NEW YORK STATE | Environmental Facilities Corporation

The State Revolving Funds and Funding Opportunities for Water Infrastructure Projects

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Black River Watershed Conference | June 14, 2023

Agenda

- About EFC
- The State Revolving Funds (SRFs)
- Federal Bipartisan Infrastructure Law (BIL)
- Grant Programs
- The Bond Act
- Technical Assistance Opportunities

About EFC

About EFC

We Fund New York State Water Infrastructure

Clean Water State Revolving Fund

Low-cost capital for sewer and wastewater treatment projects.

Drinking Water State Revolving Fund

Low-cost capital for drinking water projects.

State Water Grants

Ease the cost burden of capital infrastructure costs.

Federal Bipartisan Infrastructure Law Funding

Administered through the State Revolving Funds.

Nation-Leading Investment

$35.8B

Provided to Wastewater Projects Since 1990

$8.99B

Provided to Drinking Water Projects Since 1996

$2B

EFC Water Grants Awarded to 879 Projects Since 2015

Types of Financial Assistance

Offered by EFC

Short-Term Financing

- Available to provide recipients with funding to design and construct projects
- Up to 5 Year Term

Long-Term Financing

- Amortized up to a term of 30 years

Interest-Rates

- Interest-Free
- Subsidized
- Market-Rate

Engineering Planning Grant

EPG

Water Infrastructure Improvement

WIIA

Intermunicipal Grants

IMG

Green Innovation Grant Program

GIGP

State Revolving Fund Grants

SRF

Bipartisan Infrastructure Grants

BIL

State Revolving Funds (SRF)

NEW YORK STATE REVOLVING FUND

SEED MONEY

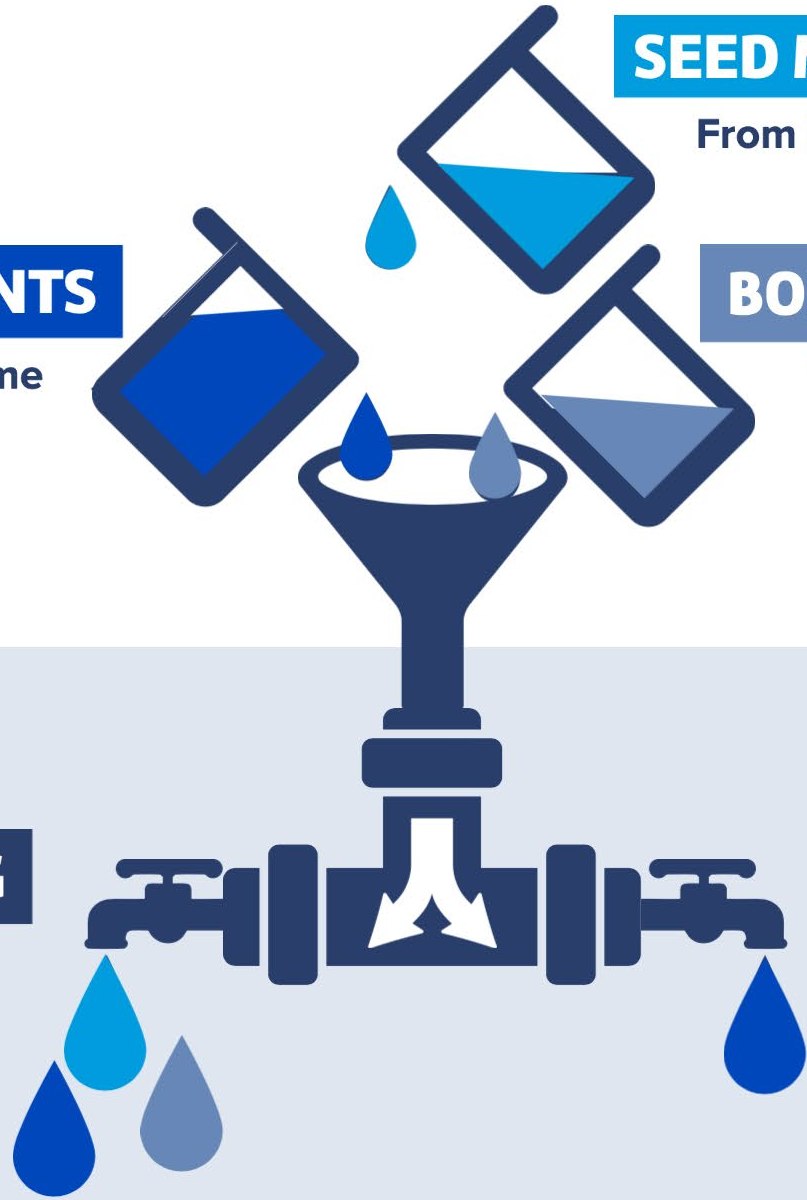
From EPA & State of New York

REPAYMENTS

Funds "Revolve" Over Time

BOND SALE PROCEEDS

Proactive Fund Management

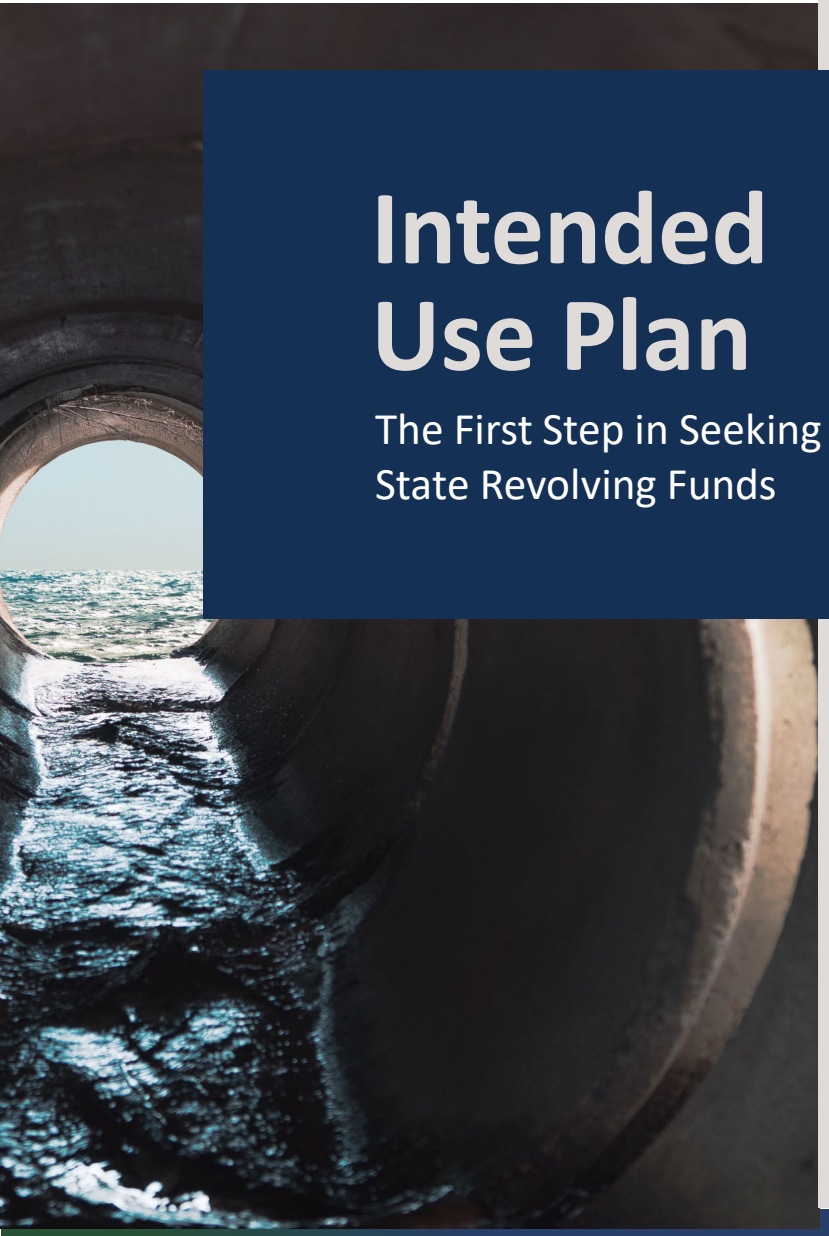


LOW-COST FUNDING

Wastewater & Drinking Water Infrastructure

BOND REPAYMENTS

Low Interest Rates



Intended Use Plan

The First Step in Seeking State Revolving Funds

Prepared Annually By Law

The Intended Use Plans describe each SRF program, list the funds that are available and identify how the funds will be used

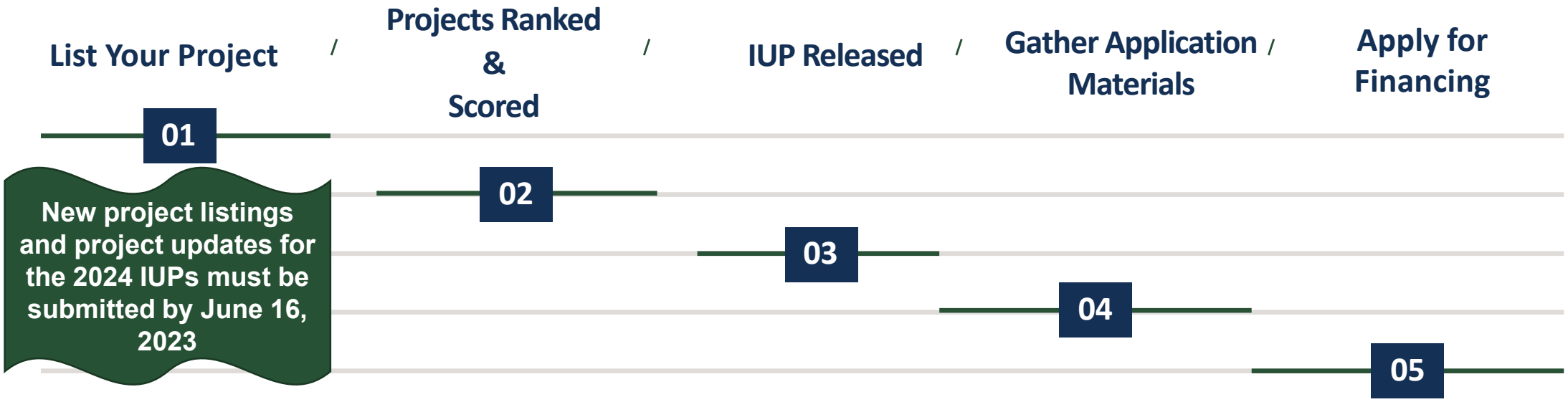
Project Rank and Score

Each project is ranked and scored based on water quality and public health impacts as described in the documents submitted by applicants

Eligible costs are based on documented estimates from engineering reports, plans and specifications, and contract awards

Project Priority Lists

How to Apply
Financing Process



01 List Your Project

Go online, list your project with the Project Listing and Update System for the CWSRF or for the DWSRF, submit your Project Listing Form to Design@health.ny.gov

An approvable engineering report and completed smart growth form must be submitted for the project to be included on the Annual List

02 Projects Ranked and Scored

Project listings must include an Engineering Report to be included on the Annual List, which includes projects that can apply for funding in a fiscal year.

03 IUP Released

Required by law, the IUP accounts for how the State Revolving Fund will be administered in a fiscal year.

04 Gather Application Materials

You must prepare various documents to submit with your application.

05 Apply for Financing

Applications are accepted through June in any given Federal Fiscal Year. Applications received after the deadline may have to wait until the next year's Intended Use Plan is published.

Eligible Projects

Clean Water State Revolving Fund

Administered by EFC in partnership with DEC.

- Municipal Treatment Works
- Non-Point Source
- National Estuary Conservation and Management Plan
- Decentralized Systems
- Recycled Water and Water Re-Use

Drinking Water State Revolving Fund

Administered by EFC in partnership with DOH.

- Provide Public with Safe Drinking Water
- Upgrade or Replace Drinking Water Infrastructure
- Address Non-Compliance with Federal or State Health Standards
- Prevent Future Violations of Federal or State Health Standards

Federal Bipartisan Infrastructure Law (BIL)

BIL & SRFs

BIL funding for water infrastructure is being administered through the State Revolving Funds over five years.

The first installment of $428 million has been made available in the 2023 IUPs, in addition to annual base appropriations.

2022 FFY Funding By Category

$196M
CWSRF
General Supplemental
Required Additional Subsidy: 49%

$10M
CWSRF
Emerging Contaminants
Required Additional Subsidy: 100%

$73M
DWSRF
General Supplemental
Required Additional Subsidy: 49%

$30M
DWSRF
Emerging Contaminants
Required Additional Subsidy: 100%

$115M
DWSRF
Lead Service Line Repl.
Required Additional Subsidy: 49%

*Required additional subsidy percentages are based on the full Cap Grant amounts and are not necessarily the percentage available per project.

Eligible Projects – CWSRF BIL

BIL General Supplemental (GS)

Municipal water pollution control projects including, but not limited to: Wastewater treatment facilities, pumping stations and sewers, combined sewer overflow abatement; stormwater pollution abatement; and other municipally owned projects or portions of projects that maintain, protect or improve water quality.

BIL Emerging Contaminants (EC)

Construction costs on CWSRF eligible projects whose primary purpose is to address emerging contaminants that are manufactured or naturally occurring physical, chemical, biological radiological, or nuclear materials, which are known or anticipated in the environment, that may post newly identified or re-emerging risks to human health, aquatic life, or the environment, including but not limited to, groundwater or surface water contamination caused by perfluoroalkyl and polyfluoroalkyl substances (PFAS), pharmaceuticals, personal care products, and micro/nanoplastics.

CWSRF BIL GS

- Grant funding up to 50% of eligible project costs, net of non-EFC grants, up to a maximum amount of $25 million
- Project must be listed above the Hardship Funding Line in IUP Category D
- Must not have:
  - Incurred SRF-eligible debt or closed an EFC financing before November 15, 2021;
  - Issued a Notice to Proceed to construction before November 15, 2021;
  - Closed a long-term project financing agreement; and
  - Substantially completed construction before the beginning of the FFY

CWSRF BIL GS

- **A BIL-GS Funding Line is established in IUP Subcategory D1 to identify projects that qualify for BIL-GS Additional Subsidy**
  - **Projects above the line, are eligible to receive a BIL-GS Additional Subsidy award letter for the amounts listed**
  - **Projects below the line, will NOT receive BIL-GS Additional Subsidy in that FFY**
- **Of the 188 CWSRF projects identified as BIL-GS eligible in the 2023 IUP, 44 qualified for funding**

CWSRF BIL EC

- Grant funding up to 100% of eligible project costs, up to a maximum amount of $25 million.
- Additional subsidy will be offered in Project Priority Score order.
- To be considered for additional subsidy, a municipality must have:
  - been included in Subcategory D2 in the IUP;
  - not executed a CWSRF short-term project financing agreement or incurred SRF-eligible debt before November 15, 2021;
  - not executed a long-term project financing agreement; and
  - not have substantially completed construction before the beginning of the FFY.

Eligible Projects – DWSRF BIL

BIL General Supplemental (GS)

Municipally owned and privately-owned community water systems and non-profit non-community water projects including: construction, rehabilitation, and upgrading of water treatment plants; transmission and distribution mains; storage facilities; pump stations; rehabilitation or development of new drinking water sources; consolidation of water supply services; and capital investments to improve security of drinking water systems.

BIL Emerging Contaminants (EC)

DWSRF eligible projects with the primary purpose to address emerging contaminants in drinking water, with a focus on PFAS.

BIL Lead Service Line Replacement (LSLR)

DWSRF eligible projects that replace or are associated with an LSLR project or associated activity directly connected to the identification, planning, design, and replacement of lead service lines. Any project funded under this category involving the replacement of lead service lines must replace the entire lead service line (public and privately owned portion), not just a portion.

DWSRF BIL GS

- Grant funding up to 70% of eligible project costs, net of non-EFC grants, but not to exceed $5 million
- Projects on the BIL-GS Eligible Project List awarded additional subsidy and interest-free financing in public health priority score order.
  - Must not have closed a short-term financing before October 1 of the FFY in which the assistance is awarded.
  - Additional subsidy may not be used to forgive debt that was incurred prior to November 15, 2021
- Of the 120 DWSRF projects identified as BIL-GS eligible in the 2023 IUP, 18 were awarded funding

DWSRF BIL EC

- Grant funding up to 100% of eligible project costs, net of non-EFC grants, but not to exceed $ 5 million
- First priority given to projects that address PFAS
- At least 25% of the BIL-EC funds will go to state-defined disadvantaged communities or systems with populations under 25,000

DWSRF BIL LSLR

- **LSL Replacement Projects**
  - Grant funding up to 70% of eligible project costs, net of non-EFC grants, but not to exceed $ 10 million (disadvantaged communities)
- **LSL Inventory Projects**
  - Grant funding up to 100% of eligible project costs, net of non-EFC grants, but not to exceed $2 million (disadvantaged communities)
- **Communities are limited to $14M in interest-free financing in any FFY**
- **Projects will be awarded in public health priority score order until the available funds have been exhausted**

Grant Programs

Engineering Planning Grants

EPG

Water Infrastructure Improvement

WIIA

Intermunicipal Grants

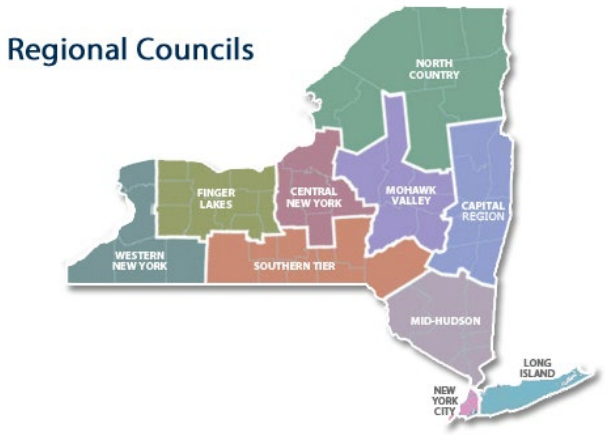
IMG

Green Innovation Grant Program

GIGP

Engineering Planning Grants

- Funding for hardship communities to pay for the initial planning of eligible CWSRF projects.
- 30% MWBE/6% SDVOB



Anticipated beginning of application period in Spring 2023

This funding helps develop an Engineering Report

Engineering Reports are required to list your project on the Annual List of the Intended Use Plan.

Grant awards up to $100K

- Up to $100,000 per locality for inflow/infiltration studies required by enforcement action
- Up to $50,000 for all other projects

Green Innovation Grant Program

Supports projects that utilize unique EPA-designated green stormwater infrastructure design and create cutting-edge green technologies.

This funding supports projects that improve water quality and mitigate climate change.

SRF T&Cs (20% MWBE)

Projects must implement one of the following green practices:

- Green Stormwater Infrastructure
  - Maintain and restore natural hydrology by infiltration, evapotranspiration, and harvesting stormwater
  - 75-90% grants available
- Energy Efficiency
  - Reduce Energy Consumption or Produce Renewable Energy for a Wastewater Treatment Plant
  - 50-75% grants available
- Water Efficiency
  - Reuse, Conserve or Improve Water Efficiency
  - 50-75% grants available
- Environmental Innovation.

Anticipated beginning of application period in Spring 2023

WIIA

Available to Municipalities for Sewage Treatment Works

Clean Water WIIA

Municipalities will be awarded 25% of total net eligible project costs, including phases of the project, up to $25 million.

Grants administered through EFC will not be backed out of net eligible project costs (GIGP, CWSRF)

Eligible Entities:

- City
- Town
- Village
- County or Town Improvement District
- Indian Nation or Tribe (with Reservation wholly or partly within NYS)
- Public Authority
- Public Benefit Corporation
- School District

Drinking Water WIIA

Municipalities will be awarded 60% of total net eligible project costs, including the costs for all phases of the project, up to $5 million. The maximum a municipality can receive is $5 million in DWSRF grant and/or WIIA grant per year.

Projects addressing an emerging contaminant above the State determined Maximum Contaminant Level (MCL) may be awarded 60% of total net eligible project costs.

Intermunicipal Grants

Available for clean water and drinking water projects that serve multiple municipalities.

- Awards up to 40% of net eligible costs, up to $30 million
- One municipality must be the lead municipality and apply on behalf of all cooperating municipalities
- Must have a current, valid, and binding project Intermunicipal Agreement (IMA) between at least two cooperating municipalities related to the financing and implementation of the project.

The Clean Water, Clean Air, and Green Jobs Environmental Bond Act

Bond Act

Investing $4.2B in New York's Environment and Communities

- Approved by overwhelming support of New York voters on November 8, 2022, the Bond Act will protect water quality, help communities adapt to climate change, improve wildlife habitats, and create green jobs

BROWSE BOND ACT WEBPAGE

$650M

For Water Infrastructure Improvement

Bond Act

Funding Allocation

$650M	**Water Quality Improvement & Resilient Infrastructure**
$650M	**Open Space Land Conservation & Recreation**
$1.1B	**Restoration & Flood Risk Reduction**
$1.5B	**Climate Change Mitigation**

Water Quality Improvement & Resilient Infrastructure

***Minimum* $200 million for water improvement and infrastructure projects**

***Minimum* $250 million to support municipal storm-water grants**

$200 million to support:

- Green infrastructure
- Projects to reduce agricultural nutrient run off and promote soil health
- Projects to reduce the frequency of harmful algal blooms (HABs)
- Lead service line replacement

Bond Act Priorities

Advance Environmental Justice

At least 35% of Bond Act funds will be directed towards disadvantaged communities

Mitigate Climate Change

Reimagine, redesign, and rebuild with climate resilience in mind to strengthen our ability to withstand future high-risk environmental events

Create Jobs

The Bond Act will create an estimated 84,000 green jobs

Next Steps

Identify Priority Projects

Governor Hochul directed an inter-agency working group to begin identifying needs for environmental funding across the State.

Educational Listening Tour

Will offer the opportunity to discuss what the Bond Act will fund, as well as provide communities an opportunity to weigh in on draft criteria developed to identify potential projects.

Technical Assistance

Technical Assistance

Governor's Priority

Governor Hochul announced the creation of Community Assistance Teams to build on EFC's history of assisting communities with accessing funding for water infrastructure projects

Virtual and In-person Support

EFC staff and staff from our partner agencies are available to provide support to municipalities interested in accessing our funding opportunities through one-on-one consultations and community events

Visit Our Website

EFC has information about upcoming events and how to request assistance on our website.

Thank you!

- CWSRFinfo@efc.ny.gov