



**Clean Water State Revolving Fund**  
**HARDSHIP FINANCING AND GRANT ELIGIBILITY POLICY**  
Effective October 2015

**A. Overview**

Municipalities with wastewater treatment works projects may qualify for hardship (interest-free) financing through the Clean Water State Revolving Fund (CWSRF). Certain municipalities that qualify for hardship financing may additionally qualify to receive grant funding through the CWSRF. This document describes the hardship financing program and the procedure used by the Environmental Facilities Corporation (EFC) in determining hardship financing and grant eligibility.

A municipality's project listing in the CWSRF Intended Use Plan (IUP) and Median Household Income (MHI) are major considerations in determining hardship financing eligibility. Projects must be listed above the subsidy line of their respective category on the Annual List of the IUP to be considered for hardship financing.

Municipalities with a Median Household Income (MHI) less than the 2013 Statewide MHI (\$58,003) may qualify for hardship financing, based on publicly available census data rather than requiring detailed demographic and economic data from the municipalities. In some cases, EFC may use the MHI resulting from an income survey conducted by the municipality in compliance with EFC's requirements. Municipalities with a 2013 MHI greater than or equal to \$58,003, but less than or equal to \$72,504 (125% of the Statewide MHI), who wish to be considered for hardship financing must submit a hardship application and be evaluated for hardship eligibility. Municipalities with a MHI greater than \$58,003 are not eligible for grant and municipalities with a MHI greater than \$72,504 are not eligible for hardship financing.

Upon finalization of each Intended Use Plan (IUP), municipalities will be issued a confirmation letter offering interest-free financing and grant, if applicable, and as available. The projects will remain listed in Category A or B of the IUP until an acceptable financing application has been submitted for the project. EFC will consider interest-free financing to have been allocated to a project upon submission of an acceptable financing application for that project and will move the project to Category D.

EFC does not charge issuance costs or an annual fee on hardship financing. As applicable, issuance costs and an annual fee will be charged on the non-hardship portion of the project financing as detailed in section B.

## **B. Hardship Eligibility and Restrictions**

### **Hardship Eligibility Criteria:**

To be considered eligible for hardship (interest-free) financing, **municipalities** must meet the following criteria:

- Municipal population is less than 300,000 as published by the 2013 American Community Survey. Alternatively, a municipality with a population greater than 300,000 may qualify if the project is for an established Town or County special district with a population less than 300,000. In such cases, an income survey of the special district would be required and must be submitted by the hardship application deadlines stated in the IUP.
- 2013 MHI of the municipality must be less than or equal to 125% of the statewide 2013 MHI, or \$72,504, subject to the following:
  - Municipalities with a MHI less than the Statewide MHI (\$58,003 as determined by American Community Survey (ACS))<sup>1</sup> do not need to apply for hardship confirmation.
  - Municipalities with a MHI from \$58,003 to \$72,504 must submit a hardship application to be reviewed for hardship eligibility. EFC is in the midst of revising the application. Please contact EFC to obtain a copy.

### Additional detail regarding MHI:

For special districts or other areas for which accurate census data is not available, income surveys may be provided by the municipality and considered by EFC. The income survey must be in a form acceptable to EFC. Also, if a municipality believes that the published ACS MHI is not representative of their income level, they may submit an income survey. Income surveys must be submitted by the hardship application deadlines stated in the IUP. See EFC's income survey guidance for further information.

In certain situations the project service area may encompass multiple municipal jurisdictions. If the project sponsor and the owner of the infrastructure is one municipality, EFC will use the MHI of that municipality. If multiple municipalities will sponsor the project and own the infrastructure, a "weighted average" MHI, based on 2013 ACS MHI and population or number of service connections served by the project, will be calculated and used in determining eligibility for hardship financing.

EFC will allow the calculation of a weighted MHI for special districts where the service area is a portion a municipality or multiple municipalities. In these cases, the municipality(ies) must provide the population or number of service connections in each portion a municipality served by the special district for use in calculating the weighted MHI. For proposed districts, EFC reserves the right to require the use of population data in calculating weighted MHIs.

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<sup>1</sup> An income survey, Census Designated Place (CDP), or other acceptable demonstration of a more accurate MHI for the service area may be used in lieu of the published ACS 2013 MHI.

If the municipality meets the criteria above, the **project** must also:

- Be a municipally-owned wastewater treatment works (CWA Section 212) project
- Qualify as being Environmentally Significant, as determined by the Commissioner of the NYS Department of Environmental Conservation<sup>2</sup>
- Be listed above the Subsidy Line of its respective category on the Annual List in the current IUP
- The CWSRF Short-Term Financing had not closed as of the beginning of the FFY 2015 (i.e. 10/1/2014). For phased projects, closing of a short-term or long-term financing on a previous phase does not preclude a subsequent phase from hardship consideration.
- Effective October 1, 2016, an acceptable and complete application for financing must be submitted to EFC before a Notice to Proceed is issued for the first construction contract.

#### **Limits on Hardship Financing and Grants:**

- Total project cost<sup>3</sup> must be \$20 million dollars or less **unless** the project is being undertaken in support of an executed State Consent Order, SPDES permit compliance schedule or judicial order. In this case there is no maximum project cost; however interest-free financing is available only for the first \$20 million in CWSRF financing
- Municipalities are limited to \$20 million combined hardship financing and grant over a rolling five-year period. The five years include the current FFY and the previous four FFYs.
- The \$20 million combined hardship financing and grant can be utilized on multiple projects or project phases.
- Any grant/hardship funding provided in FFY 2016, when added to hardship/grant/principal forgiveness funding in a Project Financing Agreement closed during FFY 2012 through FFY 2015, cannot total more than \$20 million. The grant/principal forgiveness funding includes CWSRF base-program funds and NYS Water Grants, and does not include Green Innovation Grant Program or Engineering Planning Grant funds.
- For the purposes of tracking the start time of the rolling five-year period, EFC will use the initial financing. When an initial financing is converted to long-term financing EFC does not restart the five year period.
- If a community has closed \$20 million in combined grant and interest-free financing and then closes a non-hardship financing during the 5-year period, that non-hardship financing cannot be refinanced as hardship when hardship capacity becomes available.

### **C. Grant Eligibility and Limitations**

#### **Grant Eligibility Criteria:**

The Water Resources Reform and Development Act of 2014 (WRRDA) included provisions for additional subsidization from USEPA Capitalization Grants on an ongoing basis. The amount of federal grant available, if any, is dependent upon the amount of federal funding allocated to the CWSRF in a particular Federal Fiscal Year. EFC will offer grant as follows:

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<sup>2</sup> See 21 NYCRR 2602.2(a)(23) & 2602.6 as amended. In order for a project to be considered Environmentally Significant, the project must score either project priority scoring criterion A (Existing Source Criterion) and B (Water Quality Improvement Criterion) or D.1.a (Enforcement).

<sup>3</sup> "Project cost" includes all costs associated with the erection, building, acquisition, alteration, reconstruction, improvement, enlargement or extension of a project; the inspection and supervision thereof; and the engineering, architectural, legal, fiscal, and economic investigations and studies, surveys, design, plans, working drawings, specifications, procedures, and other actions necessary for the construction of the project.

All candidates for federal grant must meet all of the following eligibility criteria:

- Must be eligible for hardship financing (i.e. meet the hardship eligibility criteria above, even if qualified per a previous hardship policy)
- For projects listed in Categories A & B of this final IUP, complete financing applications must have been submitted during FFY 2015.
- 2013 Median Household Income (MHI) must be:
  - Less than 80% of the statewide 2013 MHI (less than \$46,402) or
  - If the MHI is 80% to 100% of the ACS 2013 statewide MHI (greater than or equal to \$46,402 but less than \$58,003) then the ACS family poverty rate must be greater than or equal to the 2013 ACS statewide poverty rate (11.7%)
- The CWSRF Short-Term Financing had not closed as of the beginning of the FFY 2015 (i.e. 10/1/2014)
- Construction cannot reach substantial completion prior to October 1, 2015

**Determination of Maximum Grant Award:**

Projects are subject to a maximum grant award as described below:

- Projects are limited to the lesser of the maximum grant award calculated below or 25% of net project costs.
- Municipalities are limited to the maximum grant award calculated below over a rolling five-year period. This limitation is part of the overall \$20 million combined hardship financing and grant over a rolling five-year period.
- No municipality can receive more than their maximum grant award for any combination of projects or phases of project, and no single project (if shared by more than one municipality) can receive more than the maximum grant amount.

Hardship projects meeting the eligibility criteria will be awarded an Affordability Score based on the following criteria:

Affordability Score & Award Criteria					
<b>2013 Median Household Income</b>				<b>Score</b>	
Less than	\$ 34,802			10	0 - 60% of statewide
greater than or equal to	\$ 34,802	less than	\$ 46,402	7	60 - 80% of statewide
greater than or equal to	\$ 46,402	less than	\$ 58,003	5	80 - 100% of statewide
greater than or equal to	\$ 58,003			0	> 100% 2013 Statewide MHI
<b>2014 % County Unemployment</b>					
greater than	7.4			2	> 120% of Statewide
greater than	6.2	less than or equal to	7.4	1	100 - 120% of Statewide
less than or equal to	6.2			0	< 100% 2014 Statewide Unemployment
<b>% Population Change (2000-2010)</b>					
Less than	0			1	Negative Population Trend
greater than or equal to	0			0	Positive Population Trend
<b>2013 % Families Below Poverty</b>					
greater than	14.0			5	> 120% of Statewide
greater than	11.7	less than or equal to	14.0	3	100 - 120% of Statewide
less than or equal to	11.7			0	< 100% 2013 Statewide Family Poverty

The total Affordability Score received by each project will be used to determine a maximum grant award amount as follows:

0 to 8 points	\$2,000,000
9 to 12 points	\$3,500,000
13 points or greater	\$5,000,000

**D. Hardship Confirmation Processing and Timing**

**Project Evaluation and Identification:**

Projects that meet the hardship criteria above will remain listed in Category A or B. EFC will determine a set amount of funding to be available for interest-free financings and will use enacted federal budget amounts (not proposed or estimated budgets) for the amount of available grant. EFC will determine if the projects meet the criteria necessary to be issued a letter offering interest-free financing and, if applicable, grant. Additionally, EFC will evaluate projects listed in Category D for grant eligibility and award. Hardship and grant will be offered to projects in order of their raw (no bonus points) Project Priority Score. Using the amount of funding available for both hardship financings and grant, EFC will determine which projects can be issued letters. Upon finalization of the IUP (October 1), EFC will issue confirmation letters to these municipalities stating that they are eligible for interest-free financing and, if applicable, grant. Grant award letters will require the municipality to countersign and return to EFC, setting forth the conditions of the grant offer.

EFC may modify the data being used to evaluate for hardship and/or grant awards. Such modifications will be announced in a draft IUP or IUP amendment. EFC will continue to honor the commitment of hardship and grant, if offered, to those municipalities whose census data change during the hardship/grant offer period.

**Timing for closing on Interest-Free Financing and Grant:**

Municipalities issued letters at the beginning of FFY 2016 (October 1, 2015) will have until the application deadline in FFY 2017 (anticipated to be March 2017) to submit an acceptable and complete financing application, and until the end of FFY 2017 (September 30, 2017) to close on a financing. These dates will be specified in the hardship confirmation/grant offer letter.

In all cases, a municipality will need to close on CWSRF short-term or long-term financing before the confirmation letter expires to remain eligible for hardship financing. Submittal of a short-term financing application and closing of a short-term financing will qualify as meeting the submittal and approval dates stated within the CWSRF hardship confirmation letter. For hardship eligible municipalities that close a short-term financing, the financial hardship eligibility expiration date will become the short-term financing maturity date and the municipality will need to close on their hardship long-term financing before that date.

A municipality that experiences an increase in project cost after they have been deemed eligible for hardship financing and issued a confirmation letter, but before they have closed on their CWSRF short-term financing, will remain eligible for hardship financing to cover the cost increase (subject to the hardship eligibility limitations). This is allowable if CWSRF funds are available in the current IUP funding period.

**Expiration of Hardship Eligibility:**

Municipalities that are offered hardship financing but do not close on CWSRF financing before their confirmation letters expire may be evaluated by the hardship eligibility policy criteria in place after expiration. The associated projects will revert to the appropriate project category (A or B) in the next CWSRF Intended Use Plan (IUP). Municipalities will be re-evaluated based on their core project scores (excluding bonus points) that place the projects at or above the final published IUP subsidy line in Category A or B, as appropriate. Municipalities will not be re-evaluated for projects with core scores that place the projects below the final IUP subsidy line in Category A or B.

**E. Hardship Eligibility Determinations Based on Hardship Applications**

For municipalities with 2013 MHI's from 100% (\$58,003) to 125% (\$72,504) of the statewide MHI seeking hardship financing, a hardship application must be submitted to evaluate the project. EFC will base its hardship determinations on a comparison of the resources available to an applicant and the costs of the system, estimated on a per-user basis (user meaning a typical household), and the following information provided in the hardship application: existing debt service; projected debt service; anticipated operation and maintenance (O&M) costs; project/community revenue sources; and the estimated system user base.

EFC is in the midst of revising the hardship application. Please contact EFC to obtain a copy. The application and supporting information must be submitted to EFC, and must be deemed complete, no later than the deadlines stated in the IUP.

The projected first year sewer service charge (PSC) for a typical household (which includes total debt service plus operation and maintenance, minus any offsetting revenues) is compared to a Target Service Charge (TSC). EFC will review hardship applications by evaluating the project under the following funding packages hierarchy in progressive order until the PSC matches or is as close as possible to, without going substantially below, the TSC:

- a. 30 year standard subsidized interest rate financing ;
- b. 20 year hardship reduced interest bearing financing (interest rate less than standard subsidized, but greater than zero);
- c. 20 year hardship interest-free financing;
- d. 30 year hardship reduced interest bearing financing (interest rate less than subsidized but greater than zero);
- e. 30 year hardship interest-free financing.

Application of the hardship financing hierarchy must reduce the PSC at each level at least 5% below the PSC calculated at the prior level. Using this de minimis rule, EFC helps to ensure that the use of hardship financing results in a meaningful reduction in user rates for the community. For example, if the financing described in (b) above does not reduce the PSC associated with the financing associated with the financing described in (a) by at least 5%, then the applicant only qualifies for the financing described in (a).

The TSC is a value based on the 2013 MHI of the service area as reported by the American Community Survey or other source acceptable to EFC. The TSC is calculated by using the following formula:

$$TSC = [(MHI/10,000)^2 \times 24] + [(MHI/10,000) \times 2] + 70$$

**The method used by EFC to estimate the PSC is employed only to determine financial hardship eligibility in the CWSRF program. Municipalities are not required to use this method to determine actual rates charged.**

**Should the information that was used in the hardship determination change significantly (project capital costs, operation and maintenance costs, commitments from other funding sources, changes in the designated project service area, etc.), financial hardship eligibility will be re-evaluated.** If the interest rate or the financing term for which the municipality qualifies changes or if the municipality no longer qualifies for hardship financing, EFC will inform the municipality in writing.



# Environmental Facilities Corporation

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New York 12207-2997  
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## Clean Water State Revolving Fund HARDSHIP FINANCING AND GRANT ELIGIBILITY POLICY

Effective October 2015

### Attachment 1: Income Survey Requirements



## **New York Clean Water and Drinking Water State Revolving Funds INCOME SURVEY REQUIREMENTS**

The Hardship Financing Policies of the Environmental Facilities Corporation (EFC) for the Clean Water State Revolving Fund (CWSRF) and the NYS Department of Health (NYSDOH) for the Drinking Water State Revolving Fund (DWSRF) reference the Median Household Income (MHI) for the candidate SRF recipient municipality. MHI is one measure of the financial resources of a community and its ability to pay water or wastewater infrastructure costs. EFC uses MHI along with other published statistics in determining eligibility for Hardship financing from these programs.

EFC uses MHI data from the American Community Survey (ACS) as conducted by the US Census Bureau. A municipality that disputes the MHI reported by ACS as being representative of the service area of their infrastructure project may conduct their own income survey to determine a more accurate MHI of the service area. This document provides the income survey requirements the municipality should follow in order to produce a MHI value that is suitable for EFC to use in their Hardship eligibility evaluation.

EFC recognizes that execution of an income survey is a sensitive matter that requires a substantial commitment of time and effort to complete properly. To assure a satisfactory outcome for all parties, EFC strongly recommends applicants consult with EFC program staff regarding income survey requirements prior to initiating any survey. Applicants should also consult directly prior to any survey effort with other funding programs that may benefit the proposed water or wastewater infrastructure project, as income survey requirements of other programs may not be the same.

To properly plan and execute a successful income survey project, applicants are also strongly encouraged to use the separate guidance developed by RCAP Solutions, Inc. That guidance describes the methods needed to implement an effective income survey, and has been jointly reviewed by EFC, USDA Rural Development and the NYS Office of Community Renewal for consistency with all three programs. A sample survey form developed by RCAP Solutions Inc. is included in that guidance and encompasses the data requirements of all three funding programs. Please contact EFC to obtain the RCAP guidance.

### **General Requirements and Criteria**

Income surveys are to be conducted within the service area of the water supply or wastewater treatment project proposed for SRF financing. Residential households including each individual apartment in multi-family structures, not businesses, institutions or non-residential entities, are to be surveyed. In order to measure the incomes of those residents impacted by infrastructure costs, respondents to surveys must be the owner/occupant or long term tenant. In the case of seasonally occupied properties and second homes, income survey respondents shall be the property owner and not any short term renter/occupant. EFC will accept as valid the results of properly conducted income surveys that meet certain minimum response rates provided later in this guidance.

Applicants will be required to certify the results of the income survey, identify the calendar year the survey was completed, and provide, if requested, an income survey master list that identifies occupied, vacant and seasonal households. If the survey is not conducted by an objective 3<sup>rd</sup> party,

such as a not for profit entity, the applicant may be required to submit a representative sample of actual completed income surveys. EFC only accepts income surveys that solicit an actual numerical response representing the actual income of each household surveys. Surveys that allow respondents to choose from various ranges of income on a survey form are not accepted. Survey responses must represent the aggregate income of all occupants of a household, whether related or not, 15 years of age or older.

Applicants are not required by EFC to report other demographic data, to collect signatures of residents on survey forms, to report names or addresses of survey respondents or to put tracking numbers on survey forms. The income survey universe must match the infrastructure project service area identified in the relevant engineering planning report.

### **Required Income Survey Response Rate**

The table below indicates the percentage of total households surveyed that must respond with a complete survey in order for EFC to rely on income survey results.

Number of Households in Proposed Project Service Area	Required Minimum Percent (%) Return Rate
1 to 55	90
56 to 63	87
64 to 70	85
71 to 77	84
78 to 99	80
100 to 115	78
116 to 153	72
154 to 180	69
181 to 238	67
239 to 308	57
309 to 398	50
399 and greater	38

### **Expected Response Rates**

For survey planning purposes, the following information is provided in order to predict the likely response rates using different survey methods.

Survey Type	Expected Response Rate
Mail with self-addressed stamped return envelope	25 - 50%
Mail, with letter follow up	50 – 60%
Mail, with telephone follow up	50 – 80%
Telephone	75 – 90%
Door to door	75 – 90%

## Sample Income Survey Forms

EFC requires a certification of survey results, either by the municipality conducting the income survey, its consultant or other third party service provider. Attached to this document is a form for reporting survey results and certification, and a sample survey form that applicants can use to assure conduct of an income survey is compliant with EFC requirements. Other formats are acceptable, as long as the same information is provided to EFC. The forms are:

- Project Information and Income Survey Certification form
- Sample Household Income Survey form

## Instructions for Submission of Income Survey Results

Applicants are expected to keep on file certain background materials related to the organization and execution of the income survey. EFC requires that these materials be kept on file until construction of the proposed infrastructure project is complete, or according to the terms of its local records retention policy, whichever is greater. Before submitting an income survey to EFC for consideration, be sure the following materials are retained and accessible if requested by EFC:

- Copy of Income Survey Cover Letter
- Master List of All Residences with identification as occupied, seasonal/second home, vacant, and derelict structures.
- Original survey response forms received

Applicants must submit materials as listed below. EFC may request other additional materials as mentioned elsewhere in this document and on the Income Survey Certification form itself.

- Copy of the signed cover letter requesting that the income survey results be accepted by EFC
- A blank copy of the actual survey form used to conduct the survey project.
- Project Information and Income Survey Certification Form
  - This form must be signed by an elected official, a municipal employee with responsibility to manage and conduct the income survey, a consultant engaged to conduct the income survey, or a staff member of a not for profit or other third party technical services organization that assisted in organization and management of the income survey.
- Description of survey methodology. This can be provided on the certification form or as an attachment. EFC will rely on this description, in part, to determine that the income survey is properly conducted and valid. At a minimum, the narrative description must include:
  - Rationale for conducting the survey
  - Who managed and conducted the income survey project (elected officials, municipal staff, consultant, not-for-profit), roles of volunteers and other persons assisting the survey project).
  - How all residences in the project service area were identified, inventoried and characterized as to occupancy and condition (for instance as vacant, derelict, or seasonal).
  - The dates the survey was initiated and completed.
  - How the survey was initially distributed to each occupied residence and how follow up was conducted.
  - An explanation of how outreach was conducted to owners of seasonal/second homes to assure that such owners were respondent to the income survey.
  - How raw survey responses were assembled and analyzed to determine the Median Household Income of the project service area.

Any requests for additional information or guidance, and submission of income survey results, shall be directed to:

Robert Sammons, PE  
Community Assistance Group  
Division of Engineering and Program Management  
NYS Environmental Facilities Corporation  
625 Broadway  
Albany, NY 12207-2997  
Phone: 518-402-7396  
Email: [Robert.sammons@efc.ny.gov](mailto:Robert.sammons@efc.ny.gov)



## Project Information and Income Survey Certification

### Contact and Project Information

Name of Municipality/Applicant \_\_\_\_\_

Mailing Address \_\_\_\_\_

Municipal Contact:

Name, Title \_\_\_\_\_

Phone number \_\_\_\_\_ Email \_\_\_\_\_

Project Location:

City, Town of Village \_\_\_\_\_ County \_\_\_\_\_

Income Survey Service Provider (if survey not fully organized and managed by the Municipality):

Name, Title \_\_\_\_\_

Firm, Agency or Employer \_\_\_\_\_

Phone number \_\_\_\_\_ Email \_\_\_\_\_

Special Improvement (Water or Sewer) District, and/or project name as applicable

Preliminary Engineering Report which describes the relevant capital project:

Title \_\_\_\_\_

Date (including revisions) \_\_\_\_\_

Engineering Contact \_\_\_\_\_

State Revolving Fund (SRF) Project number, if known \_\_\_\_\_

Engineering Report Map Reference (Map title and page/appendices number)

### Income Survey Data

1 – Total Households In Project Service Area \_\_\_\_\_  
(all homes, dwellings, apartments served by the infrastructure project whether occupied or vacant)

2 – Survey Universe \_\_\_\_\_  
(includes owner occupied, long term tenant occupied and seasonal/second households)

3 – Complete Surveys Received \_\_\_\_\_

4 – Response Rate (Complete Surveys/Survey Universe) \_\_\_\_\_

5 – Median Household Income as measured by income survey \_\_\_\_\_

6 – Survey Collected Household Income for the Calendar Year of \_\_\_\_\_



This is a sample Household Income Survey Form that may be used when conducting an income survey that is in conformance with EFC/SRF requirements. It does not represent a survey that would be in conformance with other agencies such as USDA Rural Development or the NYS Office of Community Renewal. Fields or information in *italics* are required. All other elements of this sample form are optional.

**[Insert Municipality or Community and project name here]**  
**Household Income Survey**

This information is needed to support the [insert only one: Town/Village/Community] applications for State and federal funding assistance for our proposed [insert one: drinking water/wastewater] project. **The survey is confidential!** Data will be collected and compiled into a summary report. Your individual responses will not be shared with any agency.

*Please write in the total income for your household for the calendar year (insert survey calendar year here). Income should include all income of persons 15 years of age or older in the household, whether related or not. Income consists of wage or salary income; net non-farm self-employment income; interest, dividend or net rental income or royalty incomes; social security or railroad retirement income; public assistance or welfare income; retirement or disability income; and all other income.*

**TOTAL Annual Household Income (add up income listed above)**

\$ \_\_\_\_\_



## Clean Water State Revolving Fund HARDSHIP FINANCING AND GRANT ELIGIBILITY POLICY

*Effective October 2015*

### **Attachment 2: Financial Hardship Application Form and Supporting Information**

#### **Introduction:**

The Hardship Application is to be completed by municipalities seeking hardship that have a 2013 MHI greater than or equal to \$58,003, but less than or equal to \$72,504 (125% of the Statewide MHI). Municipalities with a 2013 MHI greater than \$72,504 are not eligible for hardship consideration.

#### **Financial Hardship Application Form and Supporting Information:**

In cases where hardship eligibility determinations are based on the processing of hardship applications, the applications and supporting information must be submitted to EFC, and must be deemed complete, no later than the deadlines stated in the IUP. A hardship application will be deemed complete when items 1 through 5 (as applicable) shown on the attached Application Checklist have been submitted to EFC in a satisfactory manner. EFC will then perform a financial hardship evaluation. Applications that are not complete on or before the deadline stated in the IUP will not be evaluated and the municipality will be deemed to have been bypassed for hardship consideration as of such date.

The Financial Hardship Application Checklist and Form are contained in this attachment. Below are instructions for each section of the Application Form:

**Section 1.** This section provides the basic information about your municipality and the project seeking a financial hardship determination. The project number assigned by EFC, score and category may be obtained from the 2016 Intended Use Plan on our website.

**Section 2.** The information provided in this section outlines the municipality's long-term financing plan for the project. If you have applied for or have received a written commitment from other funding sources (i.e. USDA Rural Development, Office of Community Renewal, etc.), it should be identified here.

**Section 3.** Outstanding sewer debt should be identified in this section. Please show principal and interest payments separately for the current fiscal year where requested, and provide a copy of the amortization schedule for each type of debt listed.

**Section 4.** Median Household Income (MHI) means the American Community Survey MHI published by the U.S. Department of Commerce - Bureau of the Census (BOC). For additional information regarding the use of MHI, please refer to Sections 4.4.2 and 4.4.5 of the 2016 Intended Use Plan. For special districts or other areas where accurate census data is not available, other income data, including income surveys, may be considered or may be required by EFC. The income survey must be in a form acceptable to EFC. Income survey guidance is Attachment 1 of this Hardship Policy. EFC will allow the calculation of a weighted MHI for the service area that consists of multiple municipalities.

**Section 5.** The system wastewater average daily flow (measured in gallons per day).

**Section 6.** The municipality's most current Operating and Maintenance Budget should be used to identify existing operation and maintenance cost. The amount that existing operation and maintenance costs will change as a result of this project are to be identified under "O&M Associated with the Project". Should the project result in a decrease to the municipality's existing operation and maintenance costs, it should be shown as a negative amount.

**Section 7.** Offsetting revenues are funds received in lieu of standard user charges for the future use of the facilities or payments from out of district users, other municipalities, or sewer districts for transportation and treatment of its wastewater. If you will receive revenues of this nature for the project, it should be identified in this section.

**The CWSRF Hardship Application and supporting documentation should be sent to:**

**New York State Environmental Facilities Corporation  
Division of Engineering & Program Management  
625 Broadway  
Albany, New York 12207-2997  
FAX #: (518) 402-6954**

For more information on CWSRF assistance and financial hardship financing, please call EFC at (518) 402-7396.



## Clean Water State Revolving Fund Financial Hardship Application Checklist

Please complete this checklist and submit it with the financial hardship application materials. It reminds the applicant of the information that should be provided to EFC and assists EFC with processing the application.

**Important! Items 1 through 5 (as applicable) must be submitted by the deadline stated in the CWSRF Intended Use Plan. Otherwise, the application will not be processed and the municipality will be deemed to have been bypassed for hardship consideration as of such date.**

Please contact EFC at 518-402-7396 if you have any questions.

Checklist Item	Submitted with this Application	Not Applicable
1. Completed financial hardship application form (signed and dated): required for all applications.	<input checked="" type="checkbox"/>	
2. Detailed explanation of the methodology and calculations used to support all flow that shall identify if the flow data is based on water meter readings, measured wastewater flow or other method. This is required for all applications.	<input type="checkbox"/>	
3. Income survey results, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>
4. Documentation of other sources of funding for the project (letter of commitment, grant award documents, etc.), if applicable.	<input type="checkbox"/>	<input type="checkbox"/>
5. Amortization schedule(s) for outstanding debt related to the wastewater infrastructure, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>



# Clean Water State Revolving Fund Financial Hardship Application

1. CWSRF Project No.: C \_\_\_ - \_\_\_ - \_\_\_ - \_\_\_ Project Score: \_\_\_ Project Category: \_\_\_

Name of Applicant: \_\_\_\_\_ County: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Completed by: \_\_\_\_\_ Contact Person (if different): \_\_\_\_\_

Phone Number: \_\_\_\_\_ FAX: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Project Description: \_\_\_\_\_  
\_\_\_\_\_

## 2. Long-Term Financing Plan:

<u>Funding Sources</u>	<u>Amount</u>
a) Municipal Contribution (specify source):	
_____	\$ _____
_____	\$ _____
Total Municipal Contribution	\$ _____
b) Other Sources of Funding <i>(Please indicate whether other funding has been applied for, approved, or received. Please provide evidence of the status of these other sources if they have been approved or received):</i>	
<b>Rural Development</b>	
<input type="checkbox"/> Application Pending <input type="checkbox"/> Approved <input type="checkbox"/> Received	
Grant Amount:	\$ _____
Loan Amount:	\$ _____
<b>Office of Community Renewal</b>	
<input type="checkbox"/> Application Pending <input type="checkbox"/> Approved <input type="checkbox"/> Received	
Grant Amount:	\$ _____
<b>NYS Department of Environmental Conservation</b> (CW/CA Bond Act)	
<input type="checkbox"/> Application Pending <input type="checkbox"/> Approved <input type="checkbox"/> Received	
Grant Amount:	\$ _____
<b>Other</b> <i>(please specify)</i>	
- Funding Source:	
_____	
<input type="checkbox"/> Application Pending <input type="checkbox"/> Approved <input type="checkbox"/> Received	
Grant Amount:	\$ _____
Loan Amount:	\$ _____
- Funding Source:	
_____	
<input type="checkbox"/> Application Pending <input type="checkbox"/> Approved <input type="checkbox"/> Received	
Grant Amount:	\$ _____
Loan Amount:	\$ _____
c) Long-Term CWSRF Financing Amount:	\$ _____
d) Total Project Costs <i>(sum of a, b, and c above)</i>	\$ _____

**3. List all current outstanding debt of the sewer system:**

*(Please provide a copy of the amortization schedule(s).)*

Type of Debt (Bonds, BANs, etc.)	Debt Issuance Date (mm/dd/yy)	Maturity Date (mm/dd/yy)	Amount Issued (\$)	Payments for Current Fiscal Year (Principal + Interest) (Show separately)		Specify Purpose, Call Provisions & Who Currently Holds the BAN or Bond
				(\$)	(\$)	

➤ If the sewer system has no outstanding debt, please check here

**4. Median Household Income (MHI) of Service Area:**

**2013** American Community Survey MHI: \_\_\_\_\_ (or) MHI from Income Survey: \_\_\_\_\_\*

*\*Income Survey must be approved by EFC. Income Survey Guidance is Attachment 1 to the Hardship Financing and Grant Eligibility Policy. Please contact EFC for guidance before initiating the Income Survey.*

**5. System User Information:**

	<b>Existing System</b>	<b>New/Proposed System</b>
a) Total Flow ( <i>Type – wastewater or based on water records</i> ):	_____	_____
b) Population of the Service Area:	_____	_____

**6. System Annual Operation and Maintenance (O&M) Costs (Excluding Debt Service):**

Existing Annual O&M (*if applicable*): \$ \_\_\_\_\_  
*(Please submit a copy of your most current Capital & Operating Budget)*

O&M Associated with the Project: \$ \_\_\_\_\_  
*(A decrease to the existing O&M should be shown as a negative (-).)*

**Total O&M =** \$ \_\_\_\_\_

**7. System Offsetting Revenues:**

Please indicate the amount and source of any offsetting revenues which the applicant currently receives and will receive as a result of the project:

\$ \_\_\_\_\_ Source: \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 (Signature of Municipal Authorized Representative)

\_\_\_\_\_  
 (Name & Title)

\_\_\_\_\_  
 (Phone Number, include area code)

\_\_\_\_\_  
 (Date)