M awarded to 424 projects

WIIA Grant Awards – Clean Water



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

WIIA Grant Awards – Drinking Water



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: \$70M 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*](http://efc.ny.gov/ISC)

Green Innovation Grant Program (GIGP)

- \$15 million available in 2019
- 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

To Date

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

Engineering Planning Grant Award

- 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 \$70,000 according to the United States Census, 2017, 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 \$90,000 according to the United States Census, 2017, 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

**\$3 Million
in 2019**

**To Date
\$14.9
Million
awarded to
384 projects**

EPG Grant Application & Awards

- EPG 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 Grants through the CFA



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

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