



CWSRF ELIGIBILITY EXPANSION


H.777 Clean Water State Revolving Fund (CWSRF)

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H.777 Proposed Changes

- Expand eligibility to include natural resource project types
- Expand eligibility of Clean Water State Revolving Fund (CWSRF) to allow for direct lending to private entities for all project types
- Creation of a sponsorship program

How does CWSRF work?



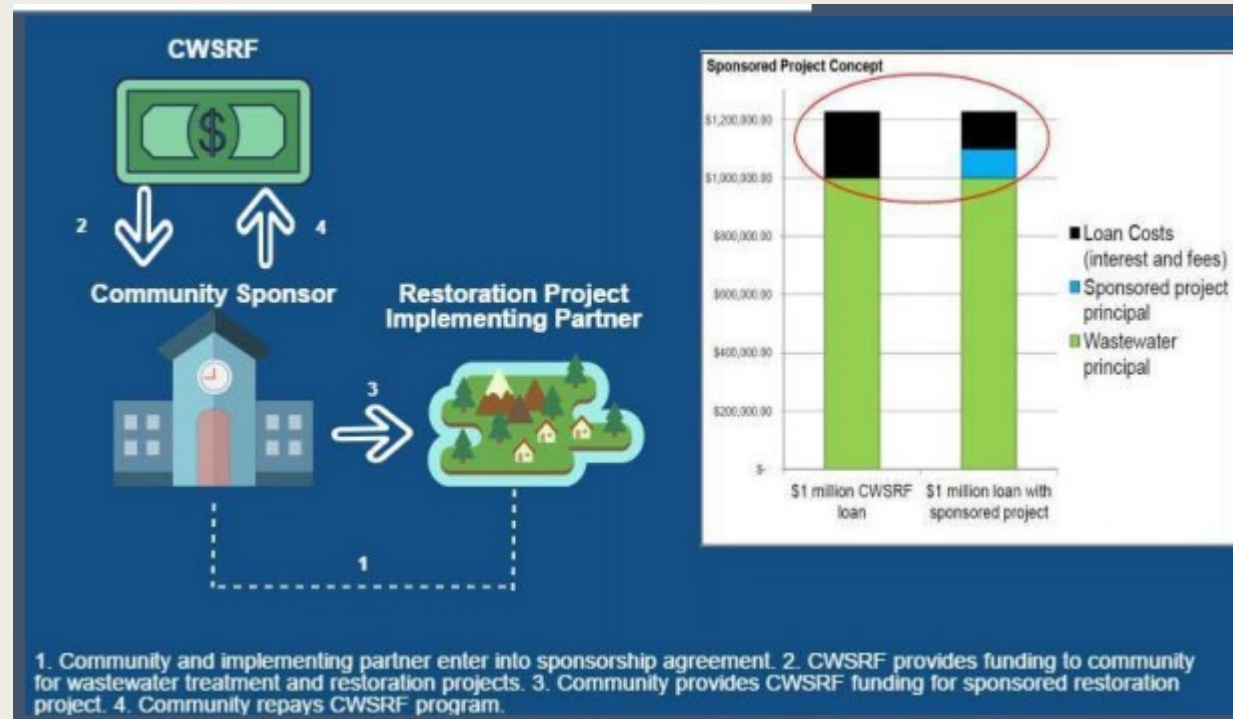
Proposals to expand utilization of CWSRF in Vermont...



What is sponsorship?

Enable Sponsorship

- Pairs a traditional treatment works project with a nonpoint source project in exchange for an interest rate discount.



Why sponsorship?

This
Generates
Revenue



Why sponsorship?

This
Doesn't

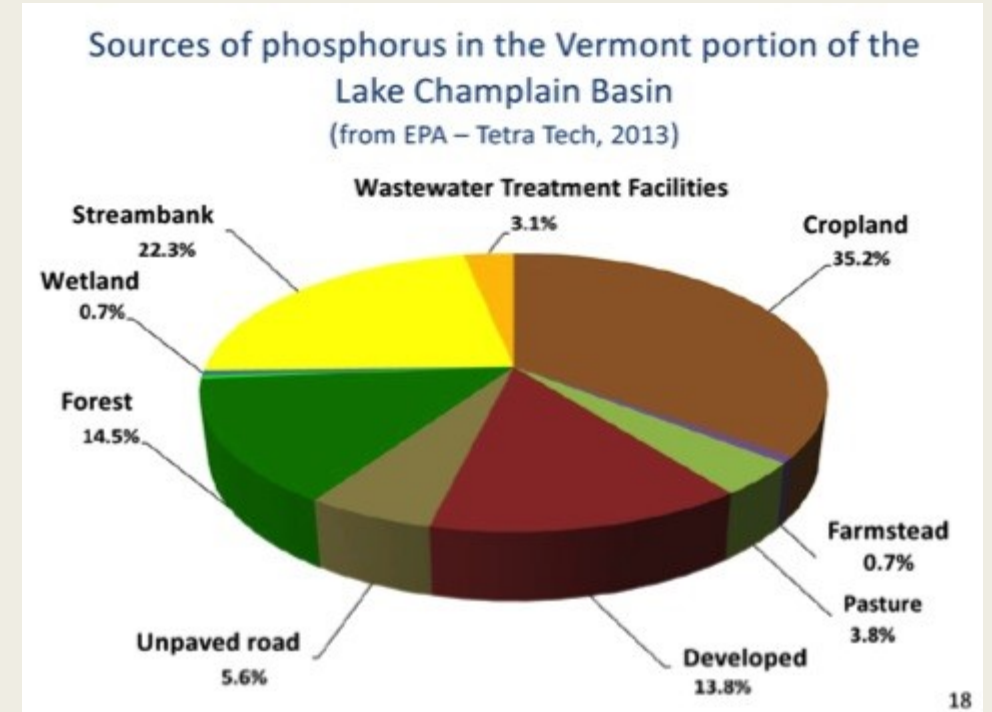


Challenge:



Why sponsorship?

- CWSRF is currently only focusing on Waste Water Treatment Facilities (WWTF), small % of pollution in Lake Champlain.
- Encourages “green” water restoration or protection projects
- Provides funding source to projects that otherwise wouldn’t be pursued
- Encourages the concept of Public-Private Partnerships
- Provides water quality improvements needed by municipalities and preserves “additional subsidy”



What kinds of projects could sponsor?

Traditional project examples (the “sponsoring” project):

- *Collection system improvements*
- *Wastewater treatment facility upgrades*
- *Grey stormwater facilities*
- *Interceptor, force main or pump station projects*

Sponsored projects can be municipally owned and maintained or owned and maintained by a private non-profit such as the nature conservancy (public-private partnership)

What projects could be sponsored?

- Green stormwater infrastructure
- Protection or restoration of streamside (riparian) areas and wetlands
- Acquiring riparian lands or wetlands
- Developing and acquiring conservation easements
- Alterations to stream banks and habitat improvements
- Improvement to nonpoint source polluted runoff
- Source water protection



Expand
Eligibility to
Natural
Resource
Projects

- Current statute restricts CWSRF eligibility to only “project related” nonpoint sources and green stormwater infrastructure
- These natural resource projects have no rate payers to generate revenue but are generally the best “bang for the buck” in terms of water quality improvement



Expand Eligibility to Private Entities

- Provide access to capital for upcoming costs related to 3 acre SW permit
- Charge the private entities an interest rate below market but higher than municipalities
- Generate extra fund income to supplement “lost” revenue for sponsorship
- Opens door to sponsorship with non-profits (The Nature Conservancy, Friends of Winooski, etc.)

Who are Private Entities?

- Mobile home parks
- Ski resorts
- Homeowner's associations
- Both for-profit and non-profit businesses (certain exclusions apply)

And the winners are....

- *Municipalities that get “free” additional water quality projects*
- *Private entities that have access to funding*
- *Stronger public-private partnerships*
- *CWSRF program increases utilization*
- *State of Vermont: Changes CWSRF focus from “clean up” (treatment) to prevention, which is cheaper*