

Water Infrastructure

FINANCING PROGRAMS

SRF 101 for WISPr

Vermont's Clean Water State Revolving Fund



 **VERMONT**
AGENCY OF NATURAL RESOURCES
Department of Environmental Conservation

WHAT IS THE SRF?

- 💧 Federal Grant
 - 💧 Annual EPA appropriation
 - 💧 Minus administrative allowance (CW) and set-asides (DW)
- 💧 State Match
 - 💧 20% of federal grant
- 💧 Revolving funds
 - 💧 Loan repayments
- 💧 Investment interest

WATER INFRASTRUCTURE SPONSORSHIP PROGRAM (WISPr)

- ◆ Traditional CWSRF projects are the 'sponsoring' project
- ◆ Sponsored projects can be municipally owned and maintained or owned and maintained by a private non-profit (public-private partnership)
- ◆ One loan for both sponsored and host project
 - ◆ Sponsored project forgiven via reduced admin fee on overall project

SPONSORING PROJECTS

- ◆ Any CWSRF funded municipal project
 - ◆ Municipal Wastewater Treatment
 - ◆ Decentralized Wastewater
 - ◆ Stormwater

PROJECTS THAT CAN BE SPONSORED

WHAT ARE NATURAL RESOURCE PROJECTS?

- 💧 Wetland restoration
- 💧 Floodplain/stream restoration
- 💧 River corridor/conservation easement
- 💧 Woody buffer planting
- 💧 Lake shoreland retrofit, erosion repair using LakeWise principles
- 💧 Dam removal

If it's ERP eligible, it's WISPr eligible*

*except stormwater projects

HOW DOES IT WORK?

- ◆ NRP submits CWIP application 3x year; NRP is vetted by ERP
- ◆ All vetted ERPs are automatically on the 'hopper list'
- ◆ All ERPs that complete design are automatically on the 'match-ready list'
- ◆ Once NRP is match-ready a municipality will be identified for matching
 - ◆ SRF will do the matching
- ◆ Non-profit receives loan from VEDA for project
- ◆ Municipality receives a loan for their project plus 10%
- ◆ NRP does not need to be identified prior to municipal loan being issued

HOW DOES IT WORK?

- ◆ NRP implements concurrently with Municipal project
- ◆ Non-profit submits invoices to WIFP for disbursement
- ◆ NRP must complete within a year of Municipal project completing
- ◆ Once NRP is complete, loan is transferred to Municipal loan
- ◆ Once Municipal project is complete repayment schedule is drafted so the NRP is forgiven
 - ◆ Sponsoring loan will receive a 0.1% administrative fee reduction in addition to the fee reduction to account for the sponsored project
- ◆ WISPr can be used as a non-federal match where necessary
- ◆ WISPr projects do not need to meet *most* federal crosscutters

INTERIM FINANCING

- ◆ Provide funding for all natural resource restoration, agricultural water quality and forestry conservation projects
- ◆ \$20M reserved off FFY19 PPL
 - ◆ \$10M for privates at 1%; 5 year
 - ◆ \$10M for municipalities at 0%; 5 year
- ◆ Repayment begins 1 year after loan execution
- ◆ Depressed repayment amount for first 4 years; balloon payment in fifth year
- ◆ Projects do not need to be identified at drafting of PPL

FOR MORE INFORMATION....

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