How Can PENNVEST Help?

- Drinking Water - Public/Private
- Wastewater - Public/Private
- Stormwater - Public/Private
- Non-Point Source
  - Ag BMPs - Public/Private
  - Acid Mine - Public/Private
  - Brownfield - Public/Private
  - Green Infrastructure - Public/Private
  - Onlot Systems - Principal Residence
  - Sewer Lateral Repair/First-Time Hookup - Principal Residence
WEB-BASED SYSTEM

- The collection and evaluation of information for project review, ranking, and recommendation
- Submittal of bid, project costs, contracts, and documents necessary for settlement
- Submittal, review, and disbursement of eligible costs associated with implementation of construction
- PENNVEST review of change orders and project close-out
- Collection of repayments and annual financial statements
- Electronic signature

24/7 access to the information and status of your project along the way!
Funding Programs

- Clean Water State Revolving Fund
- Commonwealth Funding
- Credit Enhancement Assistance
- Drinking Water State Revolving Fund
- Green Initiatives
- Non-Point Source
- On-Site Sewage Disposal
- PA RE
- Small Projects
- PFI
- Subsidized Revolving Loan
- Infrastructure Investment & Jobs Act...
BIL Funds Distribution

All funds will be equally distributed to each board meeting so that applicants have the same opportunity toward grant funds regardless of which meeting an application is submitted. Any unused funds at a particular meeting will be rolled over and made available at the next meeting.
GREEN INFRASTRUCTURE PROJECTS

• Installation of porous pavement, green roofs and other approaches to managing wet weather runoff
• Street tree and urban forestry programs
• Installation of riparian buffers and wetlands
• Downspout disconnection programs to eliminate stormwater from combined sewer systems
• Installation of water meters
• Purchase of leak detection equipment
• Energy Efficiency – Retrofits and upgrades to pumps and treatment process
• Installation of water efficient fixtures, fittings, and equipment
LANCASTER CITY - GREEN INFRASTRUCTURE PROJECT

- $7,000,000 Loan
- Reduce Inflow and infiltration
- Eliminate Hydraulic Overloads at Wastewater Plant
- Remove storm water during peak flows
Non-Point Source Projects

Agricultural Best Management Practices (BMPs)
Ag BMP projects that demonstrate cost-effective nutrient reductions benefit farmers for funding under a municipal separate stormwater pollution prevention and abatement (MSSP) program. Funding is available in the form of loan, grant, or guarantee or a combination depending on the funding capability of the borrower. Eligible practices include stormwater storage facilities, large volume storage facilities, buffer, riparian, buffer, and wetland restoration and various other practices. By funding Ag BMPs, PENNVEST can assist in the reduction of nutrients into receiving waters.

Brownfield Remediation and Redevelopment
By reducing or eliminating water quality threats to the health and welfare of Pennsylvania's citizen and the environment, PENNVEST anticipates that the Brownfield Remediation and Redevelopment loan programs will help facilitate the reuse and repurpose of industrial and commercial properties in the Commonwealth. This is an important benefit to Pennsylvania residents. The potential environmental liabilities affecting or further developing existing commercial properties or sites, economic benefits of cleaned up sites to land users and lenders, PENNVEST anticipates that the Brownfield Remediation and Redevelopment loan programs will provide the following benefits: improved tax revenue and increased property value, make available areas suitable for development, increase property values, and provide jobs. PENNVEST is interested in funding the cleanup of abandoned industrial and commercial properties.

Greyfield
Greyfields are described as old and abandoned commercial real estate, specifically shopping malls and real estate.

Acid Mining Drainage
PENNVEST recognizes the importance of solutions that can be provided in assisting mining waters. In the restoration of the quality of water resources to local communities impacted by acid mining drainage (AMD), PENNVEST funding can be leveraged with existing funding, partnerships, and possible communities with the means to address mine drainage problems impacting water supplies. AMD is a problem that demonstrates an opportunity for environmental benefit for water utilities with the funding for monitoring of water quality that results from an abatement project and engineering design and construction costs for a specific reclamation project. For more information, visit www.pennvestweb.com

Estuary
Estuaries are large bodies of water that meet all the rules of a river or stream. These estuaries are sites to the exceptions that provide larval and habitat for fish and water. The National Atlas of the United States contains an overview of estuarine water that share the estuarine water that flow through coastal wetlands and coastal wetlands. This results in the availability of oxygen to the water and changes in water quality that can affect drinking water, fish, and shellfish habitats. PENNVEST can provide funding for levees to renovate existing infrastructure or mitigate threats that impact land use and protect and assist at least four types of channel outflows for sustainable treatment and a joint water management program including changes in water flow within the estuary to increase flushing and compartmentalization of treatment and a joint water management program.
**Homeowner Sewage Program**

- Implemented in cooperation with the Pennsylvania Housing and Finance Agency
- Onlot repair
- First-time connection for an existing residential structure
- Existing lateral replacement
Drinking Water Emerging Contaminant Funds

- Projects that are otherwise eligible for DWSRF funding and the primary purpose is to address emerging contaminants in drinking water. Focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances commonly referred to as PFAS or any contaminant in any of EPA’s Contaminant Candidate Lists.
PENNVEST Small Projects Guidance

Effective Date: July 1, 2020

PROGRAM DESCRIPTION, GOALS AND INTENT

In its 1988 session, the Pennsylvania General Assembly passed the Pennsylvania Infrastructure Investment Authority Act (Act 188, 1988, P.L. 188, No. 10), which was subsequently amended in 1992 (December 16, 1992, P.L. 1505, No. 25, P.L. 235, No. 140) and 2013 (Act 23, 2013, P.L. 23). No. 10, as of which is codified at 33 P.S. Sections 7101-7275, as well as Act 188, P.L. 188, No. 140. The Act, among other things, created the Pennsylvania Infrastructure Investment Authority ("PENNVEST") and authorized PENNVEST to establish revolving funds and accounts to administer its programs. PENNVEST’s traditional assistance programs meet the needs of most potential funding applicants. Many small projects in small communities are presently not accessing the PENNVEST program for funding. In part, this is due to the expense in complying with additional terms tied to the funds and the time delay between application and funding. To address these issues, a staff prepared the Board that we provide up to $300,000 in award costs, per project, and that the Board authorizes $500,000 toward the Small Project Initiative ("SPI") program in general. Authorizing these funds makes the application process easier for the staff, and makes the funding available.

FUNDING AVAILABILITY

PENNVEST will allocate available Commonwealth-PENNVEST revolving loan program proceeds to eligible projects.

ELIGIBLE APPLICANTS

SIP funds are available to municipalities, counties, cities, townships, and other public or private entities implementing small projects in small projects. Small projects are projects that are similar to projects that are eligible for funding under the traditional PENNVEST program in general. Eligible projects may include new construction, new or expanded facilities, infrastructure improvements, and other similar projects.

ELIGIBLE PROJECTS

SIP funds are available to municipalities, counties, cities, townships, and other public or private entities implementing small projects. Eligible projects may include new construction, new or expanded facilities, infrastructure improvements, and other similar projects.

TERMS THAT DO NOT APPLY

- Davis Bacon Wage Rates
- Architectural and Engineering Services Requirements
- American Iron and Steel Requirements
- Uniform Environmental Review Requirements
- Disadvantaged Business Enterprise Requirements
- Fiscal Sustainability Plan Requirements

TERMS THAT DO APPLY

- Steel Products Procurement Act Requirements
- "Or Equal" Bidding Requirements
- Cost Effectiveness Requirements

CONSTRUCTION PROJECTS INITIATIVES

Small Projects
- $500,000 or less for projects not exceeding $1,000,000
- Quick turnaround/approvable by staff
- No need to wait for Board Meeting
- Loan monies only

LOAN INTEREST RATES, TERMS AND OTHER CONDITIONS

The maximum term of loans under this initiative will be interest only for the construction period, not to exceed three (3) years, followed by a twenty (20) year principal and interest repayment term. Interest rates on loans will be at the prevailing county maximum rates, as defined in section 101(b) of the PENNVEST Act. If a project qualifies for consideration, either an extended term bond purchase, a grant award or a principal forgiveness can be obtained. A principal forgiveness can be obtained at the discretion of the PENNVEST Board of Directors.

APPLICATION PROCEDURE

All applications will be reviewed electronically through the PENNVEST website and processed through traditional review with the objective of creating a decision within 60 days. Staff shall notify the applicant of the decision within 90 days of receipt. A project is eligible for consideration for full consideration by the PENNVEST Board of Directors.
Programmatic Financing (ProFi)

- Larger projects
- Implement over a couple of years
- WIFIA/SWIFA

PENNVEST Programmatic Financing (Pro Fi) Guidance

PROGRAM DESCRIPTION, GOALS AND INTENT

Programmatic Financing (Pro-Fi) is an innovative financing vehicle that better aligns PENNVEST funding with the needs of utilities. Pro-Fi shifts the traditional project-specific lending strategy to one that is more congruent with the utility planning model, matching the funding approval to the annual (or multi-year) cash flow needs of the utility. Instead of issuing a binding commitment for a certain dollar amount for a single project, Pro-Fi funding packages fund a Capital Improvement Plan (or entirety of it) for a group of drinking water or wastewater projects as long as each individual project or phase of projects is eligible and prepared in compliance with program requirements. By shifting from short-term project financing to long-term program financing, many larger private and government-owned utilities typically implement for infrastructure needs, the Pro-Fi program: 1) helps PENNVEST develop strong lending relationships with such entities as repeat borrowers; 2) allows PENNVEST to extend program subsidies to benefit residential customers in these larger systems; and 3) ensures long-term funding is available to facilitate timely replacement of deteriorating infrastructure.

The White Paper approved by the PENNVEST Board at its July 11, 2019, Board Meeting authorizing Pro-Fi is attached in Appendix A, following the form used for the recommendation to PENNVEST for Pro-Fi projects from the Department of Environmental Protection (DEP).

FUNDING AVAILABILITY

No special appropriation has been budgeted for this initiative. PENNVEST will make funding available from its existing budgeted funds.

ELIGIBLE APPLICANTS

Applicants may be either public or private entities who are otherwise eligible for PENNVEST programs.

ELIGIBLE PROJECTS

All projects otherwise eligible for financing under the State Revolving Fund and have an approved Capital Improvement Plan (CIP) enacted by its governing body. In addition to funding traditional drinking water or wastewater projects through Pro-Fi, PENNVEST can fund stormwater projects, green infrastructure projects, conservation easements and other types of restoration projects for wetlands, streambanks, and watersheds through a non-point source Pro-Fi funding award.

LOAN INTEREST RATES AND FINANCING TERMS

Pro-Fi funding awards are all loans at county cap rates with a 20-year repayment term. Pro-Fi projects are not eligible for grant or principal forgiveness awards. If applicants want to be considered for grants, principle forgiveness, and/or an extended term, then an application must be submitted under the traditional PENNVEST funding program.
Sublevel Revolving Loan Program

**Program Description, Goals and Intent**

In an effort to increase access to funding for clean water projects across the Commonwealth, PENNVEST has been working with local communities to develop a sublevel revolving loan program (SRLP) using the Clean Water State Revolving Fund (CWSRF) to address small projects located within local water quality planning areas. Under this SRLP, funding recipients will be able to enter into loan agreements with subrecipients to fund eligible water quality-related projects and/or stormwater management projects, as additional interest charges and fees associated with funding recipients, to fund additional water quality projects, and for technical assistance. The CWSRF recipient may contribute the PENNVEST funding with other sources of funds, to complete larger capital improvement projects, or use the PENNVEST funding as a supplement for loans for programs where it is required. The United States Environmental Protection Agency (USEPA) allows the State to utilize this tool as an option to implement the CWSRF.

**Eligible Applicants**

Under the SRLP, PENNVEST, as a sublevel funding entity in a county or other regional entity that has the capacity to be a manager and administrator, will provide small loans to local entities to address water quality projects at the sub-state level. Commissioners can annually be awarded one sublevel loan per county, and a new round of funding sources will be selected on a rolling basis with minimum overhead costs. In addition, several municipalities, counties, or other entities, that meet the standards for implementation as a sublevel revolving loan program, will be able to receive interest-free subrecipient funding, which may vary for consideration to establish a SRLP.

**Eligible Projects**

Projects that have a water quality Impact and are otherwise eligible under the PENNVEST Clean Water program, will be eligible for the receipt of funding through the SRLP. Each project will complete a step-by-step application that is reviewed and processed through the PENNVEST for an investment award. Additionally, applicants will be able to submit investment funds to make loans to eligible entities within its jurisdiction to provide financing for the implementation of eligible water quality-related projects, including:

- Construction, repair, or replacement of municipal wastewater collection systems or disposal facilities
- Control of nonpoint sources of pollution, including agricultural best management practices
- Creation of green infrastructure projects
- Management of stormwater
- Implementation of other water quality projects eligible under PENNVEST’s Clean Water State Revolving Fund, Clean Water State Revolving Fund (passage)

**Application Procedure**

Because the original PENNVEST Investment may not be used to cover all project costs, the SRLP recipient is expected to establish and operate the SRLP. The applicant will be required to state the expected scope of the SRLP application and the other sources of funds expected to be included in the proposed program, as well as relevant experience. In addition, the SRLP recipient will be required to submit an Implementation Plan (IIP) detailing how they will implement the revolving loan program with the funds provided by the SRLP. The plan will show that the project will be identified and developed and that the need is expected for water quality projects to be funded within the year of acceptance of the application. The SRLP recipient will also be expected to provide a description of how they intend to work with the City to ensure that the projects are eligible for SRLP funding.

**Investment Terms**

The SRLP recipient of the loan will enter into loan agreements with eligible subrecipients for terms that are consistent with the CWSRF. The loan will have a maximum interest rate that does not exceed the limits set for the Subprogram (SBPP). The minimum interest rate is 3%. No interest is charged on the subrecipient within the year of approval of the investment. The interest rate is subject to change, and interest rates may be adjusted to reflect changes in market conditions. The maximum interest rate, which is subject to change, may be subject to the SRLP recipient to fund additional projects. Additionally, water quality projects funded under the SRLP will be subject to the CWSRF requirements, as well as any terms of the PENNVEST SRLP agreement.
QUESTIONS?

Brion Johnson
Executive Director
PENNVEST
Phone – 717.783.6798
E-mail – bjohnson@pa.gov