

**TEXAS  
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**Texas Natural Resources  
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<http://www.tnr.is.state.tx.us>**

**StratMap  
<http://www.stratmap.org>**

**Borderlands Information Center  
(BIC)  
<http://www.bic.state.tx.us>**

**Water Information Integration and  
Dissemination  
(TWDB WIID System)  
<http://wiid.twdb.state.tx.us/>**

**Texas Water Information  
Network (TxWIN)  
<http://www.txwin.net>**

**Water IQ  
<http://www.water-iq.org>**



# **PROPOSED NOVEMBER 6, 2007 CONSTITUTIONAL AMENDMENT PROPOSITION NO. 16**

*The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$250 million to provide financial assistance in the form of grants and/or loans to economically distressed areas throughout Texas.*

## **WHAT IS PROPOSITION 16?**

Proposition 16, if approved by Texas voters on November 6, 2007, would authorize the Texas Water Development Board (TWDB) to issue up to \$250 million in additional general obligation bonds for the TWDB's statewide Economically Distressed Areas Program (EDAP). The TWDB will use the bond proceeds to make grants and/or low-interest loans for water and/or wastewater projects in economically distressed communities all across Texas. Proposition 16 resulted from the passage of Senate Joint Resolution 20 sponsored by Senator Eddie Lucio, Jr. and Representative Norma Chavez (80th Regular Session 2007)

## **HOW WILL THESE BOND FUNDS BE USED?**

If Proposition 16 is approved by voters, the TWDB expects to issue approximately \$87 million in bonds in the next two years for the statewide EDAP. From the first \$87 million in bonds, approximately \$26.2 million will be earmarked for grants and loans for water supply projects (not wastewater) in economically distressed communities listed in the 2007 State Water Plan and \$9.8 million in grants and loans will be set aside for water supply projects in rural economically distressed areas (populations of 5,000 or less). In addition, the Legislature set aside \$10 million of the remaining \$50 million initial allocation for grants and loans for water and wastewater projects in economically distressed areas in rural communities (populations of 5,000 or less). The TWDB operates the EDAP with a program grant-to-loan ratio of 90 percent grants, 10 percent loans.

**for TEXAS WATER**

These grants and loans provide financial assistance to political subdivisions with a water and/or wastewater need and which have a median household income not greater than 75 percent of state median household income. In order to qualify for funding, these communities must demonstrate that their current water and wastewater services are inadequate to meet the minimal needs of residents. The EDAP includes requirements that are intended to prevent future substandard residential developments, including the requirement that cities and counties with EDAP areas who apply for EDAP funding must adopt and ensure compliance with Model Subdivision Rules, which address residential subdivision platting.

## **WHO CAN RECEIVE FINANCIAL ASSISTANCE?**

The TWDB primarily provides loans and grants to local governments such as cities, counties, water districts, river authorities, and certain nonprofit water supply corporations. In order to qualify for EDAP funding, an area to be served by the EDAP funding (not the entire city or county) must have a median household income not greater than 75 percent of state median household income and also must demonstrate that their current water and wastewater services are inadequate to meet the minimal needs of residents. Based on the 2000 Census, 75 percent of the median state household income is approximately \$29,948.

The EDAP was long-perceived to be a border-only program, but in 2005 the Legislature expanded the EDAP to apply to all 254 counties statewide to serve water and wastewater needs in economically distressed areas across the state.

## **WHAT IS THE TWDB?**

The 55th Texas Legislature created the TWDB in 1957 in response to the drought of the 1950s. The TWDB is the state agency that administers low-cost financial assistance programs for the planning, design and construction of water supply, wastewater treatment, storm water and nonpoint source pollution control, flood control, and agricultural water and soil conservation projects. In addition, the TWDB is charged with collecting and disseminating water-related data to the public, assisting with regional water planning, and preparing the State Water Plan.

The TWDB is the largest water-related infrastructure lender in Texas. Since 1957 TWDB has committed more than \$10.1 billion from its various state and federal programs to more than 3,250 projects benefiting more than 1,380 communities throughout the state. In 1989 the Legislature created the EDAP, which targeted water and wastewater needs in communities along the Texas-Mexico border and in counties which met certain income and unemployment criteria.

Since the Economically Distressed Areas Program was established in 1989, the Texas Water Development Board has awarded more than \$4.7 million in planning grants and more than \$517 million to construction projects to install or upgrade water and wastewater services in 617 colonias in 22 Texas border and non-border counties.

### **Our Mission**

*Provide leadership, planning, financial assistance, information, and education for the conservation and responsible development of water for Texas.*

### **EQUAL OPPORTUNITY EMPLOYER**

*The Texas Water Development Board does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services, programs or activities.*

*1-800-RELAY TX (for the hearing impaired)*