



WIFIA PROGRAM

PROGRAM HIGHLIGHTS

June 2022



MISSION STATEMENT

The Water Infrastructure Finance and Innovation Act (WIFIA) program accelerates investment in our nation's water and wastewater infrastructure by providing long-term, low-cost, supplemental credit assistance under customized terms to creditworthy water and wastewater projects of national and regional significance.



PROGRAM FEATURES

\$20
MIL

Minimum project size for large communities

5

YEARS

Maximum time that repayment may be deferred after substantial completion of the project

\$5
MIL

Minimum project size for small communities (population of 25,000 or less)

%

Interest rate will be equal to or greater than the U.S. Treasury rate of a similar maturity

49%

Maximum portion of eligible project costs that WIFIA can fund



Broad eligibility allows for wide variety of borrowers and projects, plus special program for SRF borrowers (SWIFIA)

35

YEARS

Maximum final maturity date from substantial completion



NEPA, Davis-Bacon, American Iron and Steel, Build America Buy America and all federal cross-cutter provisions apply



LEVERAGING FEDERAL DOLLARS

- A small amount of federal funds supports a much larger amount of infrastructure investment
- FY 2022:

\$63.5
MILLION IN
APPROPRIATIONS



\$6.5

BILLION IN
LOANS

\$13

BILLION IN
INFRASTRUCTURE
INVESTMENT



WIFIA PIPELINE AND PORTFOLIO

Project Type ¹	Number
Drinking Water	59
Wastewater	58
Combined	22
Water reuse	19
Stormwater	9

Population Served	Number
Over 1 M	41
500,000 to 1 M	15
100,000 to 500,000	69
25,000 to 100,000	31
25,000 or Less (Small Community)	11

Loan Amount	Number
Over \$500 M (Very Large)	10
\$100 M to \$499 M (Large)	67
\$50 M to \$99 M (Medium)	37
Less than \$50 M (Small)	53

Region	Number
Northeast	14
Midwest	26
South	46
West	81

¹The WIFIA Portfolio includes WIFIA & SWIFIA closed loans and selected projects that have submitted an application or plan to submit an application, but the pending SWIFIA loans were not included in this data because specific projects have not been identified yet



ELIGIBLE BORROWERS

- Local, state, tribal, and federal government entities
- Partnerships and joint ventures
- Corporations and trusts
- State infrastructure financing authorities



ELIGIBLE PROJECTS

- Clean Water SRF projects, not withstanding the public ownership clause
- Drinking Water SRF projects
- WIFIA-specific flexibilities beyond SRF-eligible projects:
 - Repair, rehab, replacement of treatment works, community water system, or aging water distribution or waste collection facility
 - Energy efficiency projects at water/wastewater facilities
 - Desalination, aquifer recharge, alternative water supply, water recycling
 - Drought prevention, reduction or mitigation
 - Property acquisition integral to the project or to mitigate impacts of a project
 - Combination of projects (common security pledge, SRF program)



ELIGIBLE PROJECT ACTIVITIES

- Development-phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;
- Construction, reconstruction, rehabilitation, and replacement activities;
- Acquisition of real property or an interest in real property, environmental mitigation, construction contingencies, and acquisition of equipment; and
- Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.



WIFIA LOAN PROCESS 101



- Congressional Appropriations – Congress allocates a risk subsidy for the WIFIA Program as part of the budget process. Approval of the congressional budget opens availability of funds the WIFIA Program can issue, which we announce in the Notice of Funding Availability (NOFA).
- LOI Process –Eligible borrowers submit Letters of Interest (LOI) to be considered for a loan. Through the LOI process, borrowers are invited to apply for a WIFIA loan if they meet a prescribed list of criteria (NOFA).
- Application Process – Eligible borrowers submit detailed information to support the loan review process. Loan terms are negotiated. Interest rate is fixed at closing.
- Loan Management – Disbursements, reporting requirements, and loan terms are managed by a team of financial analysts and engineers.

COLLABORATIVE DELIVERY

For WIFIA, these projects are treated like any other projects

- Underwriting and Loan Negotiation Process
 - The borrower must have an investment grade credit rating
- Project Scope and Design
 - Understanding the project scope is important. There is a reasonable path forward. Design does not need to be 100%.
- Project Schedule and Costs
 - Schedule factors in the necessary approval elements
 - Costs consider the level of design for a project, appropriate contingency and other cost factors to address market variability
- Environmental Review
 - Understanding the project scope is important. NEPA finding is required prior to issuing a WIFIA loan.



ENVIRONMENTAL REVIEW: COORDINATING WITH OTHER PROGRAMS

- WIFIA has worked with SRFs, BOR, USACE
- The WIFIA review can occur before, after, or concurrently with the other agency review
- Agencies can work in tandem to complete the needed reviews and consultations (NHPA, ESA)
- The same supporting documentation from the applicant can be used for the WIFIA review and other agency reviews
- Other agencies and WIFIA each make their own NEPA determination

NEPA Federal Action: Credit assistance provided by the WIFIA loan



CASH FLOW DISBURSEMENTS IN WIFIA

- Draw funds on a reimbursement basis
- Up to 1 year after substantial completion
- Program can reimburse incurred costs in full up to the loan amount
- Payment processing is normally a 15-day turnaround
- Max monthly disbursement request
- Interest accumulation on loan starts after first draw
- Loan flexibilities (short-term financing, capitalized interest, deferred payment after SCD)



WIFIA *NEW* NEWS

- FY2022 NOFA is out! \$6.5B available in loans
- Rolling Application Process
 - Year-round access to WIFIA funding
 - WIFIA LOI submission can be timed with other funding sources
 - Further opens channel of communication between borrower and WIFIA during LOI process
- Planning and Design Only Loans
 - Allows communities to complete more wholistic planning endeavors
 - Statutory project-size limits still apply
- Build America, Buy America Implementation
 - New requirements issued for federal funds across all agencies
 - WIFIA Program Waiver to assist in the transition



CONTACT US

Website: www.epa.gov/wifia

WIFIA Letter of Interest:

<https://www.epa.gov/wifia/wifia-application-materials>

Schedule a one-on-one to discuss your project. Email us at:

wifia@epa.gov

