



SRF Water Infrastructure Programs

Under the American Recovery and Reinvestment Act of 2009

Updated Fact Sheet
July 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.

How does a community apply?

Application deadlines have passed and only those projects that have a Preliminary Engineering report currently under review by the SRF Loan Program are eligible for Recovery Act Funding.

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

All standard SRF Loan Program requirements will apply. In addition, the following will also be required to meet the requirements of the recovery Act:

- ❖ Because Recovery Act funding is limited and the Recovery Act requires that only the most "shovel ready" projects be funded, projects that are currently being reviewed by the SRF Loan Program will be ranked and those most ready to proceed will be eligible for funding.
- ❖ Participants that we notified in April must design, permit, bid and close financings by September 15, 2009.
- ❖ Participants that we notified in July must design, permit, bid and close financings by October 15, 2009.
- ❖ Construction on the project must commence prior to 12/1/09.
- ❖ 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?

- ❖ Grants
 - Projects that are determined by the SRF Loan Program to be most ready to proceed to construction will be eligible to receive an award. Grant amounts will range from 25% to 75% of a community's project costs. Applicable project costs may not exceed \$10 million. Therefore, the maximum grant amount would be \$7.5 million (75% of \$10 million). The balance of a community's project may be funded with a traditional low interest SRF loan.
 - The grant amount awarded will be determined based upon a community's median household income (MHI) and applicable user rates. The table below shows the applicable grant percentages, as well as the current SRF interest rates that will be made available to fund the balance of the loan.

MHI	User Rates (Over \$50 WW)	User Rates (\$30 to \$50 WW)	User Rates (Under \$30 WW)
	(Over \$45 DW)	(\$25 to \$45 DW)	(Under \$25 DW)
under \$33,669	75% G	60% G	40% G
	2.62% I	2.87%I	3.37%I
\$33,670 to \$41,566	60% G	50% G	30% G
	2.87%I	3.12%I	3.62%I
over \$41,567	50% G	40% G	25% G
	3.12%I	3.37%I	3.87%I

G (grant) I (interest rate)

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>.