



Environmental Facilities Corporation

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Contact:

Jon Sorensen | Jon.Sorensen@efc.ny.gov | (518) 956-2297
EFC Press Office | Press@efc.ny.gov | (518) 402-6924

More Local Governments Take Advantage of New York State's Interest-Free Financing for Clean-Water Infrastructure Projects

\$28 Million in Zero-Interest Loans Approved Today; Five Local Governments Will Save Nearly \$6 Million in Upgrading Drinking Water, Wastewater Systems

The Board of Directors of the New York State Environmental Facilities Corp. (EFC) today approved five interest-free loans, for a total of \$28 million, to improve drinking water and wastewater systems in the Hudson Valley, Central New York, the Capital Region and the North Country.

EFC recently expanded its interest-free loan program and, at today's Board meeting, short-term no-interest loans were approved for wastewater collection improvements in the villages of Saranac Lake (Franklin County) and Wappingers Falls (Dutchess County). The EFC Board also approved 30-year, interest-free loans for upgrades to the wastewater system in the Town of Sullivan (Madison County) and for recently completed improvements to the drinking-water systems for the Town of Hounsfield (Jefferson County) and the Village of Hoosick Falls (Rensselaer County).

"Thanks to these interest-free loans from EFC, these five municipalities will save nearly \$6 million in borrowing costs," said EFC President and CEO Matthew Driscoll. "Last month, EFC expanded its interest-free loan program to encourage the development of more infrastructure projects in New York State and I'm pleased to see communities stepping forward with projects to improve water quality, protect the environment and create greater opportunities for economic development."

"These interest-free loans have once again made quality drinking water and an upgrade to wastewater systems economically feasible for communities," said Joe Martens, Commissioner of the New York State department of Environmental Conservation and chairman of EFC's Board of Directors. "Dependable, safe drinking water is a necessity and EFC is making every effort to ensure that it is delivered as economically as possible."

Along with the New York State Department of Environmental Conservation, EFC administers the nation's largest revolving loan fund for wastewater treatment plants, collection systems and other infrastructure. EFC led the nation once again in 2014 with more than \$2.3 billion in financings and refinancings for local governments.

The loans approved today include:

-- \$14.8 million interest-free to upgrade the wastewater collection and pumping systems in the Village of Wappingers Falls, including the replacement of the Liss Road Pump Station and construction of a new pump station on School Street. With the EFC loan, projected savings will total \$63,000;

-- \$2.6 million interest-free to the Village of Saranac Lake to correct critical deficiencies in the village's sewer collection system including reconstruction of several failing sewer mains and the installation of a second barrel to the Woodruff Street siphon. The project is also receiving a \$190,000 grant from the Empire State Development Corp. With the EFC loan, projected savings will total \$10,800;

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-- \$7.7 million interest-free loan for the Town of Sullivan. This long-term loan will refinance a short-term loan issued by EFC in 2012 to construct a wastewater collection system for the Bridgeport Sewer District, extending service to the hamlet of Bridgeport and replacing faulty septic systems along Oneida Lake. With the EFC loan, projected savings will total \$4.3 million;

-- \$2.37 million interest-free, long-term loan to refinance a previous EFC loan of \$2.8 million to the Town of Hounsfield. Along with a \$2 million grant from the state, the interest-free loan financed the construction of a new water distribution system to serve the Town of Hounsfield's Water District #5. The new system provides public water for residents who were previously served by private wells along with improved service to residents in Hounsfield's Water Districts #1 and #2. With the EFC loan, projected savings will total \$1.3 million.

-- \$470,744 interest-free, long-term loan to the Village of Hoosick Falls will refinance a previous, short-term loan that helped the village replace a water storage tank and upgrade its distribution system. With the EFC loan, projected savings will total \$260,000.

"With interest-free financing readily available to smaller communities, New York State hopes to kick-start projects that have previously been delayed by financing concerns," said EFC President Driscoll. "Interest-free loans can be a great incentive for municipalities to move forward on projects that will not only protect the environment but also could spur new opportunities for economic development. With a hardship designation, a community is also eligible to extend this interest-free financing into a long-term loan of up to 30 years."

Last month, EFC modified its hardship loan program, making it easier for smaller communities to obtain interest-free loans. Statewide, 994 cities, towns and villages qualify for a no-interest loan under the new policy. Under this new hardship policy, EFC is streamlining its application procedures and providing local governments with an additional month, until March 2, to apply for Clean Water loans. Now municipalities at or below the state's Median Household Income level of \$55,603 based on the 2010 census automatically qualify for a hardship, zero-interest loan. Previously, municipalities had to demonstrate hardship status by submitting numerous financial and income measurements, in addition to the MHI, as well as design factors that calculate the hydraulic and organic loading rates in a proposed treatment system.

EFC is a public benefit corporation dedicated to promoting environmental quality through a wide range of funding and technical assistance focused on protecting, improving and restoring New York's precious natural resources.

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