





Community options for wastewater financing

Managing wastewater and stormwater is important for the health and safety of any community. It can also make a difference to a community's growth potential and environmental value, in terms of attracting new businesses, new residents and additional visitors. Achieving solutions is like a complicated journey, requiring several steps to reach the destination. This flyer addresses one of the major steps – financing. Following is an outline of financing options for public entities. Use this matrix as a guide for researching financial options. Examine the requirements for each program and see if your entity qualifies. If so, contact the funding agency as the first step toward an affordable solution that protects health and safety while enhancing your community

Federal Programs					
PROGRAM	OBJECTIVE	APPLICANT	USES	POPULATION	TERMS/CONDITIONS
 U.S. Department of Agriculture Rural Development (USDA RD) Contact information for regional offices: www.rurdev.usda.gov/MN/RUSCF/wwdir.htm					
Water and Waste Disposal Terry Louwagie Community Programs Director 651-602-7810 terry.louwagie@mn.usda.gov	Direct loan and grant: Provides wastewater financing in rural areas to the most financially needy applicants, resulting in reasonable user rates.	Public entities, Indian tribes and non-profit corporations. Apply to Rural Development.	Build, repair and improve public wastewater collection and/or treatment systems. Also other related costs.	Rural areas, cities and towns with up to 10,000 population	Interest rate is set quarterly based on an index of current market yields for municipal obligation. Repayment period is a maximum of 40 years. Grant funds may be available.
 Minnesota Department of Employment and Economic Development Federal funding administered by state agency Contact information for regional offices: www.deed.state.mn.us/Community/assistance/PFAcontactRegions.htm					
Small Community Development Grant Tom Gast Acting Community Development Director 651-259-7456 tom.gast@state.mn.us	Grant that addresses public facility needs, principally benefiting low to moderate income households.	Cities, townships and counties.	Public Facility Improvements, such as water systems, sewer systems, drainage facility construction or improvements.	Cities with a population under 50,000 and counties and townships with an unincorporated population of fewer than 200,000.	Maximum grant is \$600,000. Must benefit low and moderate income persons or households.

State of Minnesota Programs

PROGRAM	OBJECTIVE	APPLICANT	USES	POPULATION	TERMS/CONDITIONS
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Public Facilities Authority

Contact information: 651-259-7469, 1-800-657-3858 toll-free or

www.deed.state.mn.us/Community/assistance/pfa.htm

Jeff Freeman, Deputy Director: 651-259-7465 or jeff.freeman@state.mn.us

Clean Water Revolving Fund (CWRF) Minn. R. ch. 7077, Minn. Stat. § 446A.07 and 116.16	Loans with the State Revolving Fund as the principal financing program.	Cities, counties, townships, sanitary districts. Must be listed on the MPCA project priority list and PFA Intended Use Plan.	Build, repair and improve public wastewater systems.	No cap or minimum.	Below market interest yields for municipal obligations, Repayment period is 20 years.
Wastewater Infrastructure Fund (WIF) Minn. Stat. § 446A.072	Grants to package with CWRF loans or to match USDA-RD grants to provide gap financing for high priority and high cost projects.	Cities, counties, townships, sanitary districts. Must be listed on MPCA PPL.	Build, repair and improve public wastewater systems.	No cap or minimum.	Must apply to for RD grant and loan or to PFA for CWRF loan. Recipients must establish system replacement fund for \$.50 per 1,000 gallons.
Small Community-Constructions Minn. Stat. § 446A.075	Loan or grant funds available to areas currently served by SSTS and seek continued SSTS discharge.	Cities, counties, townships, sanitary districts. Must be listed on MPCA PPL.	Build, repair and improve public wastewater collection and sub-surface treatment systems.	Intended for small communities but no cap or minimum.	Loans at 1% interest for 10 years, or up to 20 years if loan exceeds \$10,000 per household, 50% grant if serving area with below average income.
Total Maximum Daily Load (TMDL) Minn. Stat. § 446A.073	Grant funds for projects made necessary by a TMDL.	Cities, counties, townships, sanitary districts. Must be listed on MPCA PPL. Must submit again in July.	Build, repair and improve public wastewater systems.	No cap or minimum.	Provide up to 50% of TMDL costs up to \$3 million maximum.
Clean Water Legacy Phosphorus Reduction Minn. Stat. § 446A.074	Grant funds for projects that achieve 1 mg/L or less phosphorus discharge limits	Cities, counties, townships, sanitary districts. Must be listed on MPCA PPL. Must submit again in July	Build, repair and improve public wastewater systems.	No cap or minimum.	Provide up to 50% of costs to achieve 1 mg/L phosphorus \$500,000 maximum.