



October 16, 2013

Mayors, County Commissioners,  
Regional Authority Officials,  
Consulting Engineers, and  
Interested Citizens

**Re: Water Pollution Control Loan Fund (WPCLF)  
Draft 2014 Program Management Plan**

Dear Sir or Madam:

I am pleased to announce that the Draft 2014 Water Pollution Control Loan Fund Program Management Plan is available for your review and comment.

You may obtain a copy by downloading it from our Web site at [www.epa.state.oh.us/defa](http://www.epa.state.oh.us/defa) or you may request a printed copy by calling our office at (614) 644-2798. Using this method instead of direct mail saves thousands of dollars in printing and mailing costs, while providing you with quick and immediate access to the document.

You are also invited to let us know what you think about the Draft Plan in person. We have scheduled a public meeting to answer questions and receive your comments on Monday, November 18, 2013 at 10:30 A.M. in Ohio EPA's main office, which is located at 50 West Town Street, Suite 700 in downtown Columbus. The meeting will be held in the Conference Room Center, which is located on the sixth floor. Your views and suggestions regarding the direction and management of the program are very important to us, so please feel free to contribute.

If you prefer to submit written comments, you may mail them to Ohio EPA-DEFA, P.O. Box 1049, Columbus, OH 43216-1049, or send them by email to [defamail@epa.state.oh.us](mailto:defamail@epa.state.oh.us). All comments on the Draft Plan must be received by Ohio EPA no later than close of business on Monday, November 18, 2013.

Here is a summary of some of the major changes and features that are proposed for the WPCLF in 2014. For a more complete summary, please see Page 2 of the Draft Plan.

**1. Available Funds**

The total available funds at the beginning of Program Year 2014 are estimated to be \$451,700,674. If it becomes necessary to acquire additional funds to meet the demand for assistance during PY 2014 or beyond, the Ohio EPA intends to borrow against the WPCLF's loan repayments by issuing revenue bonds or notes. The total requested amount on the Intended Projects List is \$1.58 billion.

## **2. Limits to Borrowers**

As in the last few program years, proportionate share limits will not be applied to borrowers, but the maximum WPCLF financing that a borrower can receive is limited to the projects it nominated by September 3, 2013. Different projects may not be substituted for the projects nominated to the Intended Projects List, even if the substitute project(s) requires less funding.

## **3. Principal Forgiveness**

Due to reduced Congressional appropriations, the range of principal forgiveness that Ohio is permitted to offer is between \$3.5 million and \$5.3 million. The Ohio EPA will make \$5 million available in principal forgiveness for Program Year 2014. There will be no "set asides" for HSTS replacements or CSO projects in Program Year 2014, instead all projects will be ranked on a single list that considers these factors (in order): Project Priority System score, financial need, unsewered projects then sewerer projects, and then project cost (lowest to highest). For Program Year 2014, there will be no principal forgiveness funding for planning or design projects. Fundable projects that meet all program requirements will be awarded 100% principal forgiveness (Appendix J).

## **4. Extended-term Financing**

Beginning in PY 2014, Ohio EPA will offer extended-term (30-year) financing for select projects. In order to be responsive to the changing economic climate and the increasing user charges that communities are facing, a 30-year term may be available for combined sewer overflow projects that exceed \$20 million. Projects must have a design life of 30 years or more to be considered. (Appendix E).

## **5. Green Projects**

The Ohio EPA will make available \$15 million of the WPCLF's 2014 assistance for "green projects" as Water Resource Restoration Sponsor Program projects. Additional "green" projects were solicited during the nomination period. Beginning in PY 2014, the WPCLF will offer a new interest rate discount to encourage more green projects. (Appendix F). The new GPR discount will eliminate the need to have the existing municipal water conservation discount, which will be removed from the PMP.

## **6. Consolidation of Nonpoint Source Initiatives into Appendix H**

In order to clarify the various forms of direct and indirect financial assistance that are available for a variety of nonpoint source (NPS) projects through the WPCLF, several appendices have been consolidated into a new Appendix H.

**7. Deletion of Unused Program Features**

Over the years, a few program initiatives have been added to the WPCLF Program Management Plan, and were either rarely or never utilized. These program features have either been eliminated from the Program Management Plan, or have been rolled into the new Appendix H. Deleted Appendices include the former Appendix I – Development BMPs, Appendix J – WPCLF Loans for Contaminated Sites, and Appendix K – Assistance to Livestock Operations. A summary table, which depicts the changes in the Appendices mentioned above, is on page 22.

**8. Standard Program Year**

Beginning this program year, Ohio EPA will be administering the WPCLF on a standardized, predictable annual schedule. The nomination period will be in the month of August each year, and the Program Management Plan will be finalized by the beginning of the calendar year. This regular schedule will benefit Ohio communities by having a consistent time of the year for the submission of project nominations.

I thank you for your interest in this effort and look forward to your input via the options described above.

Sincerely,



Scott J. Nally  
Director