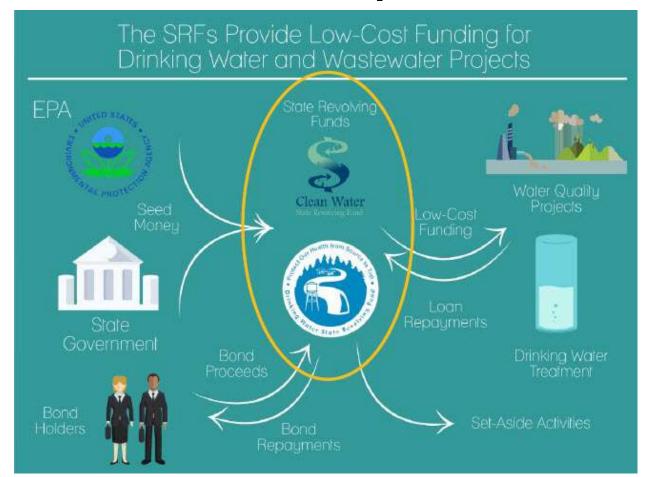


WI Environmental Improvement Fund



WI DNR's Environmental Loans Program

- Clean Water Fund Program (CWFP), Safe Drinking Water Loan Program (SDWLP)
 - Private LSL Replacement Program & CWFP Pilot Project Program
- Subsidized interest rates updated quarterly
 - 2.145% for most municipalities
 - 1.287% for disadvantaged municipalities
 - 0% for extremely disadvantaged municipalities (CWFP only)
- 20 30 year loan terms (or design life of project)
- Portions of loans may be awarded as Principal Forgiveness (like grant funding – no repayment)



DNR Clean Water Fund BIL Funding – Where Are We Now?

	Total	Principal Forgiveness	Loan
SFY23 (Year 1)	\$48,116,000	\$23,576,840	\$24,539,160
SFY24 (Year 2)*	\$55,705,274	\$27,295,584	\$28,409,690
SFY25 (Year 3)*	\$60,790,088	\$29,787,143	\$31,002,945
SFY26 (Year 4)*	\$65,849,605	\$32,266,306	\$33,583,298
SFY27 (Year 5)*	\$65,849,605	\$32,266,306	\$33,583,298
* Estimated			

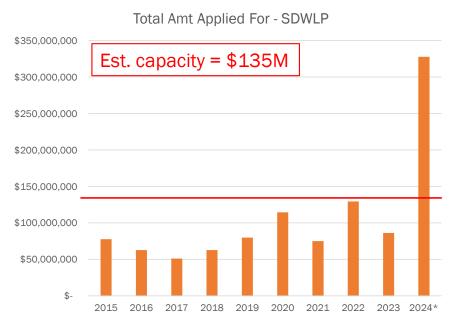
- Principal forgiveness is limited, competitive, and not guaranteed
- > In addition to allocation to annual Capitalization Grant
- Notice of Intent to Apply (ITA) deadline for SFY2026 funding is October 31, 2024

SFY 2024 Total Loan Demand: Current

CWFP

Total Amt Applied For - CWFP \$450,000,000.00 \$400,000,000.00 \$350,000,000.00 \$250,000,000.00 \$150,000,000.00 \$50,000,000.00 \$-2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024

SDWLP



* Includes Base & EC funding requested, but not LSL

SFY 2025 Impacts

- The SFY 2025 application cycle will proceed as normal
- Estimated loan capacity for SFY 2025
 - Will be available closer to the start of the fiscal year (July).
 - Anticipated to be sufficient to meet *historical* (pre-2024) loan demand.
- Principal Forgiveness
 - Available amounts expected to be comparable to SFY 2024 (general, EC & LSL).
 - BIL PF amounts are fairly certain, base PF is dependent on the federal budget and earmarks.
- Recommendation
 - Apply ahead of the application deadlines to compete for funding.
 - Understand that funding may be insufficient if loan demand is high.

Important Deadlines

- June 30, 2024
 - Deadline to submit full applications for SDWLP SFY2025
 - Must have previously submitted an eligible ITA by October 2023
- September 30th, 2024
 - Deadline to submit full applications for CWFP SFY2025
 - Must have previously submitted an eligible ITA by October 2023
- October 31st, 2024
 - Deadline to submit ITA for SFY2026
 - Applications due for SFY2026 on September 30th, 2025.

Technical Assistance – DNR Resources

BIL allows states to use 2% of any CW <u>capitalization grant</u> for technical assistance (TA) to small (<10,000), rural, or tribal governments.

New DNR Staff TA Providers

- Wastewater Lisa Creegan
- Stormwater Matt Kaelin
- Nonpoint/Ag Laura James
- Climate Resilience Ezra Meyer
- Healthy Watersheds/High Quality Waters Lauren Haydon
- Engineering Plan Review Ben Wacker, Sawyer Dobson, Santos Quispe
- Drinking & Groundwater Elaine Meier, Olivia Fronmueller, Briana Harter, Jeff Flashinski
- Loan Support Multiple additional loan project managers

Technical Assistance – EPA TA Request

Help for Your Community:

- Cybersecurity
- Climate Resilience
- Training
- Planning
- Decision Making
- Develop Funding Applications
- Address Capacity Needs
- Operator Certification



- Contact <u>WaterTA@epa.gov</u>
 - Region 5 Form

Technical Assistance – EPA TA Providers

- Great Lakes Community Action Partnership (GLCAP- OH)
 - A charter member of Rural Community Assistance Partnership (RCAP)
- Delta Institute (IL)
 - Nonprofit org -works with communities to address environmental challenges
- Wisconsin Rural Water Association (WRWA-WI)
 - Training and TA to small, decentralized, or tribal wastewater and drinking water systems
- Environmental Finance Center Networks (EFCNs- Nationwide)
 - 3 categories of EFCNs that deliver targeted TA to local governments, states, Tribes, and nongovernmental organizations to protect public health, safeguard the environment, and advance environmental justice
- Environmental Justice Thriving Communities TA Centers (EJTCTAC- MN)
 - Training for communities with EJ concerns, navigate federal grant applications, develop grant proposals, and managing grant funding. Assist with community engagement, meeting facilitation, and translation/interpretation services for limited English-speaking participants.

Ag Nonpoint within the Clean Water Fund

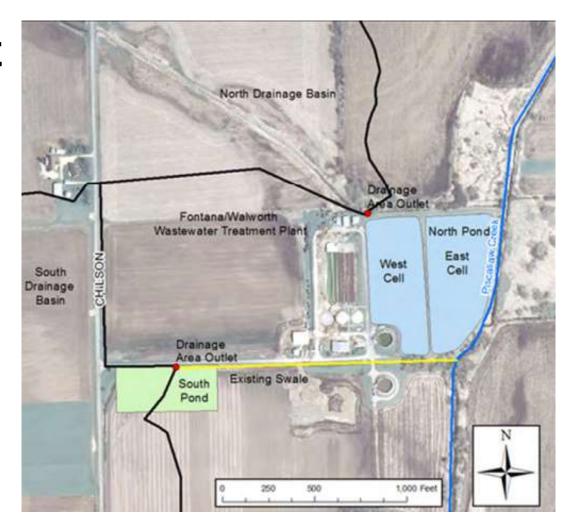
Pilot Projects Program

- Loans for water quality trading and other non-traditional projects with interest rates as low as 0% (no principal forgiveness)
 - WQT is one of five phosphorus compliance options.
- Pilot Project eligibility is considered on a case-by-case basis. Eligible applicants are municipalities.
 - National vs. state-level considerations
- Authorized under s. 281.58(7)(b)7., Wis. Stats.

Example Pilot Project

Village of Fontana/Walworth

- Water Quality Trading to meet WPDES phosphorus limits
- Phosphorus reduction practices used:
 - Treating ag runoff from 900-acres using two sedimentation basins
- \$1,141,550 at 0% interest rate



Types of Pilot Projects so far

- Retiring a crop field into perennial vegetation (WQT)
- Sedimentation basins to treat ag runoff (WQT)
- Stream restoration (WQT)
- A project bundling practices on 5 landowners' fields (WQT)
- Green infrastructure with programmatic financing approach
- Alum treatment for a lake with no other feasible options







FUNDING SOURCES



GREEN ROOFS



BIOSWALES



POROUS PAVEMENT



SOIL AMENDMENTS



STORMWATER TREES



NATIVE LANDSCAPING



Aerial photo credit RES



Program Update

- Demand for Pilot Projects subprogram is increasing like the rest of the CWFP.
 - 2020-2022, ~7 Intents to Apply submitted per year
 - 2023-2025, ~30 Intents to Apply submitted per year
- 4 loans have been provided so far, with two more expected soon
- Pilot Project loans are an option available for funding certain kinds of nutrient reduction projects outside of traditional facility upgrade projects.

Pilot Projects Contacts

Laura James - for info about technical assistance for small/rural/tribal communities

Laura.james@wisconsin.gov

(608) 740-0085

Dave Calhoon – for info about Pilot Projects Program loan eligibility

David.calhoon@wisconsin.gov

(608) 234-0845

For information about phosphorus implementation or WQT, contact:

DNRPhosphorus@Wisconsin.gov

Visit our website at dnr.wisconsin.gov/aid/EIF.html

Climate Resilience and Wastewater Utilities What is climate resilience?

- American Society of Civil Engineers:
 - Resilience is the "ability to plan, prepare for, mitigate, and adapt to changing conditions from hazards to enable rapid recovery of physical, social, economic, and ecological infrastructure."

What is climate resilience?

- Union of Concerned Scientists:
 - "...successfully coping with and managing the impacts of climate change while preventing those impacts from growing worse"
- Federal Emergency Management Agency (FEMA):
 - "Hazard mitigation" is any sustainable action that reduces or eliminates long-term risk to people and property from future disasters. Climate resilience is a part of hazard mitigation.

Planning for climate resilience:

- = considering climate impacts as you plan for future infrastructure (capital) investment <u>and</u> operations
- Infrastructure planning fits into many kinds of local plans:
 - Capital improvement plans / asset management plans
 - Operational strategic plans
 - Hazard mitigation plans
 - Comprehensive plans / Development plans
 - Climate action plans

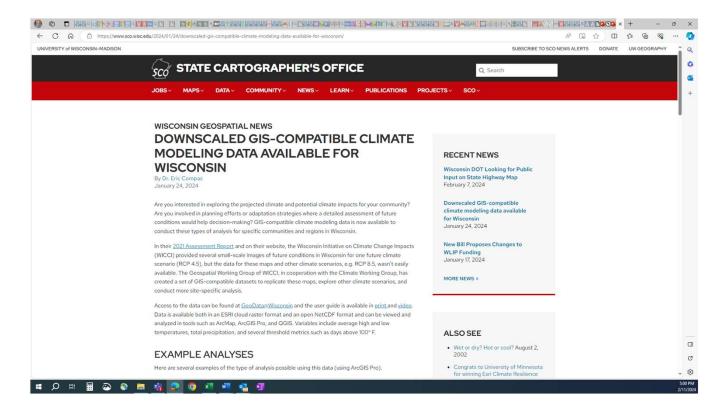
Climate Resilience and Wastewater Utilities Designing for climate resilience:

- Can run the gamut:
 - ...from simple considerations around increased pipe sizing...
 - ... to a full-blown utility resilience plan...

Climate Resilience and Wastewater Utilities Designing for climate resilience:

- Make sure to think about likely estimated precipitation intensity and regularity throughout the asset's design life
 - Use the latest data / future projections, not old data
 - Wisconsin Initiative on Climate Change Impacts (WICCI): https://wicci.wisc.edu
 - State Climatology Office: https://climatology.nelson.wisc.edu/
 - Fifth National Climate Assessment: https://nca2023.globalchange.gov/
 - Consider the Federal Flood Risk Management Standard some funding sources require it
 - https://www.fema.gov/floodplain-management/intergovernmental/federal-floodrisk-management-standard

Data:



https://www.sco.wisc.edu/2024/01/24/downscaled-gis-compatible-climate-modeling-data-available-for-wisconsin/

Climate Resilience and Wastewater Utilities Implementing capital infrastructure projects with a climate resilience component:

- Energy efficiency
- Flood protection
- Relocation of infrastructure
- Renewable energy: biogas, solar panels, etc.
- And more...

Resilience technical assistance resources:

- EPA's Creating Resilient Water Utilities (CRWU) program:
 - https://www.epa.gov/crwu
 - o Case studies: https://storymaps.arcgis.com/stories/1b5126bb60bd495a9ff9b05a732b6e5b
- FEMA's Building Resilient Infrastructure & Communities (BRIC) program:
 - https://www.fema.gov/grants/mitigation/building-resilientinfrastructure-communities
- EPA's Water Utility Adaptation Strategies for Climate Change:
 - https://www.epa.gov/arc-x/water-utility-adaptation-strategiesclimate-change

Funding resources:

- WDNR's Clean Water Fund Program
 - https://dnr.wisconsin.gov/aid/EIF.html
- FEMA's Building Resilient Infrastructure & Communities (BRIC) program:
 - https://www.fema.gov/grants/mitigation/building-resilientinfrastructure-communities
- Funding Opportunities List from the Federal Government's U.S. Climate Resilience Toolkit:
 - https://toolkit.climate.gov/content/funding-opportunities

WDNR Clean Water Fund Program

Energy Efficiency Priority Principal Forgiveness

- 1 to 1 match of Focus on Energy incentive funds
 - Up to \$50,000 per project
- Applicants are <u>not</u> required to qualify under the affordability criteria



WDNR Partnership with FOCUS ON ENERGY®

Encourage energy-efficient improvements

Water and wastewater infrastructure projects

Provide funding incentives for energy efficiency

Grants, loans, and other funding types/sources

Partnership between FOCUS ON ENERGY® and WDNR's Clean Water Fund Program

SF Year	Municipality	Energy Efficiency PF	FoE Rebate
2023	City of Racine	\$50,000*	\$77,097
2023	City of Juneau	\$19,663	\$19,663
2022	Village of Marathon City	\$4,342	\$4,342
2022	City of Beloit	\$50,000*	\$59,320
2021	Village of Egg Harbor	\$3,606	\$3,606
2021	Village of Pulaski	\$7,350	\$7,350

Common Energy-Efficient Components:

- Blower and pump upgrades
- Improvements to aeration systems
- UV disinfection systems and upgrades

CONNECT WITH US

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Laura James: Laura.James@wi.gov

Ezra Meyer: Ezra.Meyer@wi.gov









