

Attachment 1

CWFAP VCWRLF Affordability Criteria

Virginia's Clean Water Revolving Loan Fund has established the following affordability criteria, used to evaluate applications to the program. Applications are assigned a score out of a maximum of 100 points.

Median Household Income (maximum 80 points) – DEQ has established guidelines for determining a reasonable sewer cost per household based on the median household income¹ (MHI) of the applicant. The reasonable sewer cost is calculated by multiplying the applicant's MHI by the appropriate percentage in the chart below:

Median Household Income of Applicant	Percentage of MHI Devoted to the Sewer Bill
\$0 - \$43,099	0.75%
\$43,100 - \$54,999	1.00%
\$55,000 - \$76,999	1.25%
\$77,000 and above	1.50%

Projects with existing sewer costs in excess of the reasonable cost will be given points under this affordability criterion as shown below:

Sewer Cost per Household Relative to Reasonable Cost	# Points
< 100%	0
100% to 125%	20
125% to 150%	40
150% to 175%	60
>175%	80

Unemployment Rate (maximum 10 points) – For all project types, the unemployment rate² (UR) will be determined for each qualified applicant and each applicant will be given points as follows:

Locality's Unemployment Rate	# Points
UR < Virginia UR	0
UR 0-3% above Virginia UR	5
UR > 3% above Virginia UR	10

Population Trends (maximum 10 points) – For all project types, population data³ for the previous 3-year period will be evaluated for each qualified applicant and each applicant will be given points as follows:

Change in Population	# Points
>+3%	0
0 to +3%	5
<0%	10

¹ Median Household Income for the applicant can be found on the U.S. Census Bureau website, <https://www.census.gov/quickfacts/fact/table/US/PST045219>

² Unemployment rate for the applicant can be found on the website for the U.S. Bureau of Labor Statistics, <https://data.bls.gov/lausmap/showMap.jsp>

³ University of Virginia Weldon Cooper Center, Demographics Research Group. (2020). Virginia Population Estimates. Retrieved from <https://demographics.coopercenter.org/virginia-population-estimates>