

NJ Water Bank – A Partnership



NJDEP

Envir, Engin Reviews
State Revolving \$\$



NJ I-Bank

Credit, Legal, Fin
Bond Proceeds

NJ Water Bank

0% DEP funds
AAA I-Bank funds



CWSRF Eligible Storm Water / GI Projects

- Pervious paving
- Rain gardens
- Bioretention basins
- Engineered wetlands
- Rainwater harvesting
- Green roofs / cisterns
- Subsurface storage
- Land conservation
- Urban tree canopy
- Vegetated swales



Elizabeth City CSO / GI Storage Project



Climate Change and Sea Level Rise Resilience

-- DEP Resources --

- DEP Resiliency page: <https://www.nj.gov/dep/cfr/>
- Stormwater Guidance: <https://www.nj.gov/dep/stormwater/>
- GI Financing Guide:
https://www.nj.gov/dep/dwq/pdf/NJWB_GI_Applicants_Guide_v8.2.18.pdf
- Flood mapper tool: <https://www.njfloodmapper.org/>
(Interactive map to visualize exposure from coastal flooding)
- Climate Change Page: <https://www.nj.gov/dep/climatechange/>
- Climate Change Report: <https://www.nj.gov/dep/climatechange/data.html>
(Temperature, precipitation, sea level rise data)



CWSRF Financing Programs

CSO Abatement Projects

Green / Gray projects that reasonably reduce net flow out of a CSO



Camden County MUA: GI Phoenix Park



- **Project Costs \leq \$4 million**
 - 50% Principal Forgiveness (grant);
 - 25% 0% interest loan,
 - 25% AAA market interest loan
- **Project expenses \$4 - \$10 million**
 - 75% 0% loan,
 - 25% AAA market loan
- **Project expenses $>$ \$10 million**
 - 50% 0% loan,
 - 50% AAA market loan



SFY2022 DWSRF Financing Programs

- **Eng. Contract Program (ECP) for Small Systems (serving $\leq 1,000$)**
DWSRF Program pays for Design expenses (100% PF) up to \$750K
https://www.state.nj.us/dep/watersupply/pdf/sseci_info.pdf
- **Community Eng. Corp. Program (CECP) (serving 500) systems**
PF loans - \$500K cap for projects that comply w/ State standards
- **NANO Program** – 50% PF for project expenses up to \$750K

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Small System DWSRF NANO Program

e.g.) \$3M Water Treatment Plant Resiliency Upgrade

NANO Funding Package:

<u>Project Costs</u>	<u>Principal Forgiveness</u>	<u>DEP Loan (0%)</u>	<u>I-Bank Loan (AAA)</u>
First \$1M	\$0.5M	\$0.25M	\$0.25M
Next \$2M	\$ --	\$1M	\$1.0M
Total	\$0.5M	\$1.25M	\$1.25M

TOTAL CASH OUTLAY –

Scenario 1. 100% Financed by Borrower: **\$4.18 M**

Scenario 2. Financed by Water Bank: **\$3.12M**

Net Savings = \$1.1 M savings (35.5%)

(Assumes - A2 rated Borrower, 30-year financing)



Water Bank Application Process

Step 1: Set up an H₂LOans account. Call (609) 219-8601

Program Staff assist communities unable/ unaware of process

Step 2: Submit “General” Project Info at: www.h2loans.com

DEP / I-Bank initiate outreach – Technical Assistance

Step 3: Participate in a pre-Application Meeting (if requested)

(Program Staff, Engineers, Administrator, Bond counsel, etc.)

Step 4: Submit Letter of Intent (LOI) – includes Env Planning Doc

Step 5: Submit Project Appl’n – includes initial Eng. Design & Specs



SFY2023 CWSRF Principal Forgiveness

-- Initial Thoughts --

Clean Water Principal Forgiveness	Projected Amount of Principal Forgiveness Available	Principal Forgiveness Share of Project Costs	Principal Forgiveness Cap per Applicant
CSO Abatement – Grey and Green Infrastructure	\$60M	50%	\$5M
Water Quality Restoration	\$20M	50%	\$2.5M
Environmental Justice & Affordability Criteria	\$20M	50%	\$2M
Energy and Water Efficiency Projects	\$10M	50%	\$2M
Emerging Contaminants	\$4M	50%	\$2M
Overflow and Stormwater Grant (OSG) CW SRF Principal Forgiveness Loans	\$1M	20%	\$0.2M



SFY2023 DWSRF Principal Forgiveness

-- Initial Thoughts --

Drinking Water Principal Forgiveness	Projected Available PF	PF % of Project Costs	PFCap per Applicant
Lead Line Replacement	\$25M		
>5,000 known lead service lines		50%	\$5M
≥ 1,000 and ≤ 5,000 known lead service lines		50%	\$2M
< 1,000 known lead service lines		50%	\$1M
Emerging Contaminants (including PFAS)	\$13M		
Systems serving > 10,000 pop'n		N/A	\$1M
Systems serving ≤ 10,000 pop'n		N/A	\$500,000
NANO (Systems serving ≤ 10,000 pop'n - not covered by above)	\$4M	50%	\$500,000
Small System Engineering	\$3M	100%	\$750,000
General BIL Principal Forgiveness	\$15M	TBD	TBD

Additional Information

WIIP Engagement Session: Thursday, Jan 27th 9 – 11 am

<https://www.eventbrite.com/e/wiip-engagement-session-on-iups-ej-advocates-all-interested-parties-tickets-244608599907>

DEP Website:

- The current year's Intended Use Plan:

<https://www.nj.gov/dep/dwq/cwpl.htm>

- Stormwater Best Practices Manual (BMP):



https://www.njstormwater.org/bmp_manual2.htm

