MICHIGAN'S DWSRF PROGRAM

Multi Step Application Process

The purpose of the multiple step application process is to first determine if the borrower qualifies to receive funding under the DWSRF program and asses the eligibility of the proposed projects. This process operates to assist applicants through any significant hurdles that may exist in securing permits, environmental clearances, and understanding DWSRF laws and policies. The first step in the process is to submit to EGLE an electronic Intent to Apply (ITA) form found on Michigan.gov/DWSRF. This ITA process allows for better tracking of applicant needs and better processing and outreach by staff. Additionally, it allows for earlier coordination with the Michigan Finance Authority (MFA) which operates as EGLE's DWSRF partner in managing fund dollars. The MFA requires a municipal obligation (bond note or evidence of debt issued) under the Shared Credit Rating Act for an amount up to the loan amount, including all principal forgiveness amounts. Awarded grant dollars operate entirely through EGLE and do not need to be included in the MFA's required bond. The MFA purchases the applicant's local bond to effectuate the DWSRF loan.

Priority Ranking System

New state DWSRF legislation was enacted and FY2024 projects are now utilizing the new scoring criteria as described on EGLE's <u>SRF Overburdened Community Definition and Scoring Criteria website</u>. Projects are scored and thereby prioritized by EGLE's Drinking Water and Environmental Health Division. Individual project scores can be found and reviewed on the <u>DWSRF</u> home page

The PPL will be updated as changes occur such as projects dropping or shifting funding years. Applicants should not expect to increase their loan amounts or grant/forgiveness amounts if actual project costs come in higher than estimated. EGLE understands the tough economic variables occurring and will make every attempt possible to finance projects allowing flexibility in timing and cost overruns. There may be instances where loan dollars can exceed the PPL estimates however, EGLE reserves the right to lock loan, grant, and forgiveness amounts into what is illustrated on the Final PPL due to limited resources.

Project inclusion on the PPL indicates an applicant has submitted a final project plan with an estimated dollar amount that was scored and ranked by EGLE. There is no actual or implied guarantee that being listed on the PPL will constitute a commitment of financial assistance from the DWSRF or ARP. All program requirements must be satisfied, and applicable permits issued before a binding commitment can be offered and a loan or grant issued.

For inclusion on the FY2024 PPL, ITA forms were due to EGLE by November 1, 2022, with final planning documents submitted by June 1, 2023. The ITA form includes project information such as overview of project type, estimated costs, and estimated date of construction.