WHAT’S NEW IN THE WIFIA PROGRAM

The WIFIA program continues to implement new and innovative ways to provide borrowers with increased customization, savings, and financing opportunities.

MASTER AGREEMENT

The WIFIA program can provide financing to borrowers for projects in all stages of development through a variety of mechanisms including project bundling and project phasing. One example is the master agreement, which facilitates the bundling of projects with staggered project development time frames, reduces WIFIA loan transaction costs, and reduces the number of letters of interest and applications a borrower needs to fill out to obtain WIFIA financing. The WIFIA program’s flexibilities in financing a variety of projects is an important feature of the program in assisting borrowers with varying financing needs.

LOAN RE-EXECUTIONS

The WIFIA program continues to provide financial support at a critical time as the federal government, EPA, and the water sector work to help mitigate the public health and financial impacts of COVID-19. Since March 2020, the WIFIA program re-executed seven existing loans to lower the borrowers’ interest rates. These recent loan re-executions will save ratepayers an additional $1.5 billion of savings.

STATE INFRASTRUCTURE FINANCING AUTHORITY WIFIA (SWIFIA)

The WIFIA program implemented the new SWIFIA program, authorized by Congress in section 4201 of America’s Water Infrastructure Act (AWIA) of 2018. SWIFIA loans are available exclusively to state infrastructure financing authority borrowers, commonly known as State Revolving Fund (SRF) programs, and will allow them to finance more infrastructure projects in their states. The WIFIA program selected three FY 2020 borrowers: California, Iowa, and Rhode Island, to apply for $695 million in water infrastructure loans.
2020 WIFIA ANNUAL REPORT

WIFIA HAS WORKED WITH COMMUNITIES IN 44 STATES AND TERRITORIES TO DATE

FISCAL YEAR 2020
EPA SELECTED 58 NEW PROJECTS TO APPLY FOR WIFIA LOANS

Together, the selected borrowers are invited to apply for WIFIA and SWIFIA loans totaling approximately $6 billion to help finance over $15 billion in water infrastructure investments.

The selected projects benefit

21 STATES & 25 MILLION PEOPLE

All 10 EPA Regions

Requested loan amount to support agency priorities

Repair, rehabilitate, and replace aging infrastructure:
$3.3 BILLION

Reduce lead and emerging contaminants in drinking water:
$629 MILLION

Water reuse or recycling project component:
$343 MILLION

WIFIA HAS WORKED WITH COMMUNITIES IN 44 STATES AND TERRITORIES TO DATE

ALL 10 EPA REGIONS

Selected project

Letter of interest submitted

GUAM
MIAMI-DADE COUNTY
LOCATION: Miami, Florida
WIFIA LOAN AMOUNTS: $326 million in May 2020; $235 million in July 2020
Miami-Dade County is the WIFIA program’s most frequent borrower, closing three loans in March 2019, May 2020, and July 2020. The May 2020 loan finances the design and construction of five new electrical distribution buildings across Miami-Dade County’s three wastewater treatment plants. The July 2020 loan funds the expansion of the South District Wastewater Treatment Plant’s permitted treatment capacity from 112.5 million gallons per day to 131 million gallons per day annual average daily flow and the peak hourly flow capacity of the facility.

Miami-Dade was able to close each successive loan more quickly because of WIFIA’s familiarity with the proposed credit and legal structure. The July 2020 loan closed three months after Miami-Dade County submitted its application.

“The Miami-Dade Water and Sewer Department has made great progress in executing its multibillion-dollar Capital Improvement Plan—the largest in county history—which increases system capacity, fulfills regulatory requirements, and builds enhanced resilience.”
—Miami-Dade County Mayor Daniella Levine Cava

HAMPTON ROADS SANITATION DISTRICT
LOCATION: Virginia Beach, Virginia
WIFIA LOAN AMOUNT: $225 million
The Sustainable Water Initiative for Tomorrow (SWIFT) Program is one of the first major water reuse initiatives on the East Coast. It includes more than 20 projects across the service area to upgrade existing treatment works and build wells to inject highly treated water into the stressed Potomac Aquifer.

This is the first loan under a master agreement that will commit $1.05 billion in WIFIA assistance to the Hampton Roads Sanitation District to implement the SWIFT Program. The WIFIA program expects to close subsequent loans with the Hampton Roads Sanitation District for the SWIFT project in future years after the National Environmental Policy Act is complete.
CITY OF CORTLAND
LOCATION: Cortland, New York
WIFIA LOAN AMOUNT: $16 million
EPA closed a loan to the City of Cortland, a small city located in central New York State, for its Gateway Project. The city will undertake a major rebuild of its water and wastewater conveyance infrastructure throughout its downtown area. WIFIA financing supplements the limited funding that could be made available by state funding programs and was critical to ensuring sufficient funding sources could be assembled to complete the project.

The project, when complete, will have refurbished major wastewater and water conveyance assets, which will provide meaningful system cost savings and generally support the economic revitalization of the city’s business district. WIFIA financing also saved Cortland taxpayers $3.5 million when the city locked in a very low interest rate of 1.08% at closing. This is WIFIA’s first loan in New York and second small community borrower.

“EPA stepped in to fund the water, sewer, and stormwater systems, making a 100-plus-year-old system into a transformational project.”
—Mack Cook, Director of Administration & Finance, City of Cortland

DEKALB COUNTY
LOCATION: Decatur, Georgia
WIFIA LOAN AMOUNT: $265 million
DeKalb County will improve its aging sewer system by assessing and rehabilitating at least 700,000 linear feet of sewer collection pipes and trunk sewers across the county to reduce incidences of sewer overflows. Its project will also repair approximately 45,000 linear feet of water-main lines to address low pressure and flows in its water distribution system in the western part of the county.

While needed water-main repairs are known, the borrower had not identified the full extent of sewer rehabilitation work across the county at the time of loan close. As one of the WIFIA program’s flexibilities, EPA is allowing the county to add ready-to-proceed projects to the WIFIA project list once the locations are defined.
ACCOMPLISHMENTS TO DATE

Funds requested by project type

<table>
<thead>
<tr>
<th>Wastewater</th>
<th>$6.8 Billion</th>
<th>Drinking Water</th>
<th>$6.3 Billion</th>
<th>Water Reuse</th>
<th>$2.5 Billion</th>
<th>Stormwater</th>
<th>$1.7 Billion</th>
<th>Combined*</th>
<th>$1.7 Billion</th>
</tr>
</thead>
</table>

\*Includes projects that have wastewater and drinking water components

Closed 41 loans

- Total financing: $7.8 billion
- Total savings: $3.7 billion
- Percentage of projects supporting regulatory compliance: 78%

Portfolio at a glance

- Range of loan sizes: $16 million to $700 million
- Number of loans under $100 million: 19
- Percent of loans under construction: 78%

Loans closed from January to December 2020

- Coachella Valley Water District, $59.1 million
- Tohopekaliga Water Authority, $40.1 million
- City of Morro Bay, $25.2 million
- City of Morro Bay, $36.5 million
- City of Wichita, $280.9 million
- Seattle Public Utilities, $192.2 million
- City of Cortland, $16.2 million
- Inland Empire Utilities Agency, $196.4 million
- Miami-Dade County, $326.2 million
- San Francisco Public Utilities Commission, $513.9 million
- North Miami Beach Water, $44.2 million
- Miami-Dade County, $235.2 million
- City of Waukesha, $137.1 million
- Salt Lake City, $348.6 million
- City of Memphis, $156 million
- City of Oceanside, $69.1 million
- City of Atlanta, $61.9 million
- Soquel Creek Water District, $88.9 million
- Hampton Roads Sanitation District, $225.9 million
- City of Tacoma Sewer Utility, $20 million
- City of Stockton, $108 million
- DeKalb County, $265 million
- Narragansett Bay Commission, $190.6 million
- City of Sunnyvale, $220.6 million
- City of San Mateo, $210.3 million
- Estero Municipal Improvement District, $66.9 million
- City of San Mateo, $85.1 million