



SRF Water Infrastructure Programs

Under the American Recovery and Reinvestment Act of 2009

Fact Sheet
February 2009

What is the Recovery Act and what is the State's share of the Federal Funding?

On February 17, 2009, the American Recovery and Reinvestment Act of 2009 ("Recovery Act") became law. In an effort to stimulate the nation's economy, the Recovery Act will provide the Indiana Finance Authority ("IFA") with \$94,447,485 to fund Wastewater infrastructure projects and \$27,212,000 to fund Drinking Water infrastructure projects.

What are the general requirements to be considered for Recovery Act funding?

All standard SRF Loan Program requirements will apply. The following will also be required to meet the requirements of the Recovery Act:

- ❖ Participants must design, permit, bid and close financings by a schedule provided by the SRF Loan Program.
- ❖ Projects must have the ability to be under construction prior to December 2009.
- ❖ No less than 20% of the recovery funds must be used for projects that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.
- ❖ Federal Davis-Bacon Wage Rates and Disadvantaged Business Enterprise ("DBE") rules apply.
- ❖ Projects must use American iron, steel and manufactured goods.
- ❖ Monthly progress reports will need to be filed with the SRF Loan Program.

What type of assistance is available?

- ❖ Fixed rate loans (20-year terms)
 - All communities determined to meet SRF Loan Program requirements will be eligible for a share of fifty percent of the Recovery Act funding made available to the IFA. Each community's loan will include a portion at zero percent, which will be capped at an amount to be determined after all eligible participants have been identified. Each community may borrow the additional funds needed to complete their project from the SRF Loan Program at their then current below-market interest rate in which they would traditionally qualify.
- ❖ Grants
 - Communities that have exceedingly high monthly user rates (minimum threshold to be determined after all eligible participants have been identified) may qualify for grant funding. The balance of a community's project may be funded with an SRF Loan Program loan at their then current below-market interest rate.
 - Communities must: have a completed Preliminary Engineering Report ("PER") filed with the SRF Loan Program by March 13, 2009; meet the construction deadlines set forth above; and propose a project promoting the regionalization of services.

How does a community apply?

- ❖ Applications must be submitted to The SRF Loan Program on or before February 27, 2009 and a completed PER is due on or before March 13, 2009.
- ❖ The required SRF Loan Program Application forms are available on the IFA-SRF web site at <http://www.srf.in.gov>.

Who is eligible?

- ❖ Entities that are eligible for SRF financial assistance are eligible for SRF Recovery Act assistance.
 - Entities eligible for Drinking Water and Wastewater SRF loans are:
 - Cities, towns, counties, regional sewer/water districts, conservancy districts, and
 - Private and not-for-profit facilities (only for Drinking Water SRF loans).

What types of projects are eligible for funding?

- ❖ Projects that are eligible for SRF assistance are eligible for SRF Recovery Act financing.
 - Wastewater projects that include treatment plant and collection system improvements.
 - Drinking Water projects that include treatment plant and distribution system improvements.
 - Nonpoint source projects that include Best Management Practices for agriculture and stormwater runoff.

Where can I get more information about SRF loans?

For more information about the SRF Loan Program process, please contact Shelley Love for Wastewater projects at 317-232-4396 or Sarah Hudson for Drinking Water projects at 317-232-8663 or visit the SRF Web page at <http://www.srf.in.gov>.