

Green Infrastructure Funds Available in NY State

FACT SHEET #1:

What Federal Stimulus Funding is available for Clean Water and Clean Drinking Water projects?

On February 17, 2009, President Obama signed into law an unprecedented federal economic recovery plan to rebuild this country's infrastructure and create and preserve new jobs, the "American Recovery and Reinvestment Act of 2009" (ARRA). Under ARRA, New York State is slated to receive approximately \$435 million for its Clean Water State Revolving Fund (CWSRF) program, and \$86.8 million for the Drinking Water State Revolving Fund (DWSRF).

There are two separate tracks for the state's overall SRF program: the CWSRF for wastewater and stormwater, and the DWSRF for drinking water. This Fact Sheet summarizes how New York State intends to distribute these new ARRA funds through the CWSRF. Provisions that also apply to the DWSRF are specifically noted below. All of the information in this Fact Sheet is relevant to projects already listed on the state's 2009 Intended Use Plan (IUP). For all green infrastructure projects described in this Fact Sheet, land acquisition is not eligible for SRF funding.

What is the Clean Water State Revolving Fund?

The Clean Water State Revolving Fund (CWSRF) is a financing program for water quality protection projects for wastewater treatment, nonpoint source pollution control, and watershed and estuary management. Through its CWSRF program, New York provides low-interest loans to communities. Loan repayments are recycled back into the program to fund new projects. ARRA waives the 20% state match normally required to receive federal funding under the SRF. Each project that seeks CWSRF financing must be scored, ranked

and listed on an annual IUP. The 2009 IUP process is closed. For projects not listed on the IUP, there is a new green infrastructure funding allocation called the Green Innovation Grants Program. [See Fact Sheet #4: "What is the Green Innovation Grants Program?" at hudsonwatershed.org/pdf/0309greengrants.pdf].

How much funding is available and how will it be distributed?

New York State's Environmental Facilities Corporation (EFC) is responsible for administering the SRF program and has developed a plan to allocate ARRA funds. Under ARRA, NYS must use at least 50% of the federal CWSRF funds, or \$216 million, for grants, negative interest loans, or loan forgiveness. This leaves approximately \$204 million to be used as strictly loan capital. EFC will use 2.75% of total funding for internal administration fees.

NYS must use 20% of CWSRF funds, or \$86.5 million, for green infrastructure projects which will be distributed in a combination of loans and grants.



What types of green infrastructure funding are available under the SRF?

For the purposes of this ARRA funding (both CWSRF and DWSRF), green infrastructure includes:

(1) Water Efficiency, Reuse or Conservation projects that deliver equal or better services with less water;

(2) Energy Efficiency projects that reduce energy consumption or produce clean energy;

(3) Green Wet Weather Infrastructure projects that maintain, restore, or mimic natural systems to infiltrate, evapotranspire, or recycle stormwater; or

(4) Environmental Innovation projects that manage water resources to prevent or remove pollution in an economically sustainable way.

NYS plans to fulfill its \$86.5 million Green Project Reserve (GPR) through implementation of the following three methods:

• **Green Innovation Grants Program (GIGP):** EFC will be accepting applications for projects addressing stormwater and wet weather issues through the use of green infrastructure, energy efficiency or water efficiency, or that utilize innovative approaches to managing water resources. Projects are not required to be listed on the IUP, however projects must meet the applicable requirements of ARRA and the CWSRF program. For projects that qualify for the GIGP, EFC will provide grants (with a 10% applicant contribution) subject to availability of funds. EFC estimates that \$35 million will be available. GIGP project applications are due May 29, 2009. [See Fact Sheet #4: "What is the Green Innovation Grants Program?" at hudsonwatershed.org/pdf/0309greengrants.pdf].



• **Green Project Reserve (GPR) Funding within the 2009 CWSRF IUP:** The CWSRF can provide GPR funds to those projects already on the 2009 IUP that are selected to receive ARRA funds, for the addition of green infrastructure elements that address stormwater and wet weather issues, energy efficiency, water efficiency, or that utilize innovative approaches to managing water resources. GPR funding may be provided for incremental additions to an existing scope of work (eg., items already in a plan that might not currently be funded) or for new GPR eligible additions.

• **Energy Efficiency Partnership:** EFC is partnering with the New York State Energy Research and Development Authority (NYSERDA) to identify energy saving opportunities at CWSRF financed facilities. This effort will be focused on projects from the 2009 Annual Lists that have been identified to receive ARRA funds. EFC and NYSERDA estimate that up to \$28 million will be available from the combined sources of the GPR and NYSERDA.

For more information:
<http://hudsonwatershed.org/>
<http://www.nysefc.org/home/index.asp?page=687>

This project has been funded by the Hudson River Estuary Program of the NYS Department of Environmental Conservation through the New England Interstate Water Pollution Control Commission.



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FACT SHEET #2:

What types of Green Wet Weather Infrastructure projects qualify for Federal Stimulus Funding?

The federal economic recovery plan, “American Recovery and Reinvestment Act of 2009” (ARRA), requires that 20% of State Revolving Fund monies be used for green infrastructure, water efficiency, innovative water quality improvements, decentralized wastewater treatment, stormwater runoff mitigation, and energy efficiency.

“Green Wet Weather Infrastructure” includes a variety of practices at various scales that manage and treat stormwater and that maintain and restore natural hydrology by infiltrating, capturing and reusing stormwater, or by enhancing evapotranspiration. This fact sheet provides examples of green wet weather infrastructure projects that qualify for funding, based upon available federal and state guidance.

What Size of Project is Eligible?

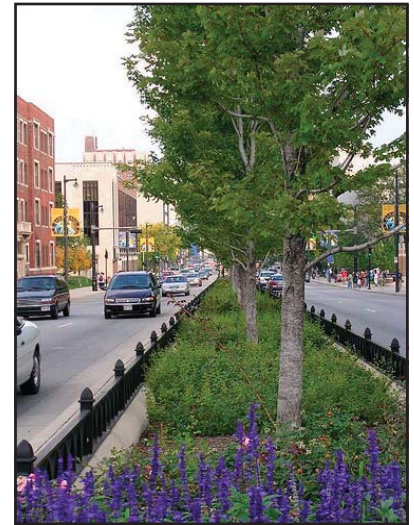
Under the Clean Water State Revolving Fund (CWSRF), both regional and local scale projects qualify for Green Project Reserve funding. On a regional scale, green infrastructure includes restoration of natural landscape features, such as forests, floodplains and wetlands. On the local scale, green infrastructure includes site- and neighborhood-specific practices, such as stormwater infiltration, bioretention, planting trees, green roofs, porous pavement and rainwater harvesting systems (like cisterns), and other practices.

In the context of the Drinking Water State Revolving Fund (DWSRF), green infrastructure consists of site-specific practices, such as green roofs and porous pavement at drinking water utility facilities.

What are Green Wet Weather Infrastructure Practices?

Green Streets Projects

A Green Streets Program is a combination of green infrastructure practices in transportation rights-of-way, which can be applied to new development, redevelopment or retrofits. Green Streets projects can be as simple as retrofits to capture and treat street runoff using infiltration practices. A comprehensive green street project could include stormwater street planters between the sidewalk and the curb, stormwater curb extensions that transform the curb lane into a landscaped area, or rain gardens implemented on a neighborhood or community-wide scale.



Wet Weather Management Systems for Parking Areas and Other Impervious Surfaces

Under the CWSRF, funding is available for implementation of wet weather management systems for parking or other impervious areas. DWSRF funds can also be used if the site is part of a drinking water facility. These systems must mimic natural hydrology and reduce effective imperviousness of the site.

Examples of specific practices include:

Bioretention: Bioretention areas are engineered landscaping features designed to treat stormwater runoff, and can be installed in parking lot islands and landscaped buffer areas. Surface runoff is directed into landscaped areas and is filtered and infiltrated through the mulch and soil in the system. Rain gardens are one type of bioretention practice.

Porous Pavement: Porous pavement is a permeable pavement surface with an underlying stone reservoir that temporarily stores surface runoff before it infiltrates into the subsoil. Porous pavement is ideal for low traffic or overflow parking areas. Funding is available for the incremental cost of installing pervious pavement in a parking lot in place of conventional pavement.



Green Roofs: Green roofs are designed to support plants and mitigate effects on water quality by filtering, absorbing, and detaining rainfall. They can be added to existing structures as a thin vegetated sheath. A more intensive green roof, including trees, walkways, and larger vegetation, can be incorporated into existing or new development that has a roof with adequate structural capacity.



Constructed Wetlands: Constructed wetland systems are engineered marshes designed to manage stormwater and achieve pollutant removal.

Hydromodification to Establish or Restore Riparian Lands

Funding through the CWSRF is available to establish or restore riparian buffers, floodplains, wetlands and other natural features. The U.S. Environmental Protection Agency is encouraging the use of soft approaches such as revegetation, rather than conventional engineering techniques that harden stream banks like installing rip-rap or concrete channels.

Downspout Disconnection

CWSRF funding is available to implement a downspout disconnection program. Disconnecting downspouts, or roof leaders, diverts stormwater from combined sewers and storm sewers and redirects stormwater to a rainwater capture system, rain garden, rain barrel, or other green infrastructure practice.

Retrofit Programs

CWSRF funding is available to develop and implement comprehensive retrofit programs for existing sewer systems. A stormwater retrofit program should be designed to keep wet weather out of all types of sewer systems using green infrastructure technologies and approaches identified herein.

Urban Forestry Programs

Funding through the CWSRF is available for implementation of comprehensive street tree or urban forestry programs, including expansion of tree box sizes to manage additional stormwater and enhance tree health. Urban forests and street trees act as natural storm water management areas by filtering and absorbing water and enhancing evapotranspiration.

For more information and resources:

<http://hudsonwatershed.org/>

<http://www.nysefc.org/home/index.asp?page=687>

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FACT SHEET #3:

What does Environmental Innovation mean for the purpose of Federal Stimulus Funding?

The federal economic recovery plan, “American Recovery and Reinvestment Act of 2009” (ARRA), requires that 20% of State Revolving Fund (SRF) monies be used for green infrastructure, water efficiency, energy efficiency, innovative water quality improvements, decentralized wastewater treatment, stormwater runoff mitigation, and water conservation.

The U.S. Environmental Protection Agency (EPA), the federal agency charged with overseeing the nation’s SRF program, has broadly defined “environmental innovation” projects that qualify for ARRA funding. Projects must be new and innovative, and take a “systems” approach to address different components of water resource management while promoting cost efficiencies. Environmentally innovative projects must be sustainable, nontraditional, and have a business plan for continued management and maintenance. This Fact Sheet provides a summary and brief examples of environmental innovation projects that qualify for funding, based upon available federal and state guidance.

What Environmentally Innovative Projects Qualify for Funding under the Clean Water State Revolving Fund?

For purposes of ARRA funding under the Clean Water State Revolving Fund (CWSRF), environmentally innovative projects include projects that demonstrate new and/or innovative approaches to managing water resources in a more sustainable way, including projects that achieve pollution prevention or pollutant removal with reduced costs and projects that foster adaptation of water protection programs and practices to climate change. EPA has provided examples of project approaches that meet the environmental innovation requirement, including:

- **Green Infrastructure/Low-Impact Development Stormwater Projects :** Projects that use new ways to manage water resources such as stormwater infiltration, green roofs and porous pavement.
- **Wetland Restoration and Constructed Wetlands:** Projects that restore wetlands or construct artificial wetlands to protect or restore water resources.
- **Decentralized Wastewater Treatment Solutions:** Environmentally innovative projects that apply decentralized wastewater treatment solutions to existing deficient or failing on site systems. Centralized solutions do not qualify for environmental innovation green project reserve funding. Contact the NY State Environmental Facilities Corporation (see link below) for more information about what size system is eligible.



- **Water Reuse:** Projects that reuse water and reduce energy consumption, recharge aquifers or reduce water withdrawals and treatment costs
- **Water Balance Projects:** Projects that use Water Balance Approaches (water budgets) at the project, local or regional scale that preserve or restore site, local or regional hydrology. Such an effort could address in a concerted manner, surface and groundwater withdrawals, stream flow (aquatic species protection), wetland and floodplain storage, groundwater recharge and regional or local reuse and harvesting strategies using a quantified methodology.

- **Sustainable Landscaping and Site Design:**

The water quality portion of projects that employ development and redevelopment practices that preserve or restore site hydrology through sustainable landscaping and site design, including infiltration and permeable paving practices.



- **Adaptation of Clean Water Programs to Climate Change:** Projects that facilitate adaptation of clean water programs and practices to climate change.

- **Energy Savings and Sustainable Site Design:** The water quality portion of projects that demonstrate energy savings and greenhouse gas reduction benefits of sustainable site design practices and the use of green stormwater infrastructure.

- **Differential Uses of Water:** Projects that incorporate differential uses of water based on the level of treatment to reduce the costs of treating all water to potable water standards.

- **Integrated Water Resources Management:** Identifying and quantifying the benefits of using integrated water resources management approaches, using modeling or other strategies, is encouraged as part of implementing projects that meet other funding requirements.

What Environmentally Innovative Projects Qualify for Funding under the Drinking Water State Revolving Fund?

Within the context of ARRA and the Drinking Water State Revolving Fund (DWSRF) program, the definition of “environmentally innovative projects” includes projects that demonstrate new and innovative approaches to delivering water supply services and/or managing water resources in a more sustainable way. These projects should achieve public health protection and environmental protection objectives at the lowest overall cost. Projects must be consistent with the DWSRF program requirements, as well as the timelines and objectives of ARRA. To receive funding under ARRA’s Green Project Reserve, environmentally innovative projects must complete business case documentation, which includes technical and financial information that demonstrates the water and energy efficiencies and operating cost reductions expected by project implementation. Examples of eligible environmental innovation projects under the DWSRF include:

- **Adaptation to Climate Change:** Projects, or components of projects, that enable the utility to adapt to the impacts of global climate change.

- **Total Water Management:** Projects, or components of projects, consistent with a “Total Water Management” planning framework; or other planning framework within which project life cycle costs (including infrastructure, energy consumption and other operational costs) are minimized.

For more information and resources on types of environmental innovation projects:

<http://hudsonwatershed.org/>

<http://www.nysefc.org/home/index.asp?page=687>

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FACT SHEET #4:

What is New York's Green Innovation Grant Program?

The federal economic recovery plan, “American Recovery and Reinvestment Act of 2009” (ARRA), requires that 20% of State Revolving Fund (SRF) monies be used for green infrastructure projects. The New York State Environmental Facilities Corporation (EFC) is implementing specific SRF initiatives to distribute ARRA funding for green infrastructure projects. This Fact Sheet summarizes one opportunity, New York's Green Innovation Grant Program (GIGP). For details on the GIGP program, application procedures, criteria selection, and other program requirements, see EFC's website on or after April 1, 2009, at <http://www.nysefc.org/GreenGrants>

How Much Funding is Available and When are GIGP Applications Due?

EFC anticipates that funding available through the GIGP will include at least \$35 million from the Clean Water SRF and \$3 million from the Drinking Water SRF for eligible green innovation projects. GIGP applications are due May 29, 2009.

What Type of Green Infrastructure Projects Qualify for GIGP Funds?

The GIGP program is designed to meet ARRA's and EFC's goals of preserving and creating jobs, promoting economic recovery and investing in environmental protection that will provide economic benefits to the State of New York. Green innovation includes capital projects, technologies, and activities that meet the objectives of environmentally and economically sustainable facilities by exceeding traditional infrastructure goals associated with basic regulatory requirements for water quality protection.

For the purpose of the GIGP, green infrastructure includes: **(1) Water Efficiency, Reuse or Conservation** projects that deliver equal or better services

with less water; **(2) Energy Efficiency** projects that reduce energy consumption or produce clean energy; **(3) Green Wet Weather Infrastructure** projects that maintain, restore, or mimic natural systems to infiltrate, evapotranspire, or recycle stormwater; and **(4) Environmental Innovation** projects that manage water resources to prevent or remove pollution in an economically sustainable way.

GIGP projects can be stand-alone projects. Applicants may be required to identify separate project components for funding consideration. Funding is not available for land acquisition, golf courses or swimming pools. To learn more, see other Fact Sheets in this series, at <http://hudsonwatershed.org/>

Who is Eligible to Apply for GIGP Funds?

Eligible applicants must own, lease or have a conservation easement or other valid legal interest on the land where the GIGP project is proposed. Applicants do not have to be on the existing 2009 Intended Use Plan (IUP) to apply for GIGP funding; however, a GIGP applicant must meet the minimum federal and state qualifications to participate in the CWSRF and DWSRF programs. Projects selected for GIGP funding will be listed in the 2009 IUP as “Category G” projects, at a later date.

Eligible applicants may include any county, city, town, village, district corporation, county or town improvement district, Indian reservation wholly within New York State, any public benefit



corporation or public authority established pursuant to the Laws of New York State or any agency of New York which is empowered to construct and operate an eligible GIGP project, or any two or more of the foregoing which are acting jointly in connection with a GIGP project. Eligible applicants also include any partnership, association, school district, not-for-profit corporation organized and existing under the Laws of New York State or any other state which is empowered to develop a project or any two or more of the foregoing which are acting jointly in connection with a project. Drinking water applicants are limited to eligible public water systems. Eligible projects must be located in a city, town or village with a population of less than one million.

What project costs for green infrastructure projects can be financed through the GIGP?

The GIGP can fund “capital costs” for projects, and incurred costs for planning and design. Capital costs include traditional infrastructure expenditures (such as pipes, pumps, and treatment plants), as well as unconventional infrastructure costs (planning and design, equipment purchases including water meters, street sweepers and aquatic weed harvesters, and appropriate tree or vegetative plantings). Operation, maintenance costs, and land acquisition are not eligible for funding.

Is Match Funding Required?

Grants of up to 90% of eligible project costs may be provided to eligible recipients with GIGP projects that comply with all requirements. The recipient must contribute 10%, in matching funds, which may include direct cash funding or documented in-kind services. Recipients may not use federal funds to match GIGP funds.

Are there other Requirements to receive GIGP Funds?

Yes. All project construction contracts must be executed by January 1, 2010. The project must be completed and all funds disbursed

by December 31, 2013. CWSRF and DWSRF rules will apply to the GIGP projects. The State Environmental Quality Review Act (SEQRA) must be complied with and all necessary permits obtained. Recipients of GIGP funds must comply with all cross-cutting federal authorities for assistance subgrants under ARRA. See EPA’s Guidance, Attachment 6, at http://www.epa.gov/water/eparecovery/docs/2009-03-02_Final_ARRA_SRF_Guidance.pdf

Selection Criteria

GIGP eligible projects will be considered for funding based upon demonstrated readiness, economic benefit, sustainability of project, and sustainable management/maintenance plans. Preference will be given to eligible projects that EFC determines are able to begin construction by June 16, 2009.

How Do I Apply?

A complete GIGP application shall, at a minimum, include:

- A completed, signed and dated Application Form (available at www.nysefc.org/GreenGrants on or after April 1, 2009).
- Detailed project description, rationale for undertaking the project and demonstration of how the project meets the evaluation criteria.
- Detailed description of the economic benefits of and number of jobs retained or created by the proposed project.
- A detailed description and schedule indicating how the applicant will complete all necessary environmental and State Historic Preservation Office reviews required for the proposed project in time to meet the January 1, 2010 deadline referred to above.
- Detailed project schedule, including construction start and end dates.
- Listing of all other sources of funding being utilized in support of the project.

For more information about the GIGP application, selection criteria, or other program requirements, see www.nysefc.org/GreenGrants on or after April 1, 2009.

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