



## MEMORANDUM

DATE:

TO: Applicants and Interested Parties

FROM: Joe Boland, Director  
Financial Assistance Center, Water Protection Program

SUBJECT: Draft State Fiscal Year (SFY) 2010 Intended Use Plan (IUP) for the Drinking Water State Revolving Fund (DWSRF) Leveraged Loan Program

Many public drinking water systems, particularly small systems, have difficulty obtaining affordable financing for infrastructure improvements. Recognizing this fact, the U.S. Congress established the Drinking Water State Revolving Fund program as part of the Safe Drinking Water Act Amendments of 1996. Each year the Congress authorizes a capitalization grant to states for the DWSRF program for low interest loans to public drinking water systems. The DWSRF program allows states to reserve up to 31 percent of the grant to fund activities that support its public drinking water program, enhance the managerial, financial, and technical capacities of public drinking water systems, and protect sources of drinking water.

Each year, the Missouri Department of Natural Resources prepares a plan describing how it intends to use federal and state funds for DWSRF activities. Attached is the plan for state fiscal year 2010. Based on the federal fiscal year 2009 budget, the state anticipates it will receive a DWSRF capitalization grant of \$15,800,562. Of the total, 74 percent (\$11,692,482) is for leveraged loans. The remaining 26 percent (\$4,108,170) is for authorized set-aside activities.

The interest rate for DWSRF leveraged loans will be approximately 70 percent below the interest rate of a conventional loan. This plan includes a list of all applicants that have applied for a leveraged loan and their status, based on their readiness to proceed and priority ranking.

Also included in this plan is the DWSRF leveraged loan application package for state fiscal year 2011. The initial receipt deadline for DWSRF leveraged loan applications is November 16, 2009 for funds available during state fiscal year 2011.

If you have any questions regarding this plan, please contact Mr. Jerry Smith of my staff at (573) 522-2551 or Stephen Jones at (573) 522-1803 or email [jerry.smith@dnr.mo.gov](mailto:jerry.smith@dnr.mo.gov). Thank you.

JB/js/cas

Attachments

