

Water Quality & Drinking Water Capital Program Funding Eligibility (Effective June 2010)

Water Quality Projects

Fund Source	Project Type/Owner	Disadvantaged Community	All others
WQSRF Program	Wastewater/Small or NPS (Non-Green)	Up to 87.5% of loan amount as loan-forgiveness; Maximum \$1.5 Million & Balance loan @ 25% of Market Interest Rate, 20 year term	No Loan Forgiveness & up to 100% loan @ 50% of Market Interest Rate, 20 year term
	Wastewater/Large	Up to 25% of loan amount as loan-forgiveness; Maximum \$1.5 Million & Balance loan @ 25% of Market Interest Rate, 20 year term	No Loan Forgiveness & up to 100% loan @ 50% of Market Interest Rate, 20 year term
	Green/All	Up to 87.5% of project cost as loan-forgiveness/grant; Maximum \$1.5 Million & Balance loan @ 25% of Market Interest Rate, 20 year term provided the Owner has a revenue stream for loan repayment	Up to 50% of project cost as loan-forgiveness/grant; Maximum \$1.5 Million & Balance loan @ 50% of Market Interest Rate, 20 year term provided the Owner has a revenue stream for loan repayment
State Supplemental (Sewerage) Grant Program	BNR/Small	Up to 25% of BNR eligible project cost as Grant; Maximum No Limit	Up to 25% of BNR eligible project cost as Grant; Maximum No Limit
	Non-ENR, Wastewater - Non-Compliance/All	Up to 87.5% of project cost as Grant; Maximum \$1.5 Million	Up to 25% of project cost as Grant; Maximum \$1.5 Million
	Non-ENR, Wastewater - Compliant/Small	Up to 50% of project cost as Grant; Maximum \$1.5 Million	No Grant
	Non-ENR, Wastewater - Compliant/Large	Up to 25% of project cost as Grant; Maximum \$1.5 Million	No Grant

Water Quality & Drinking Water Capital Program Funding Eligibility (Effective June 2010)

Drinking Water Projects

Fund Source	Project Type/Owner	Disadvantaged Community	All others
DWSRF Program	Drinking Water/Small	Up to 87.5% of loan amount as loan-forgiveness; Maximum \$1.5 Million & Balance loan @ 25% of Market Interest Rate, 30 year term	No Loan Forgiveness & up to 100% loan @ 50% of Market Interest Rate, 20 year term
	Drinking Water/Large	Up to 25% of loan amount as loan-forgiveness; Maximum \$1.5 Million & Balance loan @ 25% of Market Interest Rate, 30 year term	No Loan Forgiveness & up to 100% loan @ 50% of Market Interest Rate, 20 year term
	Green/All	Up to 87.5% of project cost as loan-forgiveness/grant; Maximum \$1.5 Million & Balance loan @ 25% of Market Interest Rate, 30 year term provided the Owner has a revenue stream for loan repayment	Up to 50% of project cost as loan-forgiveness/grant; Maximum \$1.5 Million & Balance loan @ 50% of Market Interest Rate, 20 year term provided the Owner has a revenue stream for loan repayment
State Water Supply Grant Program	Drinking Water - Non-Compliance/Small	Up to 87.5% of project cost as Grant; Maximum \$1.5 Million	Up to 25% of project cost as Grant; Maximum \$1.5 Million
	Drinking Water - Non-Compliance/Large	Up to 50% of project cost as Grant; Maximum \$1.5 Million	No Grant
	Drinking Water - Compliant/Small	Up to 50% of project cost as Grant; Maximum \$1.5 Million	No Grant
	Drinking Water - Compliant/Large	Up to 25% of project cost as Grant; Maximum \$1.5 Million	No Grant

Small System: Project service area population less than 10,000 that is responsible for the capital cost (generally applicable to water and sewer system owners)

Disadvantaged Community:

1. Water (or sewer, as applicable) user rate/year per Equivalent Dwelling Unit (EDU) > 1% of Community Median Household Income (MHI); or
2. Project is physically located and benefits an MDE approved Environmental Benefit District; or
3. Project is physically located and benefits a community with MHI less than 70% of State MHI

In addition to above, where the water (or sewer, as applicable) user rate would, and subsequently does, increase by more than 20% to achieve financial capacity (as determined by MDE), the Owner may qualify for up to 25% of the loan amount as loan-forgiveness, not to exceed \$1.5 million.

A high cost water/sewer project may qualify for grant subsidy as SRF loan forgiveness and State grant

Update: October 7, 2011