

## WATER/WASTEWATER GRANT FUND PROGRAM NEW MEXICO FINANCE AUTHORITY

### **PROGRAM PURPOSE:**

The goal of the Water/Wastewater Grant Fund (W/WWGF) program is to award grants for water and wastewater projects to qualified entities. It is used in combination with the NMFA's low-cost interest rate loan with grants for water and wastewater projects. For example, if a qualifying entity is unable to finance a project with 100 percent loan funds, the entity may apply to the NMFA to receive a partial grant from the W/WWGF and a partial loan from the PPRF. A local match may be required for the grant and is determined by a sliding scale based on the applicant's financial ability to repay a portion of the project from local resources.

### **AT A GLANCE**

#### **Fund Availability**

Approximate total funds: \$5 million in bonds.

Funds amounts awarded range between \$12,500 and \$400,000.

#### **Eligibility**

- Counties
- Municipalities
- Special Districts
- Indian Tribes & Pueblos
- Other Local Governmental Units
- Non-profit 501(c)3
- Individual
- Private Business
- School Districts

#### **Type of Aid**

- Grant
- Cooperative Agreement
- Service Contract
- Loan
- Technical Assistance

#### **Deadline to Apply**

Applications are accepted and processed throughout the year. Final funding may be completed after projects have been approved by the Legislature.

### **Eligibility**

The NMFA is authorized by statutes to offer assistance to any agency or institution of the State, any county, municipality, public school district, land grant corporation, intercommunity water or natural gas supply association or corporation, special district, community water association, Indian nation, tribe or pueblo located wholly or partially in New Mexico, including a political subdivision or a wholly-owned enterprise of an Indian nation, tribe or pueblo.

### **Special Conditions**

Since the total amount of all request for grants from the W/WWGF usually exceeds the amount of funding available in a given funding cycle, not every project authorized will receive grant funds. The amount that a particular project receives depends upon several factors, including the portion of the project that an entity can fund from its own resources, the local median household income (MHI), the local water and/or wastewater rates and a complete funding application.

### **Use of Funds**

Eligible expenditures include: construction-related activities such as planning and design, actual construction of structures and associated equipment costs; and, infrastructure-related expenses including facility or land acquisition as well as the cost of utility installations. Operational and/or administrative costs are not eligible.

### **Funding Availability**

#### **Funding Potential**

There is a \$400,000 limit on the maximum amount of grant funding available for any one project and a maximum of \$400,000 in grant funding per entity per fiscal year. The 2000 Legislature authorized 37 potential grant projects totaling approximately \$13.9 million. As of January 31, 2001, the NMFA had approved 22 grant projects totaling over \$4.5 million.

#### **Range of Awards**

From \$12,500 to \$400,000

#### **Funding Cycle - Duration**

Varies throughout the year depending upon availability of funds.

#### **Source of Funds**

In 2000, the Legislature authorized the issuance of up to \$5 million in bonds to capitalize the W/WWGF. The funds for the program are derived from the net proceeds of the sale of bonds authorized by law and payable from GGRT Revenue. The grant fund is also authorized to receive money appropriated by the Legislature as well as other public or private money dedicated to the fund. The grant fund is created outside of the PPRF and will not reduce the capacity of the NMFA to make loans from the PPRF.

### **Application Process**

#### **Deadline**

Applications are accepted and processed throughout the year. Final funding may be completed after projects have been approved by the Legislature.

#### **How to Apply**

Contact the NMFA to initiate project review. Depending upon the nature of the project, potential applicants will be mailed an application and related forms or directed to download the appropriate application and related forms from the NMFA website.

#### **Selection Criteria & Decision Authority**

The NMFA must exercise sound judgement in evaluating the applicant's fiscal responsibility and creditworthiness. After staff evaluation at various stages, completed applications will be referred to the Board's Finance/Loan Committee, which will recommend action to the full NMFA Board. Each approved project must be submitted to the NMFA Legislative Oversight Committee and to the full Legislature for final approval. Final funding awards are also subject to due diligence with applicable state statutes and regulations.

### **Authorization**

Section 6-21-1 to 6-21-30 NMSA 1978, the New Mexico Finance Authority Act.

**Related Programs**

Public Project Revolving Loan Fund (PPRF); Drinking Water Revolving Loan Fund (DWRLF)

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