

Appendix G: CFCC Funding Mechanisms

California Financing Coordinating Committee Water Programs Funding Mechanisms

Program	Department	Type	Purpose	Eligibility Requirements	CEQA/NEPA	Eligible Uses	Ineligible Uses	Funding Limits	Terms/Dates	Contact
Infrastructure State Revolving Fund (ISRF) Program http://ibank.ca.gov/infrastructure_loans.htm	California Infrastructure and Economic Development Bank (I-Bank)	Loan	Provide financing for construction and/or repair of publicly owned water supply, treatment and distribution systems, and drainage, and flood control facilities	Applicant must be a local municipal entity. Project must meet tax-exempt financing criteria. Project must promote economic development and attracts, creates, and sustains long-term employment opportunities.	CEQA	Acquire land, construct and/or repair water collection and treatment systems, including equipment	Privately owned infrastructure Debt refinancing	\$10 million maximum per project per fiscal year \$20 million annual maximum per jurisdiction per fiscal year	Interest rate is 67% of Thompson's Municipal Market Index for 'A' rated security Maximum 30 year term Open application process Preliminary Application available at ibank.ca.gov	Diane Cummings (916) 324-4805
Proposition 84 Chapter 2 Public Resources Code Section 75022	California Department of Public Health	Grants	Grants for small community drinking water system infrastructure improvements and related actions to meet chemical and nitrate drinking water standards.	Must be a small community water system with a population less than 10,000 or a public school; priority given to disadvantaged communities; must be in noncompliance with a primary standard or treat surface water and be under a boil water order	CEQA	Please call or check CDPH website for more information. http://www.cdph.ca.gov/certlic/drinkingwater/Pages/DWPFunding.aspx		\$5 million per project \$500,000 for feasibility study	Pre-application Invited annually	Jose Alarcon (916) 449-5685
Safe Drinking Water State Revolving Fund (SDWSRF)	California Department of Public Health	Loans Grants	Provide low interest loans or grants to assist public water systems in achieving or maintaining compliance with the Safe Drinking Water Act (SDWA)	Must be a public water system Project must be needed to comply with the SDWA Project must be on CDPH's project priority list	CEQA Some projects CEQA/NEPA	Water treatment facilities, replace aging infrastructure, planning studies, consolidation of water systems, source water protection, etc	Dams or rehab of dams, O&M costs, lab fees for monitoring, projects mainly for fire protection or future growth, etc	\$500,000 per planning study \$20 million per project and \$30 million per entity per cap grant Call program for grant limitations	Pre-application Invited annually Loan: Interest rate is ½ the general obligation rate 2009 program rate is 2.5017%,	Kelvin Yamada (916) 449-5624

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				<p>System must meet technical, managerial, and financial requirements</p> <p>All applications are for loans; financial review determines if grant funds apply</p>					<p>paid back over 20 years. The rate changes every January</p> <p>Disadvantaged system can obtain a zero interest loan</p> <p>Disadvantaged public and mutual systems may receive partial grant funding</p>	
Community Development Block Grant (CDBG) Program	State Department of Housing and Community Development	Grants to City and County Jurisdictions	<p>Project must principally benefit low income persons/households.</p> <p>For example: do water system upgrades for residents of communities with over half of its residents being low income or extend water service to a site for a business that creates jobs for low income persons</p>	<p>Cities or counties that are not under HUD's CDBG entitlement program</p> <p>Jurisdictions can pay for improvements to their own system or give the funds to private or public water providers</p>	NEPA/CEQA	<p>Pay for project feasibility study, final plans and specs, site acquisition and construction, and grant administration costs</p> <p>Pay for one time assessment fees for low income families</p> <p>Pay for installation of private laterals and hook up fees for low income families</p>	<p>Maintenance costs</p> <p>Refinancing of existing debt</p>	<p>Each CDBG Allocation sets funding award limits In their annual NOFA (Typically \$500,000)</p> <p>Six Allocations: 1-General,2-Native American, 3-Colonia, 4-Economic Development Enterprise Fund, 5-Economic Development Over The Counter, and 6-Planning and Technical Assistance</p>	<p>Notices of Funding Availability (NOFAs) released each year</p> <p>Jurisdiction sets type of financing and terms (grants vs. loans)</p>	Patrick Talbott (916) 552-9361
Water and Waste Disposal program	USDA Rural Development	Loan/Grant	Provide loans and grants to develop and rehabilitate community water systems	Public bodies, Tribes, Nonprofits ,Cities, Towns and census designated places with populations less than 10,000	NEPA/CEQA	<p>Funds may be used for costs associated with planning, design, and construction of new or existing systems</p> <p>Eligible projects include storage, distribution, source development</p>	<p>Facilities not modest in size, design, and cost</p> <p>For profit systems</p>	None, but average project size is \$3-5 million	<p>Loans: 4% - 5% fixed, 40 years</p> <p>Grant funding available to reduce user costs</p> <p>Continuous filing</p>	Dave Hartwell USDA State Office (530) 792-5817

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Water and Waste Disposal	USDA Rural Development	USDA guarantees loans made by banks	Provide additional security for commercial lenders that finance community water, systems	Banks and other commercial lenders are eligible applicants Cities, Towns, Public bodies, census designated place, with populations less than 10,000	NEPA/CEQA	Funds may be for costs associated with Planning, design, and construction of new or existing systems Eligible projects include water, storage, distribution, and source development	Facilities not modest in size, design, and cost Privately owned infrastructure	None	Negotiated between business and lender Fixed and variable rates allowed Continuous filing	Dave Hartwell USDA State Office (530) 792-5817
Proposition 82 New Local Water Supply	Department of Water Resources	Loan	Water supply development projects and feasibility studies	Local public agencies	CEQA	Construction or study of canals, dams, reservoirs, desalination facilities, groundwater extraction project where more than 50% of expected benefits result from hydroelectric power generation facilities, or other construction or improvements	A	\$5 million per eligible construction project \$500,000 per eligible feasibility study	Interest rate is the State's rate on General Obligation bonds Repayment up to 20 years for construction projects or 5 years for feasibility studies Continuous filing Check website (www.grantsloans.water.ca.gov) for updates	Jerry Snow (916) 651-9264
Proposition 204 Drainage Reuse Program	Department of Water Resources	Grant	Drainage reuse studies	Public agencies	CEQA	Research and technical study projects to develop methods to reuse subsurface agricultural drainage water		\$200,000 per project	This program has been suspended Check website (www.grantsloans.water.ca.gov) for updated status	Jose Faria (559) 230-3339
Proposition 13 Agricultural Water Conservation Program	Department of Water Resources	Loan	To finance feasible, cost effective agricultural water conservation projects or agricultural programs to improve water use efficiency and to finance feasibility studies for	Local public agencies or incorporated mutual water companies	CEQA	Construction or other capital outlays, including but not limited to canal or ditch piping or lining projects, automating canal structures, water distribution system control	General purpose equipment, equipment or materials for operations and maintenance, wellhead rehabilitation, expanded tank storage, water supply, water treatment, water	\$5 million cap per eligible project	Interest rate is ½ the State's rate on the most recent sale of general obligation bonds Repayment up to 20 years	Baryohay Davidoff (916) 651-9666

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			such projects			improvements, tailwater recovery projects, purchasing and installing water measurement devices, and replacement of leaking distribution system components	recycling, wastewater treatment, flood control, conjunctive use, and groundwater banking projects		Continuous filing Check website (www.owue.water.ca.gov/finance/index.cfm) for updates	
Proposition 50 (Chapter 7(g)) Water Use Efficiency Program	CALFED / Department of Water Resources	Grant	Projects to improve agricultural water use efficiency (WUE)	Local agencies; nonprofits; tribes; State educational institutions; cities, counties, or other political subdivisions of the State	CEQA	Agricultural water use efficiency implementation projects or studies that carry out the CALFED Water Use Efficiency Program	Wellhead rehabilitation, new storage tanks providing expanded capacity, water supply development, water treatment, wastewater treatment, flood control, conjunctive use, recycled water, groundwater banking projects, among others	Up to \$3 million for Section A projects and up to \$200,000 for Section B projects Section A – non-State cost share required; disadvantaged communities may qualify for a cost share reduction or waiver Section B – a local cost share is not required	2009/10 Proposal Solicitation Package is under development The total amount available for this funding cycle is \$19 million Check website (http://www.owue.water.ca.gov/finance/index.cfm) for updated information on the next funding cycle	Baryohay Davidoff (916) 651-9666
Proposition 84 (Chapter 2, §75026) Integrated Regional Water Management (IRWM)	Department of Water Resources	Grant	For projects that assist local public agencies to meet long-term water management needs of the State, including the delivery of safe drinking water, flood risk reduction, and protection of water quality and the environment Grant funds for development and revisions of IRWM Plans and implementation projects of IRWM Plans	A local public agency or nonprofit representing an IRWM effort must be the applicant or grantee Other IRWM partners may access funds through their own agreements with the applicant/grantee	CEQA	Development or revision of IRWM Plans. Projects that implement IRWM Plans	Operation and maintenance activities	Bond funding allocation for entire program is \$1billion Prop 84 allots grant funding to 11 funding areas. Approximately 20 million in Funds for inter-regional efforts Guidelines contain information on how potential funding of multiple IRWM efforts within a funding area will occur and maximum grant amount per funding area. Guidelines have	\$100 million of implementation will be available in the first Proposal Solicitation Package. Additional \$250 million for reducing dependence on delta water may be added to the first round solicitation. Anticipate draft guidelines and application Feb/Mar 2010	Joe Yun (916) 653-9222

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								also been combined with Prop 1E SWFM funding Each Proposal Solicitation Package will have predetermined amount of funds available.	25% minimum cost share with waivers for DACs Check website (www.grantsloans.water.ca.gov/grants/irwm/integration.cfm) for updated status	
Proposition 84 Delta and San Joaquin and Sacramento Rivers Water Quality Grant Program	Department of Water Resources	Grant	Water quality improvement projects	Local agencies	CEQA	Projects which result in improvements to water quality in the Delta and San Joaquin and Sacramento River Basins that protect drinking water supplies	Projects that do not show direct protection of drinking water supplies	\$4 million to \$30 million, depending on geographic location and project type	This program has been suspended Check website (http://baydeltaoffice.water.ca.gov/sdb/prop84/index_prop84.cfm) for updated status	Genevieve Schrader (916) 653-2118
Proposition 84 Local Levee Assistance Program	Department of Water Resources	Grant	Local Levee Evaluation Projects (LOLE) - Evaluate levee stability and levee seepage and underseepage; Local Levee Urgent Repair Projects (LLUR) - Repair and improve critically damaged local levees.	Local public agencies Levees located outside of the Delta Levees that are not part of the State Plan of Flood Control.	CEQA	LOLE - Evaluation of levee stability, seepage, or underseepage for local levees (levees not part of the State Plan of Flood Control) not located within the Sacramento-San Joaquin Delta; LLUR - Repair and improvement of critically damaged local levees (levees not part of the State Plan of Flood Control) located within the Sacramento-San Joaquin Delta	LOLE - Evaluation of levees that are part of the State Plan of Flood Control or that are located within the Sacramento-San Joaquin Delta; LLUR - Repair or improvement of levees that are part of the State Plan of Flood Control for the Central Valley or are located within the Sacramento-San Joaquin Delta	LOLE - \$1 million per applicant; LLUR - \$5 million per applicant	Program guidelines and solicitation package expected to be released by Spring 2010 Check website (www.water.ca.gov/floodSAFE) for updates	David Wright (916) 574-2644
Proposition 84 Flood Protection Corridor Program	Department of Water Resources	Grant	Flood risk reduction through non-structural projects that include wildlife habitat enhancement and/or agricultural land	Local government agencies or nonprofit organizations	CEQA	Funding acquisition of real property or easements in a floodplain from willing sellers; preserving or enhancing flood-	Flood protection projects that do not include wildlife habitat enhancement or agricultural land preservation benefits	\$5 million per eligible project	Next funding cycle expected in 2010 Check website (www.water.ca.gov)	Earl Nelson (916) 574-1244

Program	Department	Type	Purpose	Eligibility Requirements	CEQA/NEPA	Eligible Uses	Ineligible Uses	Funding Limits	Terms/Dates	Contact
			preservation components			compatible agricultural use; restoration of habitat compatible with seasonal flooding; and related activities			ov/floodSAFE for updates	
Proposition 84 Flood Control Subventions Program	Department of Water Resources	Grant (Claims Reimb.)	Implementation of federally-authorized flood control projects (minor or major) and Watershed Protection Flood Prevention Projects	Local public agencies	CEQA/NEPA	Major flood control projects authorized by Congress; small flood control projects authorized by PL 80-858 and the U.S. Army Chief of Engineers; and watershed protection projects, which include projects authorized by the Administrator of the Natural Resources Conservation Service	Flood control projects without federal authorization	Variable state cost-share percentage based on multi-purpose objectives for projects, ranging from a minimum of 50% to a maximum of 70%	Claim submittals accepted on continuous basis Claims paid based on available State funding Check website (www.water.ca.gov/floodSAFE) for updates	Varda Disho (916) 574-2745
Proposition 84 Urban Streams Restoration Program	Department of Water Resources	Grant	Reduce urban flooding and erosion, restore environmental values, and promote stewardship of urban streams	Local government agencies and citizens groups/nonprofits (together)	CEQA	Examples include creek cleanups; eradication of exotic or invasive plants; revegetation efforts; bioengineering bank stabilization projects; channel reconfiguration to improve stream geomorphology and aquatic habitat functions; acquisition of parcels critical for flood management; and coordination of community involvement in projects		\$1 million per eligible project	This program has been suspended Check website (www.grantsloans.water.ca.gov) for updates on the next funding cycle	Sara Denzler (916) 651-9625
Proposition 84 Local Groundwater Assistance	Department of Water Resources	Grant	Assistance for local public agencies to conduct groundwater studies or carry out groundwater monitoring or management activities	Local public agencies	CEQA	Groundwater data collection, modeling, monitoring, and management studies; monitoring programs; installation of monitoring wells and equipment; basin management; development of	Projects without a clear nexus to groundwater management, projects which solely benefit private landowners or water users, research not directly related to groundwater management, and most production wells	\$250,000 per eligible project or study	\$4.68 million appropriated for FY 2009-10 funding cycles Check website (http://www.water.ca.gov/lqagrant/) for updates	Jerry Snow (916) 651-9264

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						information systems; groundwater planning; and other groundwater management related activities				
Proposition 1E Floodway Corridor Program	Department of Water Resources	Grant	Similar to the Flood Protection Corridor Program—flood risk reduction through primarily non-structural projects, but focus will likely be on protecting urban areas	Local public agencies or nonprofit/citizens groups	CEQA	Funding acquisition of property rights from willing sellers and related activities for floodway corridor projects, particularly those that will reduce flood risk for urban areas	Flood protection projects that do not include wildlife habitat enhancement or agricultural land preservation benefits	\$5 million per eligible project.	Next funding cycle expected in 2010 Check website (www.water.ca.gov/floodSAFE) for updates	Earl Nelson 916 574-1244
Proposition 1E/ Proposition 84 Early Implementation Projects (State-federal Flood Control System Modification Program)	Department of Water Resources	Grant	Rehabilitate, reconstruct, or replace levees, weirs, bypasses, and facilities of the State Plan of Flood Control; or improve or add to facilities of the State Plan of Flood Control to increase flood protection levels for urban areas	Local public agencies and Federal agencies Projects are or would become facilities of the State Plan of Flood Control Projects are consistent with objectives of Propositions 1E and 84	CEQA/NEPA	Rehabilitation, reconstruction, or replacement of levees, weirs, bypasses, or other facilities of the State Plan of Flood Control and improvement or addition of facilities to the State Plan of Flood Control to increase flood protection levels for urban areas	Flood control projects involving facilities outside the State Plan of Flood Control	To be determined under program guidelines, which are being developed	Solicitation for project proposals to be announced upon release of final program guidelines—expected by December 2010 Check website (www.water.ca.gov/floodSAFE) for updates	Darryl Brown (916) 574-2646
Proposition 1E CVFPB Capital Outlay Projects and Studies	Department of Water Resources	Grant	Evaluate, rehabilitate, reconstruct, or replace levees, weirs, bypasses, and facilities of the State Plan of Flood Control; to increase flood protection levels for urban areas	Local public agencies and Federal agencies Projects are facilities of the State Plan of Flood Control Projects are consistent with objectives of Propositions 1E and 84	CEQA/NEPA	Evaluate, rehabilitation, reconstruction, or replacement of levees, weirs, bypasses, or other facilities of the State Plan of Flood Control.	Flood control projects involving facilities outside the State Plan of Flood Control – Must meet Federal Interest Requirements	In accordance with Corps, State and Local Agreements	Next Federal and State funding cycle expected in 2010	Kent Zenobia (916) 574-2639
Proposition 1E (Article 4, §5096.827) Stormwater Flood Management Program	Department of Water Resources	Grant	Stormwater management projects that reduce flood damage	Local agency or nonprofit representing an IRWM effort Project is located outside the State Plan of Flood Control	CEQA	Projects designed to manage stormwater runoff to reduce flood damage	Operations and maintenance activities	\$30 million per eligible project See SBxx1 (Perata) for additional information on funding allocations	\$300 million available Anticipate draft guidelines and application Feb/Mar 2010	Joe Yun (916) 651-9222

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				Project must be part of an existing IRWM Plan and be consistent with applicable Water Quality Basin Plan					Each Proposal Solicitation Package will have predetermined amount of funds available. 50% cost share (no ability to waive or reduce for DAC) Check website (www.grantsloans.water.ca.gov/grants/irwm/integration.cfm) for updates	
Agricultural Drainage Management Loan Program	State Water Resources Control Board	Loan	Loans to address treatment, storage, conveyance, or disposal of agricultural drainage water	Cities, counties, districts, joint powers Authority, or other political subdivisions of the State	CEQA	Acquisition and construction, tailwater recovery, filter, drainage, recirculation, and high efficiency irrigation equipment	Land	\$5 million per project \$100,000 for feasibility studies	Interest rate is ½ of the general obligation bond Repayment term of 20 years	Ahmad Kashkoli (916) 341-5855
319(h) Nonpoint Source Implementation Program	State Water Resources Control Board	Grant	Provide grants to projects that implement watershed based plans to restore impaired water bodies through the control of nonpoint source pollution consistent with completed Total Maximum Daily Loads (TMDLs)	Local Public Agencies, Public Agencies, Public Colleges, 501(c)(3) Non-Profit Organizations, Federally Recognized Indian Tribes, State Agencies*, Federal Agencies* (*If collaborating w/local entities involved in watershed mgmt or if proposing a statewide project)	CEQA/NEPA	Development of watershed based plans and implementation of management measures to control nonpoint source pollution		Implementation Minimum: \$250,000 Implementation Maximum: \$1 million Planning Minimum: \$125,000 Planning Maximum: \$750,000	Approximately \$4.5 - 5.5 million per year Next funding cycle possibly Fall 2009 for FFY '09-10 funds	Patricia Leary (916) 341-5167

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Non-Point Source Program (through the Clean Water State Revolving Fund [CWSRF] Expanded Use Program)	State Water Resources Control Board	Financing	Financing to protect water quality	Public agencies, nonprofits, and private parties (through special arrangement)	CEQA or CEQA +	Land acquisition to protect habitat/water quality; stormwater management; irrigation/drainage management; hydromodification; forestry; marinas; abandoned mines; animal feeding operations; estuary enhancement; and others	Actions required by National Pollutant Discharge Elimination System (NPDES) permits	\$50 million per project per year	Interest is ½ of the latest general obligation bond (interest rate reductions may be available in the future) Repayment term of up to 20 years	Julé Rizzardo (916) 341-5822
Proposition 84 Storm Water Grant Program	State Water Resources Control Board	Grant	Provide grants for projects designed to reduce and prevent storm water contamination of rivers, lakes, and streams	Local public agencies	CEQA	Implementing low-impact development and other onsite and regional practices, on public and private lands Complying with stormwater-related total maximum daily load (TMDL) requirements established pursuant to section 303(d) of the Clean Water Act (33 U.S.C. § 1313(d)) and Division 43 of the California Public Resources Code (PRC)	Operations and maintenance activities	\$3 million per project	Suspended due to bond freeze. Next funding cycle possibly 2010. Applications through FAAST	Erin Ragazzi (916) 341-5733
Energy Partnership Program	California Energy Commission	Technical Assistance (No cost to the applicants)	To identify energy efficiency and cost effectiveness measures at the W&WW facilities	Water and wastewater treatment facilities owned and/or operated by the cities, counties, special districts, or other non-profit entities.	None	A number of services can be provided. For details, please refer to the website: http://www.energy.ca.gov/efficiency/partnership/index.html	State of California/Federal Government Departments; or profit systems	Technical services of up to \$20,000 (consultants costs depending on the facility size, type and scope of the study; No cost to the applicants)	Not applicable	Shahid Chaudhry (916) 654-4858
Energy Financing Program	California Energy Commission	Loan	Provides financing for water & wastewater facilities through low-interest loans for feasibility studies and	Water and wastewater treatment facilities owned and/or operated by the cities, counties,	None	Partial list includes: Lighting, motors or variable frequency drives and pumps,	State of California/Federal Government Departments; or profit systems	Finance up to 100% of the cost of energy efficiency projects. The maximum loan amount is \$3 million	Projects must have a simple payback of 10 years or less based on energy	Shahid Chaudhry (916) 654-4858

Program	Department	Type	Purpose	Eligibility Requirements	CEQA/NEPA	Eligible Uses	Ineligible Uses	Funding Limits	Terms/Dates	Contact
			implementing energy-saving measures.	special districts, or other non-profit entities.		<p>building insulation, HVAC modifications, automated energy management systems/controls, energy generation including renewable energy projects and cogeneration etc.</p> <p>For details, please refer to the website: http://www.energy.ca.gov/efficiency/financing/index.html</p>		per application. There is no minimum loan amount.	costs savings.	

