



# Funding Stormwater Management with the Clean Water State Revolving Fund



The U.S. Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (CWSRF) is a low-interest source of funding for stormwater management projects. Stormwater runoff results from precipitation events, such as rainfall and snowmelt. During these events, runoff from impervious surfaces can introduce trash, bacteria, heavy metals, and other pollutants to receiving waters. In cities with combined sewer systems, high stormwater flows can also result in the direct discharge of untreated sewage. Thanks to their considerable funding flexibility, CWSRF programs are well-positioned to help address these issues. Eligible stormwater management projects for CWSRF funding include:

- Traditional stormwater conveyance pipe, storage, and treatment systems
- Sediment controls including filter fences, storm drain inlet protection, street sweepers, and vacuum trucks
- Green roofs
- Permeable pavement
- Infiltration basins
- Rainwater harvesting collection, storage, management, and distribution systems
- Wetland/riparian/shoreline protection and restoration
- Establishment/restoration of urban tree canopy
- Constructed wetlands
- Bioretention/bioswales including rain gardens, curb bump outs, and tree boxes
- Replacement of gray infrastructure with green infrastructure

## HOW THE CWSRF WORKS

CWSRF programs in each state and Puerto Rico operate like banks. Federal and state contributions are used to capitalize the programs. These assets are used to make low-interest loans for water quality projects. Funds are then repaid to the CWSRFs over terms as long as 30 years. Repayments are recycled into the fund to finance other water quality and public health projects.

## WHO MAY QUALIFY

The CWSRF may provide assistance to any public, private or non-profit entity for stormwater management projects. Eligible loan recipients include community groups, farmers, homeowners, small businesses, conservation districts, and nonprofit organizations. Since the program is managed by the states, project funding and eligibility requirements vary according to the priorities, policies, and laws within each state.

## GETTING A PROJECT FUNDED

The EPA encourages states to open their CWSRFs to the widest variety of eligible water quality and public health projects. Those interested in stormwater management should seek out their CWSRF program, determine whether their state CWSRF has the legal authority to make loans for these projects, and participate in the annual process that determines which projects are funded. The list of CWSRF state programs can be found on our website at:

[www.epa.gov/cwsrf](http://www.epa.gov/cwsrf)

The CWSRF in your state will be able to guide potential assistance recipients through the application process.

## SOURCES OF LOAN REPAYMENT

Potential borrowers must identify a repayment source before a loan is approved. Though finding a source of repayment may prove challenging, it does not have to be burdensome. Many recipients demonstrate a high level of creativity in developing sources of repayment. The source of repayment need not come from the project itself.

Some potential repayment sources include:

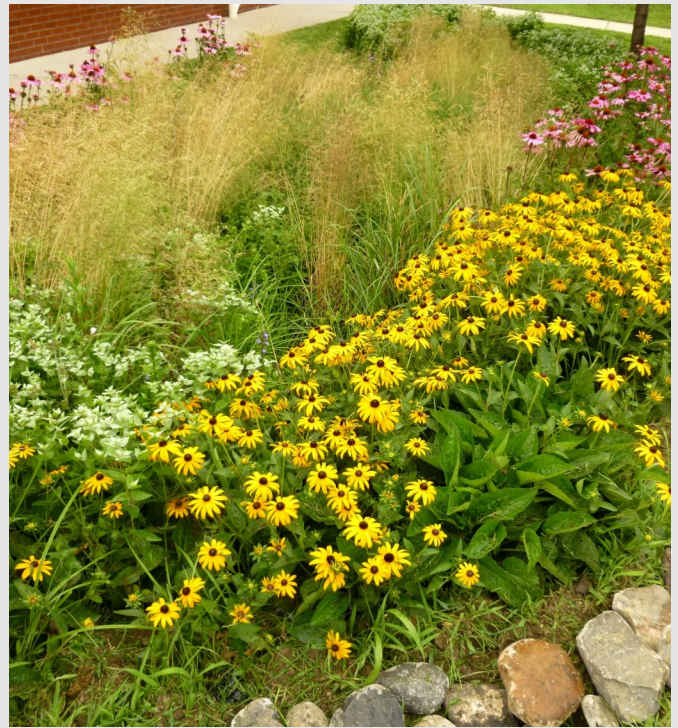
- Stormwater utility fees
- Fees paid by developers
- Recreational fees (fishing licenses, entrance fees)
- Dedicated portions of local, county, or state taxes or fees
- Donations or dues made to nonprofit organizations
- Wastewater user charges
- Individual or business revenues

## CLEAN WATER SUCCESS STORIES

### *New Jersey*

The City of Camden recognized its combined sewer system was in a state of disrepair; it was prone to combined sewage flooding into the homes, streets and parks of the city. The Camden County Municipal Utilities Authority received a \$2 million grant and a \$3.6 million low-interest loan from the New Jersey Environmental Infrastructure Trust, New Jersey's SRF agency, to capture 100 million gallons of stormwater per year and reduce the potential for flooding by:

- constructing 17 new rain gardens and daylighting a stream that had been paved over in the 1920s,
- converting an abandoned factory into a 5.5-acre riverfront park, and
- replacing several failing portions of the city's combined sewer system.



Rain garden in Camden, New Jersey funded by the CWSRF.

### *New Mexico*

The Lower Montoyas area of New Mexico has a large scale regional flood control facility that completed a successful green infrastructure project in September 2015. Located at the downstream end of the largest watershed within Southern Sandoval County Arroyo Flood Control Authority jurisdiction, this facility was designed to handle flows of up to 6,500 cubic feet per second during the 100-year-storm event. This project was funded by the New Mexico CWSRF and incorporated three key concepts:

- permeable project elements that mimic the natural water cycle,
- water harvesting, and
- incorporation of vegetation as part of the treatment process.

For more information about the CWSRF please contact us at:

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Clean Water State Revolving Fund Branch  
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