

# SFY 16 Water Quality Combined Funding Cycle Overview

Shelly McMurry  
SRF Coordinator  
Water Quality Program



# Water Quality Program Goals

- Ecology's Water Quality Program goals guide the funding programs and eligibility
  - To prevent and clean up water pollution
  - To help communities make sustainable choices that reduce and prevent water quality problems
  - To provide water quality partners with technical and financial assistance

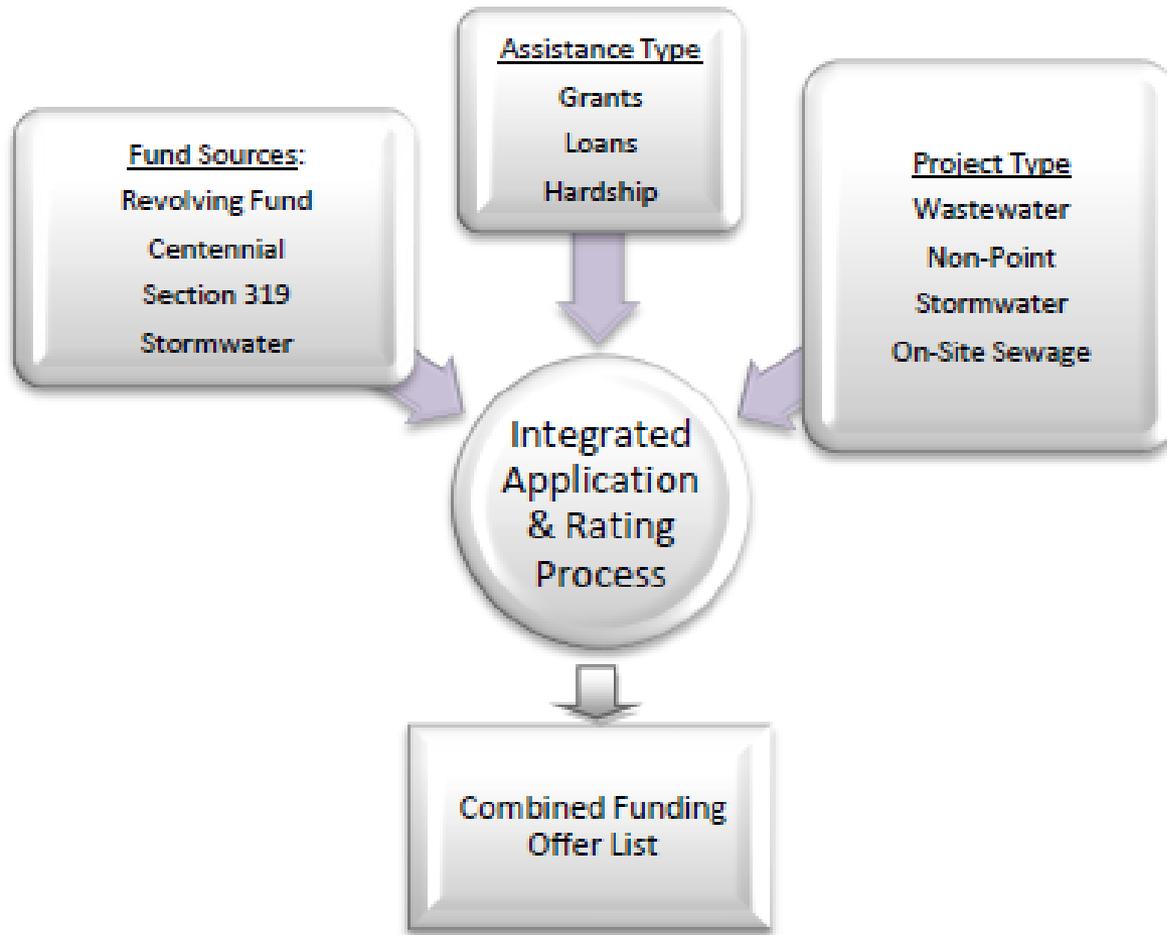


# Funding Sources

- Clean Water State Revolving Fund (SRF)
- Stormwater Financial Assistance Program (SFAP)
- Centennial Clean Water Program (Centennial)
- Clean Water Act Section 319 (319)

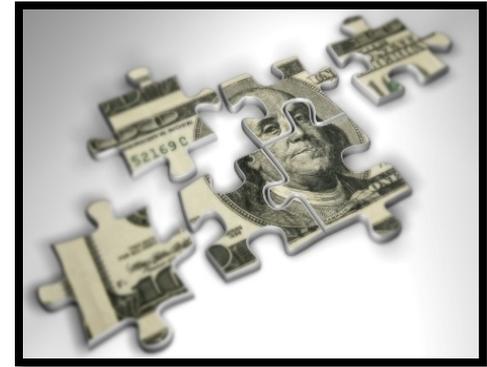


# Integrated Funding Program



# State Revolving Fund (SRF)

- Subsidized loan program
- Funded through:
  - Federal grants
  - 20% state match
  - Repaid principal and interest
- Funds facilities and activities projects
- Average: ~\$66M/year



# SRF Interest Rates

- Based on tax-exempt municipal bonds rate
- For SFY16:
  - 6-20 year loan: 2.4% (60% of MR)
  - 1-5 year loan: 1.2% (30% of MR)

MR = Market Rate for tax-exempt municipal bonds



# Stormwater Financial

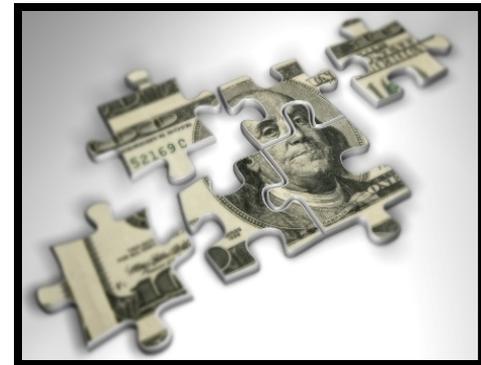
## Assistance Program (SFAP)

- State grant program
- Funded from state sources
- Funds stormwater projects not explicitly required by NPDES permits
- Cities and Counties eligible
- 1st time in the integrated program
- ~\$66M available



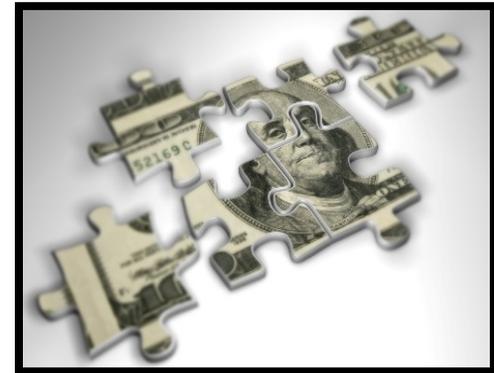
# Centennial Program

- State grant program
- Funded from state sources
- Funds hardship facilities and nonpoint activities projects
- Average: ~\$30M/year



# Section 319 Program

- Funded through:
  - Federal grant
  - 40% state match
- Funds nonpoint source pollution control activities projects
- Average: ~\$1.9M/year



# Who is Eligible to Apply?

- Local Governments
- Federally Recognized Tribes
- Special Purpose Districts
- Non-profits (Section 319 only)



# Types of Projects Funded

- Wastewater Facility Projects
- Stormwater Facility Projects
- Stormwater Activity Projects
- Nonpoint Source Activity Projects
- Onsite Sewage System Projects



# Types of Projects Funded

- Plus, special categories:
  - Hardship
  - Preconstruction
  - Green Project Reserve (GPR)



# SFAP: Hardship

- Criteria for hardship:
  - <25,000 population
  - MHI <80% State MHI
- Subsidy:
  - Match reduced from 25% to 15%



# Estimated Funding<sup>1</sup>

Fund Source	SFY15	SFY16
<b>SRF Loans (w/possible forgivable principal)</b>	<b>\$180 million</b>	<b>\$90 million<sup>2</sup></b>
<b>SFAP Grants</b>	<b>\$---</b>	<b>\$66 million</b>
<b>Centennial Grants</b>	<b>\$22 million</b>	<b>\$25 million<sup>3</sup></b>
<b>Section 319 Grants</b>	<b>\$1.6 million</b>	<b>\$1.6 million<sup>4</sup></b>

1 = Subject to change based on State Legislature appropriations for the 2015-17 Biennial Budget and Congressional appropriations for the Federal Budget

2 = Based partially on the Federal Fiscal Year 2014 Capitalization Grant

3 = Based on 2015-17 Biennial Budget request

4 = Based on the Federal Fiscal Year 2014 Federal Grant



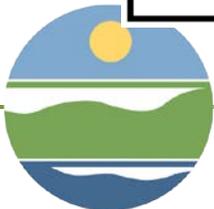
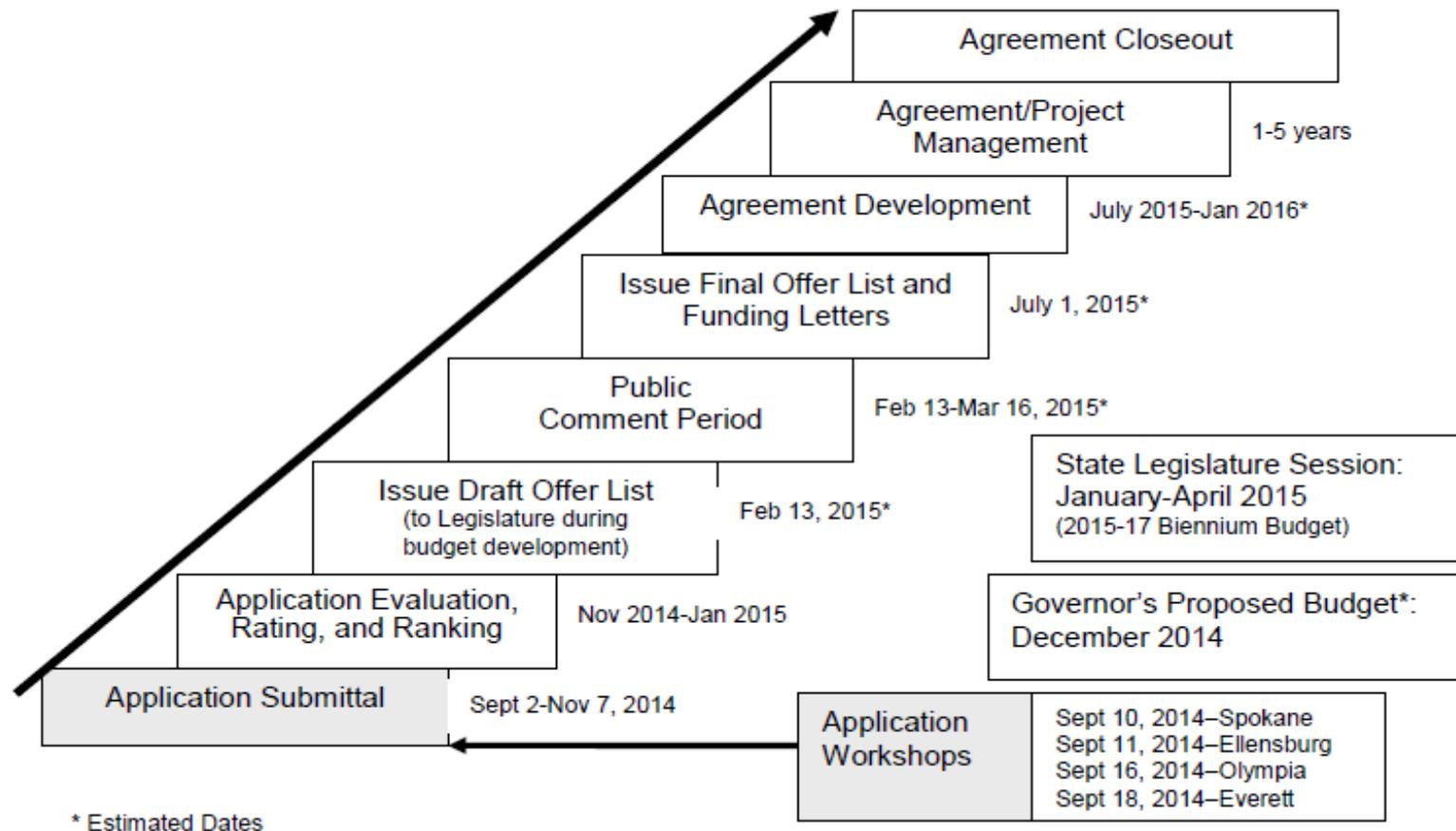
# Estimated Funding & Set-asides

<b>Revolving Fund</b>	<b>\$90,000,000</b>
10% of Federal Grant for GPR (Facility or Activity)	\$2,500,000
75% for Facility Loans	\$67,500,000
20% for Nonpoint Activity Loans	\$18,000,000
5% for Preconstruction Loans	\$4,500,000
Additional Subsidization (Forgivable Principal)	\$1,500,000
<b>SFAP</b>	<b>\$66,000,000</b>
100% for Stormwater Grants to Cities and Counties	\$66,000,000
<b>Centennial</b>	<b>\$25,000,000</b>
33% for Hardship Facilities Grants	\$8,333,333
33% for Nonpoint Source Activities Grants	\$8,333,333
33% Competitive Grants	\$8,333,333
<b>Section 319</b>	<b>\$1,600,000</b>
100% for Nonpoint Source Activities Grants	\$1,600,000



# SFY16 Funding Cycle

## Fiscal Year 2016 Annual Water Quality Funding Cycle Process Steps



# Key Dates



- November 7, 2014: applications via EAGL due
- February 2015: draft funding list available
- April 2015: expected final budget
- July 1, 2015: final list, formal offers, money available from legislature
- January 31, 2016: agreements signed
- April 30, 2016: work underway
- July 1, 2018: activity projects complete (3 years)
- July 1, 2020: facility projects complete (5 years)



# For Additional Information

- <http://www.ecy.wa.gov/programs/wq/funding/funding.html>
- <http://www.ecy.wa.gov/programs/wq/funding/cycles/FY2016/index.html>
  - Funding Guidelines
  - Draft and Final Offer Lists
  - EAGL Application Prep Tool
  - Workshop PowerPoint Presentations





Questions

