

What is the SRF Program?

Water Pollution Control Revolving Fund (WPCRF)

Federal-state partnership providing low-interest (below market) loans for stormwater infrastructure. Administered by CWRPDA.

Two Loan Types Available

Direct Loans (Under \$3M)

- Rates: 3.25% (20 yr) or 3.50% (30 yr)
- Funded from SRF grant/reloan funds




Leveraged Loans (Over \$3M)

- Rate: ~85% of market rate (subsidized)
- Two cycles/year (spring and fall)

Eligible: Stormwater improvements, green infrastructure, water quality enhancement

SRF Benefits & Application Timeline

Rationale for SRF Application

-  **Cost-Effective Financing**
Significantly lower interest rates reduce long-term debt service burden on ratepayers
-  **Critical Infrastructure Needs**
Aging stormwater systems require immediate upgrades to maintain service levels and regulatory compliance
-  **Responsible Financial Management**
SRF program aligns with the City's commitment to fiscal responsibility and lowest-cost capital

Application Deadlines & Timeline

Direct Loans (Under \$3 Million)

Seven deadlines throughout the year:
Jan 5 • Feb 5 • Apr 5 • Jun 5 • Aug 5 • Oct 5 • Nov 5

Leveraged Loans (Over \$3 Million)

Two bond issuance cycles per year:
• Spring Cycle: January 5 deadline
• Fall Cycle: June 5 deadline

Timeline: ~6 months from application to execution; leveraged loans are connected to Authority's bond sales

SRF Application Process Overview

1. Pre-Qualification

Submit eligibility survey and attend meeting with SRF agencies

2. Project Needs Assessment (PNA)

Complete comprehensive evaluation including preliminary priority scoring; obtain PNA approval

3. Environmental Review

Complete preliminary environmental assessment

4. Public Meeting Requirement

Hold public information meeting prior to application

5. Submit Loan Application

Submit complete application through CEOS

6. CWRPDA Board Review & Approval

Board approves loan terms

7. Loan Execution & Construction

Execute loan; proceed with construction; submit reimbursements

8. Project Closeout

Complete inspections; begin loan repayment

Typical Loan Terms & Conditions

LOAN TERMS

- Currently there is an \$18M cap per entity on WPCRF funding
- Maximum 20 or 30 years; Term based on useful life of assets
- Direct loans (<\$3M): 3.25% for 20 years and 3.50% for up to 30 years
- Leveraged loans (>\$3M): up to 85% of Authority's AAA-rated municipal bonds

REPAYMENT

- Reimbursement-based funding during construction
- Level debt service payments (typically)
- Semi-annual principal and interest payments
- First payment due date subject to negotiation
- Prepayment penalties subject to negotiation

ADDITIONAL BENEFITS

- Green Project Reserve: Qualifying projects may receive reduced rates on first \$3M
- Federal Requirements: Davis-Bacon wages, American Iron & Steel, environmental review

SRF Proposed Projects

Short Term

January Application (High Priority Projects)

Project	Estimate Cost (\$)
Elati South of Ridge	\$1M
Ridge and Prince	\$500K
Littles Creek at Caley	\$750K
Broadway at Weaver	\$600K
Total =	\$2.85M

Note: List of example projects. Projects could change as staff further analyzes priorities.

Long Term

- Rangeview Gulch Improvements = \$1.1M
- Ridgeview Park Detention = \$5M
- Elati Street = \$600K
- Lee Gulch at Horseshoe Park = \$1.5M
- Rangeview Gulch at Turtle Pond = \$1.5M
- Total = Approximately \$10M

Note: Estimated costs for larger projects. Numbers will be finalized for June application.

Next Steps

Purpose of Today's Public Meeting

Required step in the SRF application process. This public meeting provides an opportunity for community members to learn about the City's intent to apply for SRF financing.

Immediate Next Steps:

1. Complete Pre-Qualification and Project Needs Assessment
Work with WQCD and CWRPDA to finalize project scope
2. Finalize Project Details and Cost Estimates
Prepare engineering reports and financial documentation
3. Submit Formal SRF Loan Application
Target appropriate application deadline
4. Return to Council for Final Loan Acceptance
Council will review and approve final loan terms