



Economically Distressed Areas Program (EDAP)



What is EDAP?

- EDAP was created in 1989 to provide financial assistance through **grants and loans for water and wastewater projects** in economically distressed areas **where residential service is unavailable or inadequate** to meet state standards.



Do I qualify as an Economically Distressed Area?



Water supply or sewer service are inadequate to meet minimal needs of residential users.



Annual Median Household Income for the service area is not greater than 75% of the state.



An established residential subdivision was located in the project area prior to June 1, 2005.



Model Subdivision Rules

- Enacted in 1989
- Empower counties to prevent colonia proliferation along the Texas-Mexico border
- 2005-changes to law requiring the county of any entity requesting EDAP assistance adopt and enforce MSRs.
- ***If the project is located within a municipal boundary or its extraterritorial jurisdiction, the municipality must also adopt and enforce the MSRs***



Goals of MSRs



Empower cities & counties to prevent the growth of substandard residential developments lacking water & wastewater infrastructures, roadways, gas, & electricity



Prevent residential lots from being sold if utilities are not in place



Assist economically distressed areas to obtain the necessary infrastructure for water & wastewater services



MSRs

- Model rules must be consistent with the rules adopted by the TWDB
 - 31 Texas Administrative Code Chapter 364
- Adoption and enforcement must be done prior to submitting an Abridged Application
- All applicable information and training course are available on the TWDB website

<https://www.twdb.texas.gov/financial/programs/EDAP/MSR>



Who Can Apply?

- Political subdivisions
 - Cities
 - Counties
 - Nonprofit Water Supply Corporations
 - Water Districts

Note: The county and city where the project is located must adopt and enforce the Model Subdivision Rules



What types of activities can be funded?



Planning



Land Acquisition



Design



Construction



Eligible Project Types

- ✓ First-time water and wastewater service
- ✓ Water supply and/or treatment system improvements
- ✓ Wastewater collection system and/or treatment works improvements



First Time Water and Wastewater

- Residential connections to a new public water supply system constructed with financial assistance
- Individual, on-site, or cluster treatment systems
- Yard line service connections
- Indoor plumbing facilities and fixtures
- Residential connections to a sanitary sewer system constructed with financial assistance
- Necessary connection and permit fees



Types of Eligible Water Projects

Treatment plant
improvements

Water
transmission
and distribution
lines

Wells

Pump stations

Additional Water
Rights

Water system
asset
management
planning

Regionalization
projects



Types of Eligible Wastewater Projects

Treatment plant improvements

Wastewater collection and transmission lines

Lift stations

Septic tank decommissioning

Wastewater system asset management planning

Regionalization projects



What can EDAP not fund?

- ⊗ Upgrade or replace facilities paid for with prior TWDB assistance, regardless of the funding program
- ⊗ May not fund future growth
- ⊗ Service to multi-family, schools, commercial, industrial, governmental, and non-profits would not be eligible for EDAP .



Intended Use Plan

- Available funding capacity
 - Estimated up to \$100 million from one or more bond sale
- Types of financial assistance available
 - Grants: up to 70%
 - Loans:
 - Portion of the EDAP eligible commitment not funded by a grant must be an EDAP loan.
 - 20-year terms

Reimbursement may be eligible for incurred project costs on or after December 31, 2023

EDAP IUP and more information available on our website:

<http://www.twdb.texas.gov/financial/programs/EDAP>



Prioritization Criteria

- First time service: *15 points*
- Resolves public health nuisance and/or violations related to contaminants: *10 points*
- Previous TWDB investment in the project: *8 points*
- Addresses TCEQ violations for non-contaminants: *3 points*
- Tiebreaker: Adjusted Median Household Income of the project service area.



Additional Requirements

Financial statements must be submitted with full application

Water conservation plans for projects requesting more than \$500,000

Water Loss Threshold Limit Review

Certificate of Convenience and Necessity and any overlapping CCNs required

On-Site Sewer Facility Site Maps

TCEQ On-Site Sewer Facility Authorized Agent

U.S. Iron and Steel Requirements

State Level Environmental Review



§16.356 Texas Water Code

Use of Revenue from Operation of Water Supply or Sewer Service Projects

A political subdivision that receives financial assistance from the economically distressed areas program under Subchapter [K \(Definitions\)](#), Chapter [17 \(Public Funding\)](#), may not use any revenue received from fees collected from a water supply or sewer service constructed in whole or in part from funds from the economically distressed areas program account for purposes other than utility purposes. The annual financial statement prepared by a municipality under Section [103.001 \(Annual Audit; Financial Statement\)](#), Local Government Code, must include a specific report on compliance with this section.



Nuisance Determinations

Must be issued by TWDB or DSHS to received greater than 50% grant funding

Section 341.011 of the Health and Safety Code applicable to EDAP:

- a condition or place that is a breeding place for flies, that is in a populous area, and that results from the presence of human wastewater or excreta;
- sewage, human excreta, wastewater, garbage, or other organic wastes deposited, stored, discharged, or exposed in such a way as to be a potential instrument or medium in disease transmission to a person or between persons;
- a place or condition harboring rats in a populous area; rat infestations resulting from improper disposal of kitchen or human waste as a direct result from the lack of a proper septic system or a failing septic system;
- the maintenance of an open surface privy or an overflowing septic tank so that the contents may be accessible to flies; and
- an object, place, or condition that is a possible and probable medium of disease transmission to or between humans.



Examples of Nuisances-Water



Absence of potable water for human consumption



Drinking water that does not meet federal and state drinking water standards



Well located within 100 feet of on site sewage facility disposal areas or located within 50 feet of a septic tank



Detection of fecal indicator organisms in a well



Deterioration of a system where structural integrity of major components is compromised resulting in the inability to provide adequate supply of water for human consumption



The presence of an imminent health hazard



Nuisance Examples-Wastewater

- Malfunctioning or failing individual sewage disposal systems that cannot be remedied due to lot size smaller than half an acre as evidenced by surfacing effluent.
- On Site Sewer Facilities not meeting requirements of the Chapter 285 of the Health and Safety Code.
 - Cesspools, pit privies or outhouses
 - Improperly sized systems
 - Drain fields and or septic waste pipes leading to an open drainage ditch open storm sewer or drain directly onto the ground
 - Improper diversion of gray water from the OSSF resulting in the presence of organic matter on the ground or ponding of water



Nuisance Examples-Wastewater

- Nuisance conditions propagating rodent harborage, fly breeding or other sanitary conditions as a result of unsanitary sewer disposal systems.
- Deterioration, due to other factors than operator error neglect, that results in inability to consistently furnish, operate, and maintain collection treatment and disposal facilities to collect, treat, and dispose of waterborne human waste and waste from domestic activities such as washing, bathing, and food preparation.
- Temporary condition caused by hurricane, flood, tornado or other acts of nature may not be a nuisance for EDAP purposes.



What do I need to submit?

For prioritization, with your abridged application:

- Any determinations from the local sanitarian and/or public health official
- Statement from a county/city official attesting to the presence
- If available, nuisance determinations issued by DSHS or TWDB for the project area



What do I need to submit?

- For a full review:
 - Clear statement of the problem
 - Current, detailed map(s) of the project area
 - Delineating the project area
 - Parcels and addresses, property lines
 - Water/wastewater lines, water wells, storage tanks, septic tanks, disposal areas, etc.
 - Additional supporting documentation
 - Photographs
 - Records of violations, enforcement orders, or water/wastewater quality reports.

Abridged Application



DUE DATE: MAY 15, 2024

- Provides information needed to determine eligibility and prioritize projects
- Eligible projects receiving priority for financial assistance will be invited to submit a full application
- Submit abridged applications to financial_assistance@twdb.texas.gov

EDAP Abridged Application

By submitting this Abridged Application, you understand and confirm that the information provided is true and correct to the best of your knowledge and further understand that the failure to submit a complete Abridged Application by the stated deadlines, or to respond in a timely manner to additional requests for information, may result in the withdrawal of the Abridged Application without review.

GENERAL INFORMATION

Entity Name
Entity Type (City, County, District, etc.)

Contact Who should TWDB contact with questions during the review of this submission?	Name	
	Title	
	Phone	
	Email	

PROJECT INFORMATION

Project Name			
EDAP Request	\$		
Applicant has adopted and is enforcing Model Subdivision Rules (per Texas Water Code Section 16.343 and 31 TAC Chapter 364)	<input type="checkbox"/> Yes ; Year adopted _____		
Project Phase(s) for which Assistance is Requested			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Planning	Acquisition	Design	Construction

EDAP Abridged Application and more information available on our website:
<http://www.twdb.texas.gov/financial/programs/EDAP>



Don't Forget

- Plats
- Audits
- Nuisance documentation
- AMHI information



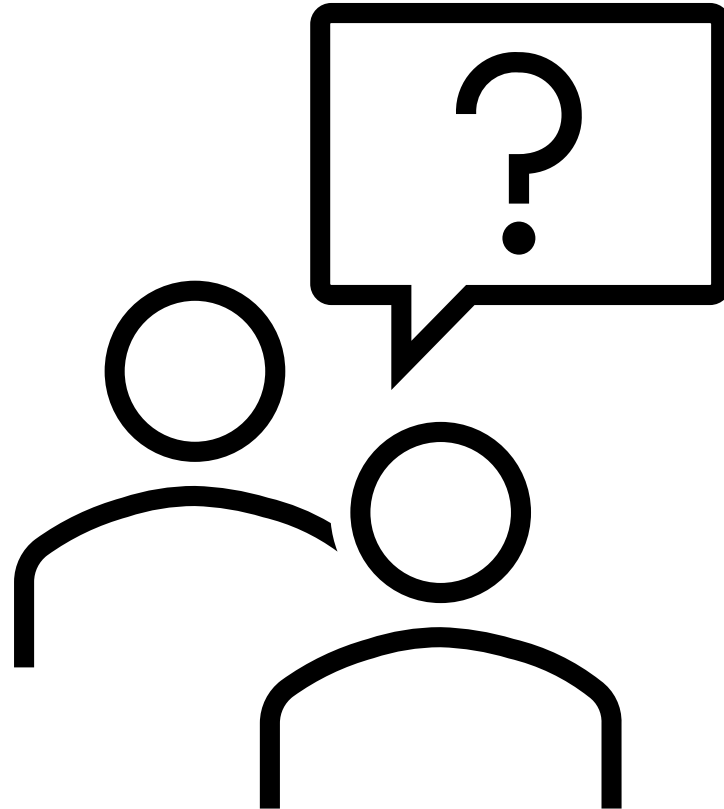
Important EDAP Guidance

Please review these documents for details:

- Draft 2024 EDAP Intended Use Plan
<https://www.twdb.texas.gov/financial/programs/edap/doc/EDAPIUP.pdf>
- EDAP Guidance
<https://www.twdb.texas.gov/financial/instructions/doc/TWDB-0408.pdf>
- MSRs Training
<https://www.twdb.texas.gov/financial/programs/EDAP/MSR/index.asp>



Questions





For more information

Visit

[https://www.twdb.texas.gov/financial/programs/
EDAP/](https://www.twdb.texas.gov/financial/programs/EDAP/)

Or email:

financial_assistance@twdb.texas.gov

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