



Preparing a State Revolving Fund Application

MARCH 2025



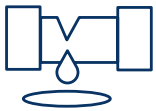


Preparing a State Revolving Fund Application

Cook County TAP is here to help you make sense of available funding for your lead service line replacement efforts. Generally, these are the steps your municipality will need to follow to execute a successful State Revolving Fund (SRF) application in Illinois. The Illinois Drinking and Public Water State Revolving Fund is a primary resource for Cook County municipalities seeking federal funding for lead service line replacement and other water infrastructure projects. Depending on a community's eligibility, SRF is either a low or no-interest loan program aimed at protecting public health.

Getting Started

The first three steps outline the work every public water system needs to do to understand the regulations governing lead service line replacement and the nature of the lead service line problem. Understanding your community's specific needs will provide a baseline for starting to plan for and fund lead service line replacement.



1. Understand the legal landscape for lead in water

Illinois passed the Lead Service Line Replacement and Notification Act in 2022, requiring the operators of community water systems to create a comprehensive water service line inventory and lead service line replacement plan. Each plan is followed by implementation and maintenance, with yearly updates sent to the Illinois EPA on progress. Other federal laws apply, like the Lead and Copper Rule and the Lead and Copper Rule Improvements.

Explore [Cook County TAP's Laws and Regulations](#).



2. Assess your water infrastructure needs

Investigate the water infrastructure needs of your community and evaluate the gaps in resources to fulfill those needs. A water service line material inventory, required by the Lead Service Line Replacement and Notification Act, is a great place to start when determining how replacing lead service lines will interact with other infrastructure priorities and help you identify efficiencies by coordinating or combining LSLR activities with other projects (e.g., street resurfacing, water main replacement, leak repair).

The U.S. Environmental Protection Agency's [Planning and Developing a Service Line Inventory](#) has resources and webinars that can help with completing a [Lead Service Line Inventory](#) and developing a Capital Improvement Plan (CIP).

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3. Develop a lead service line replacement plan

Making the lead service line inventory and replacement central to your water infrastructure planning is key to successfully budgeting community resources—it also provides a “game plan” for accessing funding.

The U.S. Environmental Protection Agency’s [Planning and Conducting Lead Service Line Replacement](#) has resources and webinars that can help with creating an LSLR plan, including a [webinar series](#).

Securing SRF Funding

Steps four through eight outline the overall application process for securing SRF funding. We recommend revisiting them often for updates and additional resources.



4. Put your Illinois SRF application together

The Illinois Environmental Protection Agency continually accepts applications for SRF loans. However, the timing of your application will affect when loans can be processed. A six-month lead time is typically needed to review and process the many stages of securing funding.

Read more about [Lead Service Line Replacement Loans](#) on the Illinois Environmental Protection Agency website.

Additional useful factsheets and documents:

- [Funding Cycle & Availability of Funds](#): An overview of how the funding cycle works and the timing of submissions.
- [Project Submittal Checklist](#): This is a guide to what information must be submitted for a plan to be reviewed and considered for funding.
- [Frequently Asked Questions](#)
- [Buy America, Build America Guidance](#)



5. Get your project prioritized

Projects will be prioritized based on defined parameters such as completeness of the application, possibility of being funded, and designation as a disadvantaged community.

Small, disadvantaged communities receive priority for SRF loans. The Illinois EPA recently updated the definition of a “disadvantaged community.” As of January 2024, the project area will be defined by the census tracts within which the lead service lines are being replaced.

Ultimately, you want your project listed on the Illinois EPA’s Intended Funding List (IFL), which ranks and scores projects to determine which will receive resources during a fiscal year.

You can find more details about scoring in the [Administrative Code Part 663](#).

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Example of Census Tract Scoring Metrics:

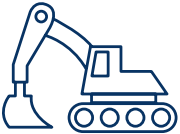
- Median Household Income (MHI): Max. 100 points
- Children Under the Age of Six: Max. 80 points
- Unemployment Rate: Max. 45 points
- Poverty Rate: Max. 45 points
- Social Security Rate: Max. 45 points
- Supplemental Security Income: Max. 45 points
- Houses Built Pre-1990: Max. 45 points
- Lead Service Line Burden: Max. 45 points



6. Next steps to secure the funding

To move to this step, a successful application has already been submitted, including your project plan and the [Funding Nomination Form](#), and the project has been added to the SRF Intended Funding List. The next step is to apply for the loan by submitting a [SRF loan application](#). Completing this process may take up to two months.

For a complete list of forms and instructions, visit [SRF Loan Program Forms](#) on the Illinois EPA's website.



7. Complete your water projects

Every SRF-funded project must make the best effort to fulfill requirements for [Build America, Buy America \(BABA\)](#), [the Davis-Bacon Act](#), [Disadvantaged Business Enterprise \(DBE\)](#), and [apprenticeship goals](#). Invoicing is monthly, as are disbursements, which can continue beyond the project end date. A single audit is required in addition to closeout documentation. Contractors are responsible for providing much of this information, but the entity applying for funding should verify that they comply.

You can learn more about these requirements by reading [Illinois EPA SRF Guidance](#).



8. Report and repay, per requirements

The loan agreement terms will outline when repayment, if necessary, will begin. The first payment is typically due six months after receiving the "initiation repayment letter." Funds will remain available even after the loan has been put into repayment. The date repayment begins may change due to construction delays but can only be changed by submitting a change order to extend the date, which Illinois EPA must approve.

You can learn more about these requirements by reading the Illinois EPA's [FAQ factsheet](#) or [SRF Guidance](#).

Help Applying for Funding

Need additional technical assistance applying for Illinois SRF or other funding sources? The U.S. EPA has two technical assistance programs dedicated to helping communities access water infrastructure funding: [Get the Lead Out](#) and the [Environmental Finance Centers \(EFC\)](#). [Delta Institute](#) is the U.S. EPA Region 5's EFC.

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