Funding Stormwater Projects with the STATE REVOLVING FUND (SRF)

Lori Beary, Iowa Finance Authority
Funding Stormwater

- SRF’s can be useful in financing stormwater projects, **BUT** this is not a problem that SRF’s can solve

- Recommendations included multiple options
  - More funding / grants / education
Funding Stormwater

• Use of SRF’s for stormwater has been uneven
  – Source of repayment (stormwater utility/fees, sewer fees, GO, etc.)
  – Expertise in designing/approving “green” projects
  – Green project reserve
  – Water quality vs. flood mitigation
  – Legislative restrictions on the use of SRF
  – Much stormwater is unregulated
Linked Deposit Programs

• **Local Water Protection Program (LWPP)** -
  – For landowners to prevent runoff
• **Livestock Water Quality Program (LWQ)**
  – For livestock producers for manure management
• **Storm Water Program (SWP)**
  – For projects that address water quality
• **Onsite Wastewater Assistance Program (OSWAP)**
  – For homeowners to repair or replace septic systems
Sponsored Projects Funding

- 10% of CWSRF award
- Funding is achieved by the wastewater utility borrowing from the Clean Water SRF for an infrastructure project + a nonpoint source watershed project
- The overall interest rate is reduced, allowing the utility to finance two projects for the cost of one
Stormwater Loans

• Repaid with stormwater fees
• City’s motivation is usually flood mitigation
  – SRF focus is on water quality
Lessons Learned / Keys to Success

• Partnerships – find people with the expertise you need
  – County Soil and Water Conservation Districts
  – Iowa Dept of Ag urban conservationists
  – County sanitarians
  – USDA NRCS staff
  – Local ag lenders

• Stormwater Utilities
  – Easy for Iowa municipalities to create

• Relationships / Marketing
  – Iowa SRF has loans with over 600 communities
  – Exhibit at conferences
  – Iowa SRF has staff person dedicated to nps projects / separate from 319 staff
Stormwater Funding

Questions?

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