INFRASTRUCTURE INVESTMENT AND JOBS ACT: PARK FUNDING SOURCES

January 19, 2022 | 2:00-3:00 pm ET

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FEMA’s Hazard Mitigation Assistance Programs

Camille Crain | January 19, 2022
## HMA Program Overview

### Disaster Cycle Grant Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Assistance (PA) 406 Mitigation</strong></td>
<td>Supports communities’ recovery from major disasters by providing mitigation funding opportunities to restore and strengthen public infrastructure. HMA works to enhance coordination with PA.</td>
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<tr>
<td><strong>Hazard Mitigation Grant Program (HMGP)</strong></td>
<td>Implements long-term hazard mitigation measures after a major disaster declaration</td>
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<tr>
<td><strong>HMGP Post-Fire</strong></td>
<td>Helps communities implement hazard mitigation measures after wildfire disasters</td>
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### Annual Cycle Grant Programs

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<tr>
<td><strong>Flood Mitigation Assistance (FMA)</strong></td>
<td>Reduces or eliminates the risk of repetitive flood damage to buildings and structures insured under the National Flood Insurance Program (NFIP)</td>
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<tr>
<td><strong>Building Resilient Infrastructure and Communities (BRIC)</strong></td>
<td>Supports the undertaking of new and innovative projects reducing the risks faced from disasters and natural hazards</td>
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<tr>
<td><strong>Pre-Disaster Mitigation (PDM)</strong></td>
<td>Replaced by BRIC and funded pre-disaster hazard mitigation activities awarded in FY19 and earlier</td>
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</tbody>
</table>
Infrastructure Investment and Jobs Act (IIJA) Increases HMA Funding

- **IIJA signed into law on November 15, 2021**

- **Provides $6.8 billion that FEMA will invest in community-wide mitigation to reduce disaster suffering and avoid future disaster costs, including $5 billion for Hazard Mitigation Assistance**

<table>
<thead>
<tr>
<th>Building Resilient Infrastructure and Communities (BRIC)</th>
<th>Flood Mitigation Assistance (FMA)</th>
<th>Hazard Mitigation Assistance Program (HMGP)</th>
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<tr>
<td>- Provides $1 billion over five years, or $200 million per year for FY 22–26</td>
<td>- Provides $3.5 billion over five years, or $700 million per year for FY 22–26</td>
<td>- $3.46 billion was made available nationwide this year for HMGP through COVID-19 disaster declarations</td>
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<tr>
<td>- This is in addition to the funding FEMA provides through setting aside up to 6% of the assistance the agency provides following major disaster declarations</td>
<td>- The Act more than triples the amount available for future flood mitigation</td>
<td></td>
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</table>
BRIC’s Guiding Principles

- Support Community Capability & Capacity Building
- Encourage and Enable Innovation
- Promote Partnerships
- Enable Large Infrastructure Projects
- Maintain Flexibility
- Provide Consistency
BRIC FY 2021 Priorities

- Mitigate the risk to public infrastructure
- Incentivize resilient investments in disadvantaged communities, as referenced in Executive Order 14008 (Tackling the Climate Crisis at Home and Abroad)
- Mitigate risk to one or more community lifelines
- Incorporate nature-based solutions
- Enhance climate resilience and adaptation
- Incentivize the adoption and enforcement of the latest published editions of building codes

BRIC encourages mitigation projects that meet multiple program priorities
BRIC Funding Available in FY 2021

$1 Billion

- **State/Territory Allocation**: $56 million (up to $1 million per Applicant)
  - All 50 states, the District of Columbia, and U.S. territories may apply under the State/Territory Allocation
  - Any funds not awarded from the State/Territory Allocation will be re-allocated to the national competition

- **Tribal Set-Aside**: $25 million
  - All Indian tribal governments (federally recognized) may apply under the Tribal Set-Aside
  - Any funds not awarded from the Tribal Set-Aside will be re-allocated to the non-financial Direct Technical Assistance for tribes or the national competition

- **National Competition for Mitigation Projects**: $919 million (estimated)
Project Example: Lumberton Loop, Lumberton, NC

Issue: The City of Lumberton experiences flooding during hurricanes and other large rain events - Hurricanes Matthew and Florence caused extensive damage.

Project Benefits:

- **Nature-Based Infrastructure:** Connects over 100 parcels and develops 800-acre trail system.
- **Improves Environment:** Restores stream channels, constructs wetlands, reforests floodplains, improves water quality.
- **Improves Human Condition:** Develops multi-modal paths to reduce future flood losses and enhances the equity of park space to disadvantaged populations.

**Partners:** City of Lumberton, the NC State University Coastal Dynamics Design Lab, The Conservation Fund, resident stakeholders, and numerous affiliates at the North Carolina Office of Recovery and Resiliency, the North Carolina Department of Transportation, North Carolina State Parks, and the Lumber River Conservancy.
Project Example: Blue/Green Stormwater Flood Mitigation, Southwest Washington, DC

- **Issue:** DC stormwater issues result in localized structural damages, impacts to critical facilities -- such as a police station serving over 100,000 people. Roadway is often blocked.

- **Demographics:** 75% Black community

- **Benefits:**
  - Parks and public amenities are enhanced for community and to collect water
  - New greenway corridor developed; beautify community
  - Local reduction of heat and heat island effect
  - Positive environmental impacts of absorbing water and preventing flow to Chesapeake Bay
How to Apply for BRIC

- Eligible Applicants must apply for funding using FEMA Grants Outcomes (FEMA GO) at the FEMA GO Portal
- Visit FEMA Grants Outcomes (FEMA GO) for Hazard Mitigation Assistance Grants to view the technical user manuals and support materials

Application Deadlines

- The Application period opened on September 30, 2021
- Applications must be received in FEMA GO by January 28, 2022, at 3:00 PM Eastern Time (ET)

Technical Assistance

- Applicants experiencing technical problems outside of their control must notify FEMA by 3:00 PM ET on January 26, 2022
Thank you
www.fema.gov/bric
EPA’s Clean Water State Revolving Fund
A low-cost financing source for water quality improvement projects at parks

Alison Souders / souders.alison@epa.gov
January 19, 2022
EPA’s Clean Water State Revolving Fund

51 state-level infrastructure “banks” that make loans for water quality projects

• EPA funds state CWSRFs each year with 20% state match

• All 50 states and Puerto Rico have CWSRF programs

• Apply for financing through state CWSRFs

EPA’s list of state CWSRF websites: https://www.epa.gov/cwsrf/forms/contact-us-about-clean-water-state-revolving-fund-cwsrf#state
Terms: **Up to 30 years**
or useful life of the project, whichever is less

Below-market rates: **1.2% average interest rate**
in 2020 (compared to market rate 2.7%)

May also include **additional subsidies**
(e.g., loan forgiveness and grants)

Repayment starts one year after project completion
CWSRF Assistance Options

• At or below market interest rate loans that may not exceed 30 years or the useful life of the project
• Buy or refinance local debt
• Guarantee or purchase of insurance for local debt obligations
• Guarantee SRF debt obligations (leveraging)
• Guarantee loans of “sub-state revolving funds”
• Pay SRF administrative expenses
• Earn interest
• Additional subsidization
Financial Benefits of CWSRF Funding

• Coverage of up to 100 percent of project costs;
• Below-market rate loans down to zero percent;
• Provide match for grants that support eligible projects;
• Repayment starts one year after project completion;
• Deferred payments of principal and/or interest;
• Terms up to 30 years and extended term financing options that reduce annual interest payments;
• Dedicated revenues for loan repayments that can come from any source;
• Access to co-financing opportunities;
• Credit enhancements that lower the cost of borrowing for less than AAA green debt obligations; and
• Access to affordable assistance for technical assistance, project development, and planning
Flexible Repayment Options

• Identifying a repayment source can be challenging for some borrowers:
  • Usage based wastewater bill charges
  • Stormwater district fees
  • Non-profit membership fees
  • Homeowner fees
  • For profit company revenue
  • Property tax revenue
  • Park fees
  • Etc.

Cocoa Beach, Florida Minuteman Causeway GI Project
Who is eligible?

(eligibility varies by state and project type)

Communities

Private Entities

Nonprofit Organizations

Citizen Groups
Bipartisan Infrastructure Law (BIL)

• Significant federal funding for water and wastewater infrastructure funding FY22-FY26 (5-year total)
  • CWSRF General Supplemental
    • $11,713,000,000
  • CWSRF Emerging Contaminants Supplemental
    • $1,000,000
  • All eligibilities in place

EPA BIL Water Infrastructure Investments Information and Factsheet:
https://www.epa.gov/infrastructure/water-infrastructure-investments
BIL Opportunities

• **49%** of BIL funds must go out as additional subsidization (e.g., principal forgiveness, grants)

• Opportunity for states to target assistance to priority issues
What Projects are Eligible for CWSRF Assistance?

Clean Water Act

- 603(c)(1) Construction of publicly owned treatment works (POTW)
- 603(c)(2) Implementation of a nonpoint source management program
- 603(c)(3) Implementation of a national estuary program CCMP
- 603(c)(4) Decentralized systems
- 603(c)(5) Stormwater management
- 603(c)(6) Projects that reduce the demand for POTW capacity through water conservation, efficiency, and reuse
- 603(c)(7) Watershed pilot projects
- 603(c)(8) Projects that reduce the energy consumption needs for POTWs
- 603(c)(9) Reuse of wastewater, stormwater, or subsurface drainage water
- 603(c)(10) Security measures at POTWs
- 603(c)(11) Technical assistance to small and medium POTWs
- 603(c)(12) Assistance to a qualified nonprofit entity to provide assistance to an eligible individual for the repair or replacement of household decentralized treatment systems
Project Categories

• Wastewater Treatment Plant Repair and Upgrade
• Decentralized Wastewater Treatment
• Groundwater Protection
• Surface Water Protection
• Green Infrastructure
• Contaminated Sites Clean Up & Conversion

• Planning/Assessments and Monitoring
• Land Conservation
• Habitat Restoration
• Stormwater
• Water Conservation & Reuse
• And more!

A full listing of CWSRF eligibilities including examples of eligible projects can be found in the “Overview of Clean Water State Revolving Fund Eligibilities,” which can be downloaded from our website at: https://www.epa.gov/cwsrf/overview-clean-water-state-revolving-fund-eligibilities
CWSRF for Green Infrastructure

Assistance may be provided to any borrower for projects that manage, reduce, treat, or recapture stormwater or subsurface drainage water…

• Green roofs, green streets, and green walls
• Rainwater harvesting collection, storage, management, and distribution systems
• Real-time control systems for harvested rainwater
• Infiltration basins
• Constructed wetlands, including surface flow and subsurface flow (e.g., gravel) wetlands
• Land acquisition and conservation easements
• Bioretention/bioswales (e.g., rain gardens, tree boxes)
• Permeable pavement
• Wetland/riparian/shoreline creation, protection, and restoration
• Establishment/restoration of urban tree canopy
• Replacement of gray infrastructure with green infrastructure including purchase and demolition costs

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Delaware Department of National Resources and Environmental Control
Cape Henlopen State Park

• Over $784,000 loan to the **DE Division of Parks and Recs** at **3.64% interest**

• State’s busiest state park with estimated 1M visitors/year relies on its treatment plant to handle wastewater from its cabins, camp sites, beach bathhouses, signature fishing pier and other facilities

• Project fixed and relined over 6,200 feet of cracked sewer pipes leading to the park’s wastewater treatment plant

• The plant now processes around 74,000 gallons of wastewater/month compared to more than 1 million gallons/month before the repairs

• Repaying the loan using park entry fees
Georgia Environmental Finance Authority
Stormwater System Improvements
Veteran Memorial Park and Golf Course

- $4M loan to the City of Griffin at 1.94% interest
- Culvert was creating sink holes throughout the Park and required special care to ensure that the stone memorials found around the Park could be repaired without any major disturbance
- Project completed using a “trenchless” technique
  - Eliminated safety issues with flooding
  - Saved the city over $750,000 in construction costs since relocating monuments was not necessary
- Litter trap installed at a pond at the City’s golf course irrigation pond to remove debris
- Coordinated with the City’s Public Works Departments & Others
- Public meetings held throughout the process
Next Steps:

• Subscribe to the EPA SRF Newsletter [HERE](#) for updates
• Contact EPA CWSRF team: [CWSRF@epa.gov](mailto:CWSRF@epa.gov)
• Reach out to your state CWSRF program! [https://www.epa.gov/cwsrf/forms/contact-us-about-clean-water-state-revolving-fund-cwsrf#state](https://www.epa.gov/cwsrf/forms/contact-us-about-clean-water-state-revolving-fund-cwsrf#state)
• Have a discussion on the financing options available to you
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