



Economically Distressed Areas Program (EDAP)

The EDAP provides financial assistance in the form of grants and loans for water and wastewater projects in economically distressed areas where service is unavailable or inadequate to meet state standards. Program funding is dependent upon legislative appropriations. Appropriations sufficient to provide up to an estimated \$100 million in financial assistance was received for the 2024–2025 biennium.

Eligible Applicants

- Political subdivisions, including cities, counties, and water districts
- Nonprofit water supply corporations

Eligible Projects

- Planning, land acquisition, design, and construction for
 - first-time water and wastewater service,
 - water supply and/or treatment system improvements,
 - wastewater collection system and/or treatment works improvements.
- EDAP funds are only eligible for residential water and/or wastewater service

Benefits and Terms

- Projects with documented public health nuisance determination from the TWDB or Texas Department of State Health Services are eligible for grants up to 70%; projects without a public health nuisance determination are eligible for grants up to 50%
- Portion not paid for by a grant must be provided as an EDAP loan
- Loans with long-term fixed interest rates based on the TWDB's cost of funds

Program Requirements

- Prioritization, detailed program requirements, and application process are established in an Intended Use Plan
- Water supply projects must be consistent with the current state water plan
- Service area median household income can be no greater than 75% of statewide median household income
- Clear documentation of system inadequacies
- Residential subdivision served by the project must have been established prior to June 1, 2005
- County and/or city has adopted and is enforcing Model Subdivision Rules
- Application and maintenance of authorized agent designation for regulating onsite waste disposal facilities
- Application or possession of Certificate of Convenience and Necessity (if required by Chapter 13 of the Water Code)
- Adoption of a water conservation and drought contingency plan (for entities receiving assistance greater than \$500,000)
- U.S. Iron and Steel requirements
- Review of legislative requirements regarding water loss threshold limits

For specific questions on the program, please contact

Financial_Assistance@twdb.texas.gov.

Detailed information on the program is also available at

www.twdb.texas.gov/financial/programs/EDAP.