



DNR Announces Regionalization Incentive Grants via SRF Program July 2019

DNR recently announced plans to offer a new Clean Water State Revolving Fund (CWSRF) grant program. The Department routinely receives requests for financial assistance from small private entities that are ineligible to receive SRF funding, or from small public entities that are unable to demonstrate financial capability to undertake an SRF loan. In addition to continuing to offer additional subsidization in combination with loans based on affordability, DNR intends to offer CWSRF Regionalization Incentive Grants to facilitate regionalization projects. This regionalization incentive grant will improve state water quality by providing public systems with the funds necessary to plan and construct connection to smaller private and public systems. The primary focus of the grant will be on reducing the number of small systems that are currently under, or likely to come under, enforcement action with the Department. These systems often lack the financial and technical resources to upgrade their wastewater treatment facilities to meet more stringent limits. Grant results will include a reduction in the number of point sources releasing to waterways, increasing efficiency in operation, cost savings to the users served by both the municipality and facility being connected, and stimulating opportunities for economic development.

The CWSRF Regionalization Incentive Grant will provide 100% construction funding to capable publicly owned systems to connect smaller, disadvantaged, public and private systems to a nearby, larger facility owned by a municipality. Applicants will be competitively scored in a manner similar to but separate from the CWSRF Priority Points Criteria. Funds available for this grant will be established each fiscal year by DNR after additional subsidization for affordability projects is satisfied.

DNR accepted public comment on its policy and procedures associated with this new CWSRF grant program through July 10. The Department intends to update the policy based on those comments and finalize details of the program by July 31. DNR anticipates opening the first application cycle from August 1 to October 31, 2019. Finalized information will be posted to the Financial Assistance Center's SRF webpage.