



WSRLA Disadvantaged Community Loan Program

The Disadvantaged Community Loan Program (DCLP) is a sub-section of the Water Supply Revolving Loan Account (WSRLA) program.

The DCLP provides funding assistance to drinking water systems in need of design, planning and construction improvements.

Designation Criteria

To qualify for assistance, the system must:

- have documented public health issues; and
- have an annual water and sewer rate (cost per household) which is disproportionately high compared to the median household income of the service area.

Other factors such as median household income below the state average, population, poverty rate, unemployment rate, population growth, age distribution of the population or other socio-economic factors may also be considered.

Interest Rates and Terms

Each designated community is categorized into a tier system for construction funding.

Depending on the program year and tier category a project qualifies for, the term and interest rates vary.

- Tier 1 systems are eligible for principal forgiveness of up to 40 percent of the project cost with the remainder of the loan having an interest rate of 0 percent for up to 30 years.
- Tier 2 systems are eligible for principal forgiveness of up to 30 percent.
- Tier 3 systems are eligible for up to 20 percent principal forgiveness.

Both Tier 2 and 3 have a 2 percent interest rate for a term of up to 30 years for the remainder of the loan (or the small system rate if it is less than two percent during the month of loan award).

Planning and design projects are eligible to receive a five-year loan at a 2 percent interest unless they qualify for a lower rate. Planning and/or design loans will not include principal forgiveness.

Eligibility

With the exception of privately owned systems that are not regulated by the Public Utilities Commission of Ohio (PUCO), all community and non-profit non-community public water systems are eligible to apply to the DCLP.

How Do I Apply?

Adequate and complete information must be submitted to Ohio EPA by March 1st.

Only systems that intend to receive a loan during the coming program year (July 1 through June 30) should apply.

To apply, eligible applicants must submit:

- an application for disadvantaged community designation;
- a general plan or preliminary engineering report;
- an ordinance/bylaw for water and sewer rates;
- documentation that other funding sources have been pursued; and
- a complete WSRLA nomination form with all required attachments.

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Incomplete application packages, or those submitted after the March 1st deadline, will not be reviewed.

For More Information

Information and application materials can be found at www.epa.ohio.gov/ddagw/financialassistance.aspx.

If you have questions about the application process or DLCP, please contact Ohio EPA's Division of Drinking and Ground Waters at (614) 644-2752.

Submit completed application packages to:
Ohio EPA – DDAGW
Attn: Drinking Water Assistance Fund
P.O. Box 1049
Columbus, Ohio 43216-1049