

Iowa State Revolving Fund Sponsored Projects Program

Iowa Department of Natural Resources
Iowa Finance Authority



Lee Wagner- SRF Program Specialist- Iowa Finance Authority

INVESTING IN IOWA'S WATER
www.iowasrf.com

Sponsored Projects Background

- IA had a successful linked deposit program for funding private landowner nonpoint sources project but not much usage of the direct loan program for public entities
- Sponsorship program idea modeled similarly to Ohio's
 - Drive demonstration projects to get municipalities to implement watershed solutions to NPS issues
 - Provide opportunity for communities that wouldn't otherwise do NPS projects



Sponsored Projects Program Development

- 2009 Iowa legislature allowed the use of sewer revenues to finance locally directed, watershed-based nonpoint source projects
- Qualified applicants – wastewater utility/city with SRF project in the planning phase
- Wastewater utility/city must work with a watershed organization to develop the sponsored project
- Project must address nonpoint source pollution on a watershed basis – starts with watershed assessment



Sponsored Project Funds

- **\$10 million for Sponsored Projects per year**
 - Interest rate hit to the Clean Water SRF – based on how much interest can we afford to lose?
- **Current CWSRF interest rate is 1.75%**
- **Up to 1% of interest can be used for non-point source project (interest rate will not go below .75%)**
- **Approximately \$100,000 per \$1,000,000 borrowed**



Why Sponsorship is a Successful Mechanism in Iowa

- Most water quality issues in Iowa are from nonpoint sources
- Little to no regulatory drivers
- Robust CWSRF fund has financial capacity to fund all eligible projects
- Projects are locally directed
- Good cooperation with other agencies to provide technical assistance



Sponsored Project Considerations

- **What are the State's NPS issues**
 - What is the source of the problem
 - What factors are driving NPS projects
- **How is your State's SRF set up**
 - State Code and Rules for SRF and municipal finance
- **What are your SRF's financial capacity and priorities**
- **What current partnerships/coordination with other Agencies does your SRF have/ will need**
- **Staffing capacity/ needs**



www.iowasrf.com



About SRF

News

SRF Resources

Environmental Reviews

Contact Us

Water Tower Contest

Topic

Program

Audience



A SOURCE of funding for your drinking water and wastewater projects. Get started with low-interest loans for a cost-effective way to complete your improvements.

The State Revolving Fund: [Investing in Iowa's Water](#)

Iowa Finance Authority: 800.432.7230 | Iowa Department of Natural Resources: 515.725.0498

Search



[Sitemap](#) | [Feedback](#)

Theresa Enright, Iowa DNR SRF Coordinator, Theresa.Enright@dnr.iowa.gov
Lee Wagner, Iowa Finance Authority, Lee.Wagner@iowafinance.com