

State Revolving Fund Loans and Principal Forgiveness

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Stormwater Financing Forums

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Overview

- Eligibility under Clean Water State Revolving Fund (CWSRF)
- Green Infrastructure
- CWSRF Funding Process
- CWSRF terms/Principal Forgiveness (PF)
- Potential Sources of Revenue for Loan Repayment
- Sample Projects

CWSRF and Stormwater Projects

Section 603(c)(5) of the FWPCA states that CWSRF may provide assistance:

(5) for measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water

Green Infrastructure

- Green Infrastructure – practices that manage wet weather and that maintain and restore natural hydrology by infiltrating, evapotranspiring and harvesting and using stormwater
- Regional scale
- Local scale

Green Infrastructure Projects

- Stormwater harvesting/reuse – cistern, distribution pipes
- Green streets – bioretention, permeable pavement
- Riparian buffers – wetlands, floodplains
- Sustainable landscaping and site design

CWSRF Funding Process

1. Submit application package through the Financial Assistance Application Submittal Tool (FAAST)

<https://faast.waterboards.ca.gov/>

Forms and Instructions

http://www.waterboards.ca.gov/water_issues/programs/grants_loans/

2. Staff reviews *complete* application

3. Funding agreement executed after application is approved

California CWSRF

- Up to 30-year loan term or the useful life of the project
- Low interest rate - $\frac{1}{2}$ of State's general obligation bond rate
- Currently 1.8 %
- Historical Interest rate: 1.5% to 2.7%

Principal Forgiveness Eligibility

➤ Green Project Reserve

U.S. EPA's *Guidance for Determining Project Eligibility*

https://www.epa.gov/sites/production/files/2015-04/documents/green_project_reserve_eligibility_guidance.pdf

- 75% of planning costs up to \$500,000
- 50% of eligible costs up to \$4M
- aggregate of planning and construction cost not to exceed \$4M in PF

Pledge revenue streams

California

- Taxes (hotel, transit)
- Wastewater user charges/fees

Other state

- Rates calculated based on impervious area

Examples of projects with stormwater components

- San Francisco Public Utilities Commission
- Lake Merced Green Infrastructure
- Bioretention planters/corner bulbouts
- Replacement of impervious asphalt/
concrete pavement with pervious concrete
- Project Cost - \$7,435,000

Before picture



Construction Photo





City of Santa Monica (application in process)

Sustainable Water Infrastructure Project (SWIP)

1. Integrated harvesting and treatment of municipal wastewater, stormwater and brackish impaired groundwater
 2. Stormwater harvesting, storage and treatment
 3. Conjunctive reuse – aquifer recharge and indirect potable reuse
- Total Project Cost - \$56,885,903