



Sonny Perdue  
Governor

GEORGIA ENVIRONMENTAL FACILITIES AUTHORITY

Chris Clark  
Executive Director

MEMORANDUM

**TO:** Local Government Partner

**FROM:** Chris Clark

**SUBJECT:** Suspension of GEFA Water Supply and Land Conservation Grants

**DATE:** August 21, 2008

As you may be aware, due to the recent economic downturn affecting the U.S. economy, the state of Georgia is facing a sharp decline in revenue. In consultation with the leadership in the Georgia General Assembly, Governor Sonny Perdue is reallocating funding to safeguard essential government services and programs. Accordingly, in order to keep all options open as the state develops a funding plan for the budget shortfall, the Office of Planning and Budget (OPB) instructed the Georgia Environmental Facilities Authority (GEFA) to suspend the Georgia Water Supply Competitive Grant Program funded through an Amended Fiscal Year 2008 appropriation of \$40 million. OPB also notified GEFA to suspend distribution of the Fiscal Year 2009 allocation of \$10 million in grant funding for the Georgia Land Conservation Program (GLCP).

GEFA strongly supports Governor Perdue and the General Assembly in the tough decisions they are making to balance the state's budget. GEFA will work with current and prospective grant applicants to identify potential funding alternatives. GEFA will still provide low-interest loan funding through its traditional programs for important water supply and land conservation projects and will help local governments with their efforts to improve their water resources.

For communities interested in seeking low-interest loans for their water supply projects, GEFA will continue to fund reservoir and water supply loans from the \$30 million in bond proceeds approved in the FY2009 budget, as well as GEFA's Georgia Fund and federal drinking water loan programs. Due to the current drought, GEFA encourages grant applicants to reapply for a low-interest loan. GEFA will evaluate each loan application quickly and will present the loans to the GEFA board of directors for approval on a monthly basis.

The GLCP will continue to accept loan applications from its \$55 million revolving loan fund and to provide state tax credits to taxpayers for qualifying land conservation donations.

For additional information regarding the water supply grants, contact Kevin Kelly at (404) 584-1053 or [kkelly@gefa.ga.gov](mailto:kkelly@gefa.ga.gov). For additional information regarding land conservation grants, contact Curt Soper at (404) 584-1083 or [curt@gefa.ga.gov](mailto:curt@gefa.ga.gov).