

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.

