



IOWA FINANCE
AUTHORITY

Small City Clean Water Standards Compliance Study Committee

Lori Beary
Community Development Director

SF 512 / HF 2440

Created two programs administered by IFA:

- Wastewater and Drinking Water Treatment Financial Assistance Program
 - Grants for to water and wastewater infrastructure projects
- Water Quality Financing Program
 - Revolving loan fund



Wastewater and Drinking Water Treatment Financial Assistance Program

- Grants awarded annually
- Grant awards determined by Committee consisting of:
 - Secretary of Ag (or his designee)
 - Executive Director of IFA (or designee)
 - Director of DNR (or designee)
- Maximum grant award of \$500,000



Wastewater and Drinking Water Treatment Financial Assistance Program

Priorities for grant awards:

- Disadvantaged communities
- Projects that will significantly improve water quality in their watershed
- Projects that use alternative wastewater treatment technologies
- Communities with the highest sewer or water rates
- Projects that use technology to address nutrient reduction
- Projects to address improvements to drinking water source waters



Wastewater and Drinking Water Treatment Financial Assistance Program

- NOIA – October 3
- IARRC meeting – November 13
- Public hearing – November 14
- Adopted & Filed by IFA Board – December 5
- First possible effective date – February 6, 2019



Wastewater and Drinking Water Treatment Financial Assistance Program

- Funding
 - Funds will transfer quarterly as tax receipts are processed by DOR
 - First transfer of funds from DOR Feb. 24, 2019
 - For returns received Oct. 31 – Dec. 31
 - Final FY19 transfer will be August 24, 2019



Wastewater and Drinking Water Treatment Financial Assistance Program

Funding estimates:

FY19 - \$ 782,000

FY20 - \$1,600,000

FY21 - \$4,928,000

FY22 - \$5,052,000

FY29 - \$6,080,000

Total - \$52 million



Water Quality Financing Program

- New revolving loan fund
- Permanent source of water quality financing
- Fund is administered by IFA in cooperation with DNR and IDALS



Water Quality Financing Program

The purpose of the program shall be to provide financial assistance to enhance the quality of surface water and groundwater, particularly by providing financial assistance for projects designed to improve water quality by addressing point and nonpoint sources, with a higher prioritization provided to collaborative efforts.



Water Quality Financing Program

Applications are submitted in the form of a plan. The plan will:

- Include one or more projects that improve water quality in the watershed
- use practices identified in the Nutrient Reduction Strategy
- Detail cost of projects, how projects will be financed, how revenues will be distributed
- Detail all entities involved



Water Quality Financing Program

- Applicants need to prove financial capacity to repay the loan
- Applications will be scored according to criteria adopted in rule
- We anticipate bringing these rules to the IFA Board in the next few months



Water Quality Financing Program

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Water Quality Financing Program

Funding estimates:

FY19 - \$ 879,750

FY20 - \$1,800,000

FY21 - \$5,544,000

FY22 - \$5,683,000

FY29 - \$6,840,000

Total - \$58 million



Water Quality Programs

Future repeal – this chapter is repealed the earlier of either:

- Sales tax is increased
- July 1, 2029



Water Quality Programs

Questions?

