

DAAAlert...to Local and State Governments



A Publication of **Draper Aden Associates**

June 2002

Wastewater Revolving Loan Fund

Loan Fund Applications Deadline is July 19th

DEQ has announced the FY 2003 solicitation of applications for funding through the Virginia Wastewater Revolving Loan Fund. DEQ is anticipating that Congress will provide about \$28 million to Virginia this year, and in conjunction with the State match and other funds available, DEQ should be able to fund at least \$70 to \$80 million during FY 2003.

The funds are available for a variety of uses:

1. Wastewater Treatment Projects: The program can provide funds for any reasonable and necessary expansion, upgrade, extension, replacement, repair, rehabilitation and/or additions to public wastewater treatment facilities. The program also allows for any needed new facility or new conveyance system and generally all associated planning and design costs. The money is ALL loan money and the rates will be at LEAST 1 percentage point below market rate. (That probably means a maximum rate between 4% and 5%, DEQ has not set the "ceiling rate" for this year yet.) In some cases, the rate can be as low as 3% or less. The term can be twenty years or less.

In addition to the traditional wastewater treatment loans made to finance treatment plants and collection systems, DEQ's "Expanded Use Programs" include the following:

2. On-site Wastewater treatment and Disposal Funding: Through this program, low-interest financing is made available to local governments which, in turn, make loans to property owners for repairs or replacement of failing on-site wastewater treatment systems. The program is not intended to take the place of planned public sewer lines or the connection to public sewer lines. The program was created to remedy public health and water quality problems associated with malfunctioning or inadequate on-site systems.

3. Agricultural Best Management Practices – Non-point Source Pollution Abatement: This program provides financial assistance for the construction of facilities or structures to implement agricultural best management practices to prevent pollution of state waters. Loans may be made to an individual for the implementation of best management practices, to a local government which has developed a low-interest loan program to provide loans or other incentives to facilitate the implementation of agricultural best management practices, or to a financial institution working with a local government to establish such a program.

4. Brownfield Remediation Activities: For the first time, DEQ is soliciting applications for specific Brownfield remediation activities of contaminated Brownfield properties. The remediation effort must improve or prevent a groundwater or surface water quality problem, and the activities must be undertaken through Virginia's Voluntary Remediation Program. Eligible loan recipients include units of local government, public service authorities, partnerships or corporations. DEQ has set-aside \$3.5 million for this program.

Applications are due on July 19, 2002 - by 5:00; or must be postmarked by July 19.

For additional information go to the DEQ web site at www.deq.state.va.us. It contains DEQ's Wastewater Revolving Loan Fund *Program Design Manual*. You can also call Sheryl Stephens (ssstephens@daa.com) at (804) 261-2915 with any questions about this or other funding matters.



Draper Aden Associates

Engineering ♦ Surveying ♦ Environmental Services

Corporate Offices: 2206 South Main Street Blacksburg, VA 24060 (540) 552-0444
Blacksburg, VA (540) 552-0444
Richmond, VA (804) 264-2228
Charlottesville, VA (434) 295-0700
Raleigh/Durham, NC (919) 367-9997
Fax: (540) 552-0291
www.daa.com
daa@daa.com