TMACOG
Finding the Money

Water and Sewer Funding Opportunities Available from Ohio EPA

Stormwater Coalition Meeting
Toledo, Ohio
July 19, 2018
State Revolving Funds

Water Pollution Control Loan Fund (WPCLF)
WPCLF provides funding to public wastewater systems for planning, design and construction of wastewater systems.

Water Supply Revolving Loan Account (WSRLA)
WSRLA provides funding to public water systems for planning, design, and construction of drinking water systems.
## State Revolving Funds

<table>
<thead>
<tr>
<th></th>
<th>WPCLF</th>
<th>WSRLA</th>
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</thead>
<tbody>
<tr>
<td><strong>This is what we have accomplished over 29 years</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Loans</td>
<td>Over 2,400 Projects</td>
<td>Over 633 Projects</td>
</tr>
<tr>
<td>Total Investment In Ohio</td>
<td>Over $ 9.0 Billion</td>
<td>Over $ 1.4 Billion</td>
</tr>
<tr>
<td>Total estimated Savings for Communities</td>
<td>$1.3 Billion</td>
<td>$210 Million</td>
</tr>
<tr>
<td><strong>Sustainable Annual Capacity</strong></td>
<td>Over $500 million/year</td>
<td>$150 million/year</td>
</tr>
</tbody>
</table>
How State Revolving Funds Operate

- Federal Capitalization Grants
- State Matching Funds
- Leveraged Bonds

State Revolving Fund

- Project Disbursements
- Public Water or Wastewater Improvement Project
- Loan Repayments

Proceeds

Repayments
WPCLF Funding in Ohio

WPCLF Loans
Sum of Loans
- $11.3K - $13.5M
- $13.5M - $51.7M
- $51.7M - $204.4M
- $204.4M - $711.6M
- $711.6M - $1.6B
### TMACOG area SRF loan awards (since 1993)

#### WPCLF
- Toledo – 60; $645 M
- Oregon – 15; $40 M
- NWWSD – 48; $36.5 M
- Bowling Green – 9; $20.7 M
- Sandusky Co. – 9; $2.7 M
- Others: Findlay, Tiffin, Swanton, Fayette, Ottawa Co., Port Clinton

#### WSRLA
- Toledo – 3; $22.6 M (plus pending $40+ M HAB project)
- Oregon – 5; $36 M
- NWWSD – 30; $17.4 M (plus 10 more pending projects, $18 M)
- Bowling Green – 6; $25 M
- Others: Woodville, Ottawa Co.
Water Supply Revolving Loan Account

Eligible Projects Include:

- New water treatment plants
- New waterlines
- Water tanks/towers
- Regionalization projects
- Standby/back-up power
- Emergency interconnections
- Water treatment plant rehab
- Waterline rehab/replace
- Pump/booster stations
- New water meters
- New well fields
- Asset Management Plans
WSRLA Funded – Avon Lake Regional Water – Storage Tank
WSRLA Funded – Brown County Rural Water – Water Lines
Water Pollution Control Loan Fund

Eligible Projects Include:

- New wastewater treatment plants (WWTP)
- WWTP upgrades and rehabilitation
- New sanitary sewers for unsewered areas
- Sanitary sewer rehabilitation or replacement
- Storm water improvements
- CSOs (New Incentives)
- Nutrient Reduction (Incentive)
- NPS Projects:
  - Stream protection and stream restoration
  - Landfill closure
  - HSTS replacement programs
WPCLF Funded – Toledo Ottawa River Storage Basin
<table>
<thead>
<tr>
<th></th>
<th>WPCLF</th>
<th>WSRLA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Year</td>
<td>Jan. 1&lt;sup&gt;st&lt;/sup&gt; – Dec. 31&lt;sup&gt;st&lt;/sup&gt;</td>
<td>July 1&lt;sup&gt;st&lt;/sup&gt; – June 30&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>Nomination Period</td>
<td>August</td>
<td>February/March</td>
</tr>
<tr>
<td>Minimum/Maximum $</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Approx. Principal Forgiveness Available</td>
<td>$30 million</td>
<td>$11 million</td>
</tr>
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</table>
## WPCLF/WSRLA Interest Structure

<table>
<thead>
<tr>
<th>Category</th>
<th>Terms</th>
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<tbody>
<tr>
<td>Standard</td>
<td>Market rates minus 1.25%</td>
</tr>
<tr>
<td>Small Community</td>
<td>Market rates minus 1.75%</td>
</tr>
<tr>
<td>Hardship</td>
<td>1%</td>
</tr>
<tr>
<td>Hardship/Disadvantaged</td>
<td>0%</td>
</tr>
<tr>
<td>Principal Forgiveness</td>
<td>Available during 2018</td>
</tr>
</tbody>
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Lower Interest Rates = Big $avings

Compared to market rates, savings are substantial
Example $1 million loan (June 2018 rates)

<table>
<thead>
<tr>
<th>Interest Rate</th>
<th>Total Repayments</th>
<th>Savings vs. Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market (3.40%)</td>
<td>$1,386,400</td>
<td>--------------------</td>
</tr>
<tr>
<td>Standard (2.15%)</td>
<td>$1,235,645</td>
<td>$150,755</td>
</tr>
<tr>
<td>Small (1.65%)</td>
<td>$1,178,140</td>
<td>$208,260</td>
</tr>
<tr>
<td>Hardship (1%)</td>
<td>$1,105,820</td>
<td>$280,580</td>
</tr>
<tr>
<td>Hardship (0%)</td>
<td>$1,000,000</td>
<td>$386,400</td>
</tr>
</tbody>
</table>
WPCLF and WSRLA Highlights for 2017

- 2017 was a record year for Ohio’s SRFs!!!
  - WPCLF - $922 million - 172 loan agreements
  - WSRLA - $82 million - 53 loan agreements
  Total = $1.004 billion - 225 loan agreements

- Helping communities, improving water quality, and protecting public health!
### Recent Discounts & Features Available

<table>
<thead>
<tr>
<th>WPCLF</th>
<th>WSRLA</th>
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<tbody>
<tr>
<td>• CSO Discount</td>
<td>• HAB Discount</td>
</tr>
<tr>
<td>• Regionalization Discount</td>
<td>• Regionalization Projects (75% PF)</td>
</tr>
<tr>
<td>• Nutrient Reduction Discount</td>
<td>• Human Health Projects (75% PF)</td>
</tr>
<tr>
<td>• WRRSP Sponsorship</td>
<td>• Disadvantaged Comm. (50% PF)</td>
</tr>
<tr>
<td>• 0% Planning/Design Loans</td>
<td>• 0% Planning/Design Loans</td>
</tr>
<tr>
<td>• Extended Terms Available</td>
<td>• Targeted Funds</td>
</tr>
<tr>
<td>• <strong>Principal Forgiveness</strong></td>
<td>- Emergency Generator Grants</td>
</tr>
<tr>
<td>- Home Sewage</td>
<td>- Asset Management</td>
</tr>
<tr>
<td>- Unsewered Areas</td>
<td>- Emergency Connections</td>
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- Ohio Environmental Protection Agency
What is “Principal Forgiveness”? 

• Principal forgiveness – a limited pool of “free money” dedicated to addressing public health issues in hardship communities

• Qualifying communities compete for limited funds, based on priority scores and readiness to proceed

• Annual PF $$ amount determined by Congressional appropriations
How does home sewage treatment fit into the Principal Forgiveness world?

- Through the WPCLF, Ohio EPA offers PF to county/local health departments to be used for repairing or replacing failing home sewage treatment systems (HSTS).
- Qualifying homeowners (based on income levels) can receive 50%, 85%, or 100% of the cost for this HSTS work.
- The health departments administer the funds, approve project designs, inspect installation work, and generally manage all local aspects of the program.
WPCLF Funded – HSTS Improvements

$39.8 million in WPCLF HSTS Funding (2016-2018)
......so, what’s the story with storm water funding??
Previously-funded SW Projects

• American Recovery and Redevelopment Act (ARRA)
  – Riverside – salt storage
  – Lancaster – LDOT storm water pollution improv.
  – Toledo – Maywood Ave. storm water reduction
  – Lima – Black Dr./Latham Ave. storm sewer impr.
Previously-funded non-ARRA SW Projects

• Willard – infiltration/inflow correction
• Newark – downtown redevelopment
• Numerous combined sewer separation projects
Up until recently, storm water funding through the WPCLF has been mostly “incidental”

So, what’s changed?
WRRDA
(Water Resources Reform and Development Act of 2014)
Potentially Eligible Storm Water Projects

- Permeable/porous pavements
- Green roofs
- Tree boxes
- Vegetated Swales
- Cisterns and Rain Barrels
- Land Conservation and Reforestation
- Riparian Buffers
- Wetland Creation/Restoration
Potentially Eligible Storm Water Projects (continued)

- Rain gardens and Bio-infiltration practices
- Retrofit projects to detain and infiltrate storm water
- Roof drain disconnection
- Storm Water Planning
- Storm Sewer Replacement/Rehabilitation
- Storm Water Detention/Retention Basin work
- Green Infrastructure Practices
- Water Conservation Practices
Recent/Upcoming SW Projects

• Central Ohio – Blueprint Columbus
  2016 – Three WPCLF projects; $11.15 M
  2017 – Eight WPCLF projects; $32.7 M
  2018-2019 – Ten more projects; $50 M

• Other Columbus SW projects – Twelve; $19 M
Columbus Downtown – bio-retention planters
Adena Basin 4 – newly planted
Adena Basin 4 – after rain event
Grange Insurance – rain garden
Heritage Park – pervious basketball court
Clintonville – green infrastructure survey work
Other Recent SW-Related Projects

• Other Central Ohio - Lancaster
  CSO/storm sewer separation – Four; $7.1M

• NW OH – NWWSD
  I&I removal – multiple projects; $2 - 4 M

• Hamilton Co. – MSD
  Lick Run Conveyance – One; $139.5M
Ample funding with great rates for a myriad of SW projects
What’s not to like?

It’s still a loan and it has to be repaid.
Are there other (free?) options?

• OPWC – grants/loans, very competitive
• USDA-RD – loans only for qualifying applicants
• OWDA – market-rate loans
• Others......?? {Ohio DSA’s Alternative Stormwater Infrastructure Loan Program}
• Future WPCLF incentives??
Are there any other SRF programs that might be of interest?

- Water Resource Restoration Sponsor Program – “free money” tied to WPCLF loan “sponsor” projects; approximately $15 M available annually; very competitive and centered around restoring/protecting Ohio’s highest quality water resources
Water Resource Restoration Sponsor Program (WRRSP)

- In Ohio, the Water Resource Restoration Sponsor Program was developed and implemented in 2000, with the goal of helping to restore and protect high quality water resources throughout the state.
- To date, the WRRSP has provided $185 million for sponsorship projects, including preservation of more than 5,200 acres of wetlands and 90 miles of streams, including multiple Oak Openings-related projects.
- Also among the many restoration activities funded by the WRRSP are twelve (12) dam removal projects, with three (3) more anticipated to receive funding approval in the next year.
Oak Openings swamp forest (WRRSP-funded acquisition)
WRRSP-Funded - Scioto Main Street
Dam Removal and River Restoration
Turkey Creek (WRRSP-funded acquisition)
Turkey Creek estuary (WRRSP-funded acquisition)
Questions?

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