

## VERMONT CLEAN WATER STATE REVOLVING FUND (CWSRF) – INNOVATIVE USES

	<b>Sponsorship (Public/Private)</b> (No subsidy or forgiveness)	<b>Paired Projects</b> Funded through CWSRF Administrative Fee Adjustment (50% to 100% cost share)	<b>CWSRF Loans to Private Entities</b> (No subsidy or forgiveness)
	A= Private entity constructs stormwater infrastructure project or septic system	A = Municipality constructs traditional wastewater project or stormwater project  B = Municipality or private entity constructs green infrastructure or natural resources project	A = Private entity constructs stormwater infrastructure project, wastewater or septic system, or natural resources project
Description	Under existing law, 24 V.S.A. § 4763, municipalities can sponsor private projects so that they can obtain loans from the CWSRF.  Private entity enters into agreement with the municipality to pay back the CWSRF loan. Municipality provides guarantee in case of default.	Under CWSRF program, municipalities pay 2% administrative fee. DEC proposes to forgive part of the administrative fee to cover the cost of the natural resources project.  Administrative fee fund pays for DEC oversight of CWSRF loans. Not sustainable without replenishment of fund.  Municipality may enter into agreement with private entity to construct and maintain the green infrastructure or natural resources project.	Federal law authorizes states to lend CWSRF monies to private entities.  Would need to to amend state law to authorize CWSRF loans to private entities.  State could charge 2% administrative fee and 2% interest on loans to private entities, which could then help fund “paired projects” (second column).
Example	Municipality votes and bonds for \$1 million, which would be converted into a CWSRF loan to a private entity.	Municipality votes and bonds for \$1.1 million, comprised of \$ 1 million for wastewater facility upgrade and \$100,000 for green infrastructure. DEC would reduce the administrative fees owed by the municipality by \$100,000, effectively paying for the green infrastructure.	<ul style="list-style-type: none"> <li>• DEC would need to issue an RFP for a loan administrator.</li> <li>• Annual lending limit of no more than 20% of funds identified in municipalities’ intended use plans.</li> <li>• Private projects would be lower priority than municipal projects.</li> </ul>
Eligible Projects (% state cost share)	<ul style="list-style-type: none"> <li>• Waste water systems (ski areas, mobile home parks, etc)</li> <li>• NEW: Stormwater</li> <li>• NEW: Green infrastructure</li> <li>• NEW: Natural Resources Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Green infrastructure (50%)</li> <li>• NEW: Natural Resources Projects (100%)</li> </ul>	<ul style="list-style-type: none"> <li>• NEW: Waste water systems (ski areas, mobile home parks, etc)</li> <li>• NEW: Stormwater</li> <li>• NEW: Green infrastructure</li> <li>• NEW: Natural Resources Projects</li> </ul>

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### Statutory References

24 V.S.A. 4752(11) (definition of water pollution abatement & control facilities)

24 V.S.A. 4753(a) (CWSRF fund authority)

24 V.S.A. 4763 (municipal sponsorship of private projects)

### Examples of Green Infrastructure Projects:

- Downspout Disconnection
- Permeable Pavement
- Bioswales
- Rainwater harvesting

### Examples of Natural Resources Projects:

- Protection/restoration/conservation/acquisition wetlands or riparian lands
- Conservation easements & Streambank rehabilitation
- Improvement to nonpoint source polluted runoff & sourcewater protection