WHAT IS SPONSORSHIP?
CHALLENGES TO SPONSORSHIP IN VERMONT

• REQUIREMENT FOR BOND VOTE PASSAGE
• RESTRICTION TO LEND TO PRIVATE ENTITIES
• VERMONT STATUTE RESTRICTS ELIGIBILITY TO FUND NONPOINT SOURCE PROJECTS, EXCEPT GREEN SW INFRASTRUCTURE
• CONCERN OF LOSS OF REVENUE FOR THE “FORGIVEN” PORTION OF SPONSORSHIP
WHY SPONSORSHIP?

- CWSRF is currently focusing on Waste Water Treatment Facilities (WWTF), small % of pollution in Lake Champlain.
- Encourages water restoration or protection projects
- Provides funding source to projects that otherwise wouldn’t be pursued
- Encourages the concept of Public-Private Partnerships
- Best “bang for the buck” projects in terms of water quality
WHAT DID ACT 185 CHANGE?

1. Expand Eligibility of Clean Water Projects Types
2. Expand Eligibility to Private Entities
3. Enable Sponsorship
Expand Eligibility of Clean Water Projects Types

- Previous statute restricted CWSRF eligibility to only “project related” nonpoint sources and green stormwater infrastructure; largely WW and SW
- New eligible project types:
  - Land conservation
  - Wetlands
  - Brownfields
  - Contaminated sites
  - Water/Energy conservation (and more…)}
Expand Eligibility to Private Entities

- Provide access to capital for upcoming costs related to 3 acre SW permit
- “Share” costs related to industrial or commercial infrastructure needs/requirements
- Opens door to sponsorship with non-profits (The Nature Conservancy, Friends of Winooski, etc.)
Enable Sponsorship
WHAT KINDS OF PROJECTS CAN SPONSOR?

TRADITIONAL PROJECT EXAMPLES (THE “SPONSORING” PROJECT):

• COLLECTION SYSTEM IMPROVEMENTS
• WASTEWATER TREATMENT FACILITY UPGRADES
• GREY STORMWATER FACILITIES
• INTERCEPTOR, FORCE MAIN OR PUMP STATION PROJECTS

SPONSORED PROJECTS CAN BE MUNICIPALLY OWNED AND MAINTAINED OR OWNED AND MAINTAINED BY A PRIVATE NON-PROFIT SUCH AS THE NATURE CONSERVANCY (PUBLIC-PRIVATE PARTNERSHIP)
WHERE DOES THE MONEY COME FROM?

Private entities are charged higher rate on their loans (still way cheaper)

Extra $ offsets “losses” of sponsorship
IMPORTANT STATUTORY LANGUAGE

• SPONSORSHIP CAN ONLY BE A MUNICIPAL/MUNICIPAL ARRANGEMENT (TOWN WANTS TO OWN AND MAINTAIN PROJECT) OR MUNICIPAL/NONPROFIT

• BONDING EXEMPTION
OVERALL PROPOSED PROCESS

2 Lists: Planning and Implementation (Match-Ready)

Planning List: 100% forgivable loans from our program (think non-grant, grant)
Projects are planned and permitted
Municipalities will receive a copy of these projects in the hopper

Match-Ready List: projects are ready to be matched and fully funded
WATER INFRASTRUCTURE SPONSORSHIP PROGRAM (WISPR) IS BORN

AUG 9 FOCUS GROUPS WITH NONPROFITS/MUNICIPALITIES

SPONSORSHIP POLICY: WHAT/WHO IS ELIGIBLE

AMENDMENT TO INTENDED USE PLAN: PROPOSED $250K FOR WISPR PLANNING
WHAT KINDS OF PROJECTS ARE WE LOOKING FOR?

- Natural resources projects with multiple co-benefits
- Projects with a water quality benefit
- Projects without a mandate or additional funding source
- Projects that assist with compliance of non-regulatory lake champlain TMDL
WHY WOULD A MUNICIPALITY PARTICIPATE IN SPONSORSHIP?

• PR BENEFITS: “IT’S THE RIGHT THING TO DO”
• COST-EFFECTIVE SOLUTIONS FOR FLOOD RESILIENCY AND OTHER PROJECTS
• HIGHER PRIORITY RANKING ON OUR LIST AND HIGHER LIKELIHOOD TO RECEIVE OTHER STATE GRANTS
• SLIGHT FINANCIAL BENEFIT TO COVER ADMINISTRATIVE COSTS
WHAT’S NEXT?

ORGANIZATION OF RELEVANT NONPROFITS

MATCHING OPPORTUNITIES SOUGHT OUT (COST, TIMING, INTEREST)

RESPONSE FROM APPLICATION REQUEST OCT 1-MID-NOVEMBER

WORKING THROUGH ADMINISTRATIVE CHALLENGES: HOW TO PROCESS PAYMENTS AND OVERALL DECREASE BURDEN ON BOTH SPONSORS AND IMPLEMENTERS
QUESTIONS?

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