

Applying for Green Stimulus Funding



Key Points

- o \$4 billion dedicated for clean water projects, \$2 billion dedicated for drinking water projects
- o \$1.2 billion of this money (20%) must be used for green infrastructure, water and energy efficiency.
- o 50% of total funding must be in the form of additional subsidization (grants)
- o Money will be distributed through the State Revolving Fund Program

What you can do

- o Submit your project proposal(s) to your state's drinking water and clean water revolving loan fund officers:
[CWSRF](#) or [DWSRF](#)
- o Ask to see your state's green project reserve list. Ask to see the business case justification for any project that does not appear "green".
- o Report problems to your EPA Regional SRF staff:
[CWSRF](#) or [DWSRF](#)

Green Infrastructure in the Stimulus Package

The American Recovery and Reinvestment Act (ARRA), is the full name for the economic stimulus package that was signed into law on February 17th, 2009. One of the many job-creating investments this legislation called for was \$6 billion in funding for much-needed water infrastructure improvements through the EPA's Clean Water and Drinking Water State Revolving Funds (SRFs), tools used to provide local governments with low-interest loans for water infrastructure projects.

At the urging of American Rivers and our partners, Congress set aside 20% of this \$6 billion into a "green project reserve", to be spent solely on green infrastructure, water and energy efficiency, and other environmentally innovative projects. Additionally, 50% of the \$6 billion is to be reserved for principal forgiveness or negative interest rate loans (essentially converting the money into grants). Many states are providing at least a portion of green funding in the form of grants.

While these funds represent an unprecedented opportunity to integrate effective, cost-efficient green infrastructure solutions in our communities, there has been some confusion as to how local governments and other stakeholders should go about applying for funding.

There's Still Time to Apply for Funding

Many states are still actively soliciting eligible project proposals for Green Project Reserve funding. Even if your state SRF officials say that your state's Priority Project List is completely filled or closed, EPA has encouraged states to continue accepting applications both to demonstrate funding demand for green projects, and to have back up projects for any that fail to begin in a timely manner. August 17th, 2009 is the earliest date that any state can certify that it has been unable to find green projects, and access Green Project Reserve funding for traditional infrastructure projects.



Photo: Western Michigan Environmental Council

Who Can Apply?

Green clean water projects are often planned and executed by organizations that do not typically apply for SRF funding. Green projects may come from your local Department of Environment, water utility, municipal planner, even nonprofit organizations or efficiency experts. Green drinking water projects funding is available primarily to water systems.



What Projects are Eligible for Funding?

EPA has identified a list of specific types of green infrastructure, water and energy efficiency, and environmentally innovative projects that are categorically eligible for green reserve funding. To receive Green Reserve funding for a project outside this list, applicants and states must make a “business case” to EPA, which shows that the project has significant green benefits. All projects on a state’s Green Reserve list are subject to EPA review to determine if they fit the categorical eligibilities or have otherwise developed an adequate business case to be funded.

Stand-alone projects not associated with a capital improvement project (e.g. a city applying to install green roofs) can be funded under the Green Reserve. Similarly, green components of conventional wastewater or drinking water projects can be counted toward the Green Reserve so long as they are categorically eligible or an adequate business case can be made.

Categorically Eligible Projects

These are the types of projects that the EPA considers automatically eligible for Green Reserve funding. For more detail, see Attachment 7 of [EPA’s guidance on stimulus funding](#).

Green Infrastructure	Water/Energy Efficiency	Environmentally Innovative
Green streets projects	Installation of water meters	Wetland restoration/construction
Water harvesting and reuse programs	Retrofit or replacement of water using fixtures, fittings, equipment, appliances	Green infrastructure/low impact development stormwater projects
Wet-weather management systems for parking areas	Efficient landscape or irrigation equipment	The water quality portion of sustainable landscaping/site design
Hydromodification to establish or restore riparian buffers	Reclamation, recycling, and reuse of existing rainwater, stormwater, etc.	Projects that identify and quantify the benefits of using integrated water resources management approaches
Downspout disconnection	Gray water recycling systems	Water reuse projects
Retrofits to keep wet weather out of sewer systems	Collection system or treatment works leak detection equipment	Projects that facilitate adaptation of clean water programs to climate change
Street tree or urban forestry programs	Producing clean power for 212 treatment works on-site (wind, solar, hydroelectric, geothermal, biogas, etc)	Projects that incorporate differential uses of water based on level of treatment (purple pipes)
Green roofs, swales, and other bioinfiltration projects	Energy efficient retrofits and upgrades to pumps and treatment processes	Water Budget projects

Why it’s Important to Apply

The American Recovery and Reinvestment Act’s \$1.2 billion dollar investment in green water infrastructure is an opportunity not only to put Americans to work building much-needed infrastructure, but a chance to redefine our country’s approach to water management. Demonstrating a large demand for funding for green projects will help ensure future funding opportunities for such projects, and help us build an integrated green water infrastructure that will last for generations.

For more information, please contact:

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www.americanrivers.org/stimulus