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For Immediate Release: June 5, 2014
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EFC Approves \$5.26 Million in Low-Cost Financing to Create Wastewater System for the Hamlet of Verona

The Board of Directors of the New York State Environmental Facilities Corp. (EFC) today approved \$5,265,651 in zero-interest financing to the Town of Verona to construct a wastewater collection system for the southern portion of the town.

The Town of Verona is extending municipal sewer service to the hamlet of Verona, where residential and commercial properties are served by private, onsite wastewater treatment facilities. These failing and inadequate subsurface disposal systems will be replaced by a wastewater collection system, main pump station and force main that will flow by gravity to the City of Oneida's Wastewater Treatment Plant. The plant is large enough to accept the flow from the proposed district.

"Replacing failing septic systems with a modern collection system will improve the environment, protect public health and create economic development opportunities in and around the Hamlet of Verona," said EFC President and CEO Matthew Driscoll. EFC is the arm of Governor Andrew Cuomo's administration that provides affordable financing for local governments to improve their wastewater and drinking water infrastructure. With a AAA credit rating, the public benefit corporation offers the lowest financing rates available, helping local governments afford improvements to drinking water and wastewater infrastructure.

In addition to the short-term, interest-free loan from EFC, the \$6.88 million project will receive a grant of \$1,122,349 from the U.S. Environmental Protection Agency and a \$500,000 grant from the New York State Empire State Development Corp. Once the project is completed, EFC is expected to convert the short-term loan into a 30-year financing with an interest rate of 1.5 percent.

EFC manages the largest State Revolving Funds (SRF) for Clean Water and Drinking Water projects in the nation, providing more than \$17 billion in low-cost financing and grants to local governments since 1990. This year marks the 25th anniversary of New York's Clean Water State Revolving Fund.

EFC's financial management has been cited as among the best in the nation by the Environmental Financial Advisory Board of the U.S. Environmental Protection Agency. Its effective investment strategies have produced hundreds of millions of dollars in additional infrastructure investment for New York State – unique among state SRF authorities, according to the EPA panel.

When EFC borrows money on behalf of local government, these financings consistently win Triple-A ratings from the leading credit-rating agencies, lowering the borrowing costs for New York municipalities and public authorities. The interest rates offered and the overall loan costs offered by EFC are much lower than what the Verona and other municipalities can achieve by borrowing on their own.

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