## Section 7: Disadvantaged Community Program

WIFA is committed to providing assistance to wastewater systems serving Disadvantaged Communities. WIFA changed the definition of disadvantaged communities in WIFA Policy III.6. An applicant may be designated as a Disadvantaged Community if the applicant satisfies one of the following:

- 1. The community is a designated "colonia" community through the federal government, or
- 2. The community received 50 or more Local Fiscal Capacity points on the CWSRF PPL, or
- 3. The community has a Local MHI of 90% or less of the State MHI.

WIFA intends to provide up to 40 percent of the Capitalization Grant in additional subsidy as forgivable principal (unless the grant requirement is higher, in which case this percentage will be adjusted accordingly) to communities who cannot otherwise afford projects (including disadvantaged communities). WIFA's Disadvantaged Policy allows for forgivable principal, a reduced interest rate or a combination thereof.

| Grant                         | Grant<br>Amount | % Available as Forgivable Principal            | Dollar Amount of<br>Forgivable Principal |
|-------------------------------|-----------------|--|--|
| Base                          | \$5,067,000     | 40% (only for disadvantaged or green projects) | \$2,026,800                              |
| BIL – Supplemental            | \$14,079,000    | 49% (only for disadvantaged or green projects) | \$6,898,710                              |
| BIL – Emerging<br>Contaminant | \$1,436,000     | 100%   | \$1,436,000                              |
| Total                         | \$20,582,000    |  | \$10,361,510                             |

## **Table 2.** Grant amounts, forgivable principal amounts, and forgivable principal eligibility