Summary Notes for WQ Financial Assistance Program Updates

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Draft SFY 2023 Funding List published in January:

- Ecology is proposing grant and loan funding for 117 projects for a total of $364,731,762. The total includes $310,818,652 from CWSRF, $33,333,601 from SFAP, $19,000,000 from Centennial, and $1,579,509 from Section 319. Integrated use of new federal CWSRF funding.

- Draft List link: 2210001.pdf (wa.gov)

Table 7: SFY23 Summary of Allocation of Funds

<table>
<thead>
<tr>
<th>Category</th>
<th>Projects</th>
<th>CWSRF Standard Loan</th>
<th>CWSRF FP Loan</th>
<th>SFAP Grant</th>
<th>Centennial Grant</th>
<th>Section 319 Grant</th>
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</thead>
<tbody>
<tr>
<td>Nonpoint Source Pollution Control Activity</td>
<td>40</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$9,394,333</td>
<td>$1,579,509</td>
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<tr>
<td>Onsite Sewage System</td>
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<td>$702,388</td>
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<td>Stormwater Activity</td>
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<td>$1,612,026</td>
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<tr>
<td>Stormwater Facility</td>
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<td>$636,978</td>
<td>$44,832</td>
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<td>Wastewater Facility-Hardship</td>
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<td>$30,254,021</td>
<td>$2,514,466</td>
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<td>$8,903,280</td>
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<tr>
<td>Wastewater Facility</td>
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<td>$264,497,965</td>
<td>$7,884,619</td>
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<td>Wastewater Facility-Refinishing</td>
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<td>$4,985,772</td>
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<tr>
<td>Totals</td>
<td>117</td>
<td>$300,374,736</td>
<td>$10,443,916</td>
<td>$33,333,601</td>
<td>$19,000,000</td>
<td>$1,579,509</td>
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<tr>
<td>Total Funding</td>
<td></td>
<td>$364,731,762</td>
<td></td>
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</table>

- Included two new funding processes for public comment
  - Predesign ongoing application process
  - Phased ongoing funding commitment for small hardship community wastewater projects
    - Meets BIL intent to focus resources on affordability in disadvantaged communities
- Positive public comment and support of Financial Assistance Council (FAC)

Puget Sound Nutrient Reduction Grants

- Extended time and all but one applicant have submitted, will extend to ensure all can get application submitted.

State and Federal Budget Updates

- New CWSRF funds through the Bipartisan Infrastructure Law (BIL)
  - $33 million in Federal Fiscal Year 2022, 49% forgivable subsidy requirement
  - EPA BIL Guidance Memo provided earlier March
  - Waiting for Build America Buy America guidance OMB/EPA – should be April-May
Federal Omnibus spending bill passed last month – keeps CWSRF base grant the same as prior years, but pulls 25% of the overall funding for direct earmark projects – still waiting for details from EPA.

- State Funding - 2022 Supplemental
  - Authority for 4 added CWSRF FTE – technical and financial assistance support
  - $4 million additional operating funds for Local Government Stormwater Capacity Grants to assist municipal stormwater permittees – Working on how we distribute to maximize outcomes.
  - $1 million to develop a Stormwater Community Based Public Private Partnership pilot
    - Focus is to implement CBP3s and performance-based contracts to more effectively achieve stormwater and community objectives

SFY 2023 Final List in May-June

- Implement new funding processes proposed in the Draft List
- Award of year 1 BIL funding over next year leading into the next fund cycle


- Outreach and marketing of the CWSRF resources to help ensure demand for funds is robust.
- Funding Application workshops planned for mid-late August 2022.