

Appendix B

Overview of Federal and State Funding Opportunities

Potential sources of federal and state funding to support regionalization of wastewater collection systems in Hampton Roads were reviewed and presented at the Regionalization Study Project Workshop No. 3 on February 22, 2013. Findings are summarized as follows.

Funding Overview

- There are nearly 90 federal funding programs to assist states and localities with a variety of water quality initiatives.
 - Only a select few are for wastewater-related collection and treatment systems (infrastructure).
 - Other opportunities exist for environmental education, etc.
- State and/or local matching funds are often required.
- Some are in partnership with private-sector for-profit and non-profit organizations as well as private landowners.

Federal Funding Sources

- A variety of federal agencies offer state and local governments funding assistance for water quality-related initiatives.
 - US Environmental Protection Agency
 - US Army Corps of Engineers
 - US Department of Agriculture
 - US Department of Housing and Urban Development
 - US Department of Interior
 - US Department of Health and Human Services
 - US Geological Survey
 - Federal Emergency Management Agency
 - National Oceanic and Atmospheric Administration
 - National Fish and Wildlife Service
 - National Fish and Wildlife Foundation
- Broad categories for federal funding assistance:
 - Infrastructure
 - Capital construction
 - Economic development / job creation
 - Habitat / Ecosystem Restoration (aquatic)
 - Environmental Education
 - Pollution Prevention
 - Flood Mitigation
 - Hazardous / Pre-Disaster Mitigation
 - Marine Debris Clean-up
- US EPA offers the most on-point opportunities.
 - Water Pollution Control Program Grants (CWA 106)
 - For states, not municipalities
 - Water Quality Cooperative Grants (CWA 104(b)(3))
 - For states, non-profit organizations, individuals
 - For coordination of environmentally beneficial activities (stormwater control, pretreatment)
 - Research, investigations, experiments, training, environmental technology demonstrations, surveys, etc., re: water pollution prevention
 - Permitting, water quality standards development, TMDLs, monitoring

- Other Opportunities to Research
 - Public Works and Development Facilities Program EDA
 - Chesapeake Bay Stewardship Fund: Innovative Nutrient and Sediment Reduction Program NFWF
 - Project Modifications for the Improvement of the Environment USACE
 - National Integrated Water Quality Program USDA
 - Small Business Innovation Research USDA
 - Water and Waste Disposal Systems for Rural Communities USDA
 - Community Development Block Grants HUD
 - Chesapeake Bay Program Grants EPA
 - Cooperative Watershed Management EPA
 - Environmental Education Grants EPA
 - Pollution Prevention Grant Program EPA
 - Targeted Watershed Grants Program EPA

State Funding Sources

- Virginia Clean Water Revolving Loan Fund
 - Low interest rates (2.2% average)
 - State administered (projects must be in state's intended use plan)
 - Municipal borrowers
 - Loan forgiveness is possible
- Virginia Water Quality Improvement Fund
 - Typically set aside for nutrient reduction projects
 - Funding beyond current authorizations for Chesapeake Bay nutrient reduction programs/projects is uncertain
 - Direct appropriations for sewer system wet weather improvements have been included in recent authorizations

Challenging State and Federal Budget Landscape

- No federal budget in 5 years
 - Obviously impacts state programs that receive federal funds.
- General reductions in discretionary spending (federal and state)
- Sequestration