

Arkansas Natural Resources Commission Accepting Levee Grant Funding Applications

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Governor Hutchinson and Arkansas lawmakers have set aside \$10 million in available grant funds for the construction and maintenance of levee projects. Levee districts located within the declared national disaster areas resulting from the floods on the Arkansas River beginning in late May 2019 may be eligible to receive grant funds. Twelve Arkansas counties are located within the disaster areas.

Grant funds may be used for the following purposes:

- construction and maintenance of levees,
- establishing or updating levee district assessments,
- consolidating levee districts,
- engineering and permitting fees and
- legal costs.

The Arkansas Natural Resource Commission (ANRC) has been tasked with reviewing all applications and distributing the grant funds. Applications are submitted on the current [water and/sewer system funding application](#) and are due to the Commission on Friday, November 1, 2019. Early submission of applications is encouraged by ANRC.

Funds will not be granted to districts on a first come first serve basis. ANRC has provided the following criteria (in no particular order) that will be used in evaluating the applications:

- Whether the district is in the U.S. Army Corps Rehabilitation and Inspection Program (RIP),
- Improvements that will result in the levees being eligible for the Corps RIP,
- Districts with existing assessments adequate to fund future operation and maintenance expenses,
- Number of people or assessed value of property protected by the levee, and
- Median household income or percentage of low to moderate income of the area protected by the levee.

Prior to submitting an application for grant funds a levee district must be in compliance with the statutes applicable to such district. This may mean that a district needs to appoint new board members, establish an adequate assessment for future operation and maintenance expenses, or submit required reports to the county clerk in the County where the district is located. The auditing and reporting requirements vary between districts, so ANRC has encouraged districts to contact legal counsel to determine what requirements are applicable to each district.

In addition to grant funds, ANRC has low interest loans available for levee projects. Interest rates begin at 2.10% for loans with repayment periods of ten (10) years or 2.85% for loans with repayment periods of thirty (30) years.

With these many options for funding levee projects, levee districts and/or counties can repair their levees and update or establish an assessment to provide for future maintenance.

For questions or any additional information you may need regarding the grant and loan program or any other matters we may be able to assist with, please contact our public finance team:

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