



# 2022 Drinking Water State Revolving Fund (DWSRF) Construction Loan Overview

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**Application Cycle:** October 3 to November 30. On-line application in Washington Loan Tracking network (WALT) is available for application submittal and a WALT user's guide is posted on the DWSRF webpage at [doh.wa.gov/DWSRF](https://doh.wa.gov/DWSRF).

**Amount available to award:** Approximately \$150 million in loans including the Bipartisan Infrastructure Law funding.

**Maximum award:** \$15 million per jurisdiction, this may be increased if we do not receive enough eligible projects.

**Loan information:** 1.0 percent loan origination fee, 2.25 percent standard interest rate for twenty-year standard loan term. Disadvantaged systems projects qualify for 1.75 percent interest rate, up to 50 percent principal forgiveness (subsidy), and up to thirty-year loan term for those deemed "severely disadvantaged" and the economic life of the completed project must be at least as long as the loan term.

**Eligible entities:** Group A community water systems (publicly owned, privately owned, and for-profit), Group A nonprofit non-community water systems, Group B systems that are taken over by a Group A system through consolidation, and tribal systems not receiving other SRF funding for the project.

**Non-eligible entities:** Federal and state owned systems (however, these systems can be part of a consolidation project), Group A for-profit non-community water systems, Group B water systems that remain a Group B system.

**Eligible projects:** Projects must address a public health risk, resiliency, or upgrade deteriorating facilities. Projects where the primary focus is for operation and maintenance, future growth, or fire flows will not be eligible for funding.

**Eligibility requirements:** Must have current, approved planning document that is current through November 30, 2022, with the proposed project included in the approved planning document. Also must have water rights (if needed for the project) and have legal control of the project site. All funded projects must be reviewed and approved by the regional engineer prior to proceeding to construction.

**Scoring and ranking:** All projects scored and ranked based on health risk being addressed. Additional points will be awarded to projects that are ready to proceed to construction. Funds awarded to highest ranking projects until funding is exhausted. Similarly, subsidy is awarded to highest ranking projects until subsidy is exhausted; not all projects that are eligible for subsidy will receive subsidy.

**Application review process:** All applications reviewed for completeness and eligibility in December and January. If the application is incomplete, systems will be notified and have 14 calendar days to provide any missing information. Applicants will be notified in February 2023 regarding their funding status. If funded, loan agreements will be generated in late spring to early summer.

The DWSRF 2022 Construction Loan Guidelines will be available in late summer at [doh.wa.gov/DWSRF](https://doh.wa.gov/DWSRF). For more information, contact [Corina Hayes](mailto:Corina.Hayes@doh.wa.gov), 360-236-3153.