



# Ask Me Anything: Source Water Protection

December 3, 2025



# About Us

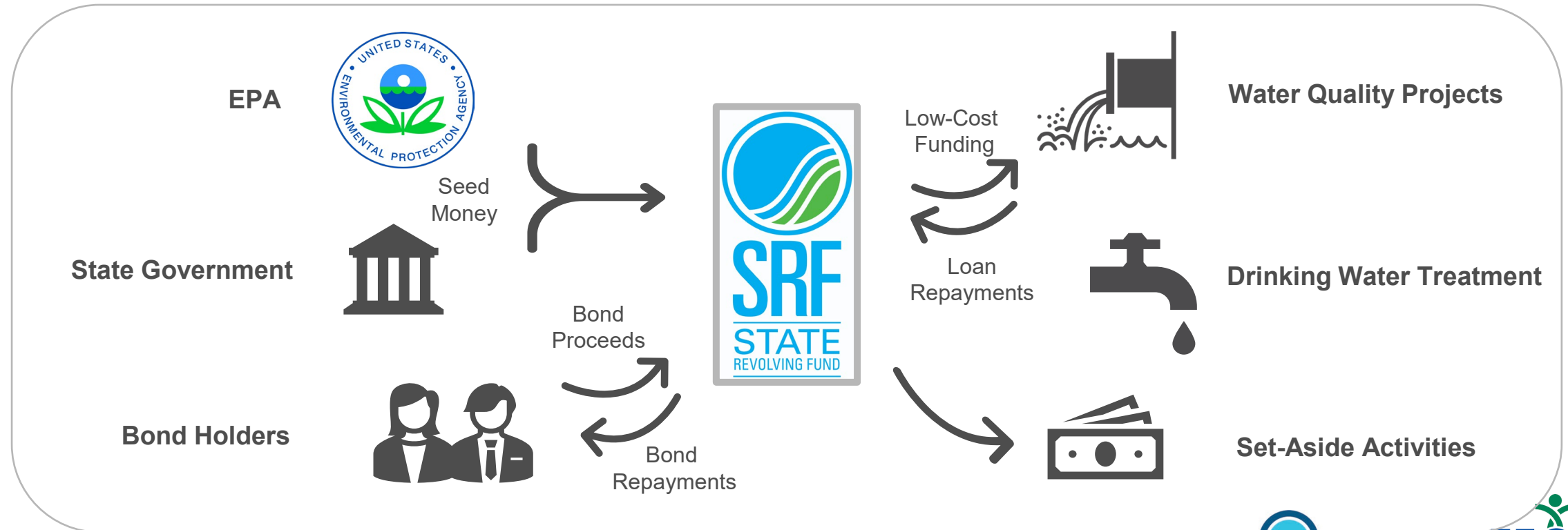
The **Environmental Finance Center Network (EFCN)** is a university- and non-profit-based organization creating innovative solutions to the difficult how-to-pay issues of environmental protection and water infrastructure.

The EFCN works collectively and as individual centers to address these issues across the entire U.S, including the 5 territories and the Navajo Nation. The EFCN aims to assist public and private sectors through training, direct professional assistance, production of durable resources, and innovative policy ideas.



# What are the SRFs?

- Low interest revolving loan program with subsidies for targeted projects and communities
- Money comes from EPA/Federal Government, state match, loan repayments, interest, bond proceeds



Every state is different.  
It depends.

# SWP + DWSRF

# SWP + SDWA

- 1986 SDWA Amendments established Wellhead Protection Area (WHPA) program (§1428(e))
- 1996 SDWA Amendments explicitly mentions Source Water Protection (SWP) as goal
- Creates many pathways to supporting SWP:
  - Set-Aside use
  - SWP Loans
  - TA activities
  - State staff support
- DWSRF Eligibility Handbook  
[https://www.epa.gov/sites/default/files/2017-06/documents/dwsrf\\_eligibility\\_handbook\\_june\\_13\\_2017\\_updated\\_508\\_version.pdf](https://www.epa.gov/sites/default/files/2017-06/documents/dwsrf_eligibility_handbook_june_13_2017_updated_508_version.pdf)



# SWP + Admin and TA Set-Asides

- Used to implement CapDev Strategy
- Admin: no community size limitation
- TA: limited to communities <10,000
- Support state staff & TA providers
- Drafting SWP ordinances



# SWP + Program Management Set-Aside

- Used to implement CapDev Strategy
- Not limited to size of community
- Hire consultants to complete SWPP
- Support state SWP staff
- Cannot be used for UIC enforcement





# SWP + Local Assistance Set-Aside

- CapDev strategy implementation
- Wellhead Protection + Source Water Protection
  - WHPA program SDWA §1428(e)
  - Delineate WHPA/SWPAs
- Conduct modeling of GW sources
- Develop Source Water Protection plans, ordinances, public outreach programs
- Cannot be used for surface water activities\*
- SDWA §1452(k)(1)(D)



# SWP Loans

- Source water protection **loans** (term outlined in SDWA)
- Voluntary incentive-based SWP measures like fencing, decommissioning abandoned wells, riparian buffers, removal of septic systems
- Acquire land/conservation easements
- BMPs outlined in approved SWPP
- SDWA §1452(k)(1)(A)(i) and (ii), and (D)



# SWP + DWSRF

## Pros

- Logic dictates that drinking water funding resources should be used to support drinking water activities
- Set-Asides provide significant flexibility in how states can implement SWP activities

## Cons

- SWP activities are not allowed under the construction loan program
- Limits on use of set-aside money
- Competition for use of funds
- New loan program is a drain on staff resources
- SWP loan program prescribed in SDWA; states can't write their own rules

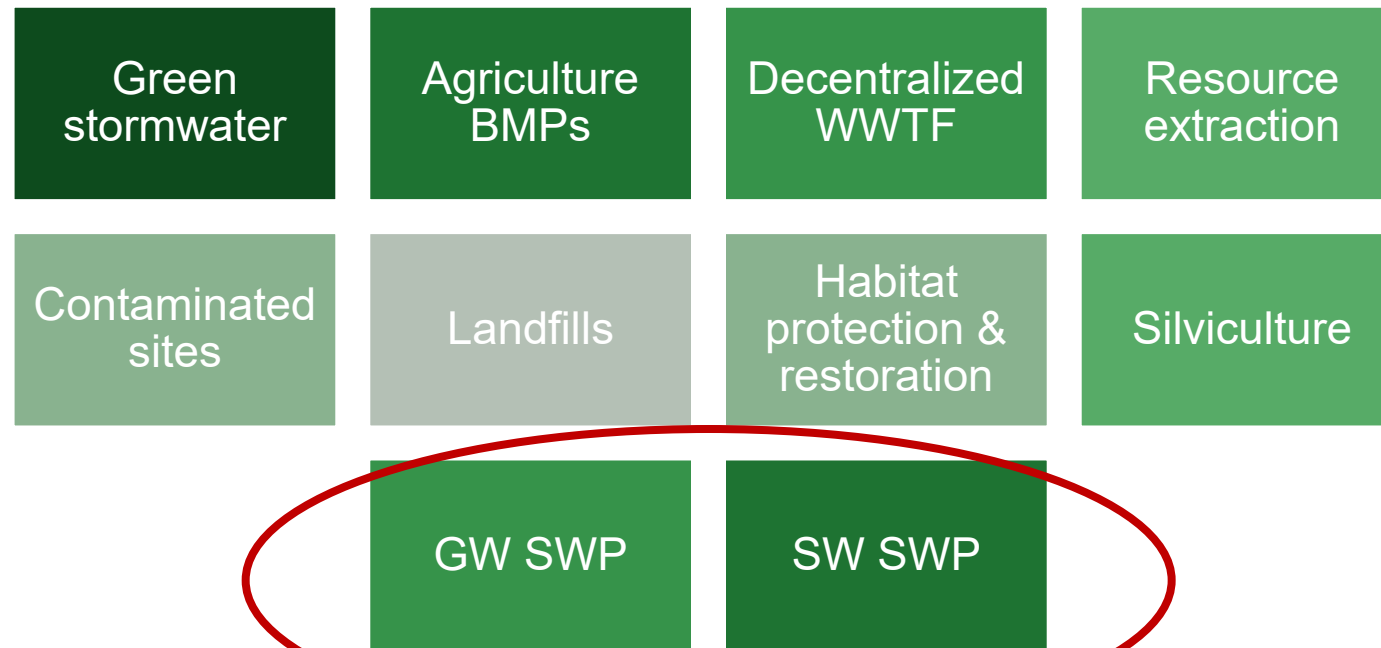


Plot Twist: the CWSRF is better designed to fund SWP activities

# SWP + CWSRF

# Eligibility- Section 319 Borrower & Project

**Clean Water Act 603(c)(2) Eligibility Section 319:** These projects are also known as “nonpoint source” projects or “green/natural infrastructure”. Further, CWSRF eligible projects can fall under the following categories. Borrowers can be any borrower, including non-profit organizations or for-profit entities. However, most states still restrict borrowing to municipalities.





# Habitat Restoration + CWSRF in Action

In 2018 GEFA signed a \$35 million assistance agreement with The Nature Conservancy for the purchase of the 11,000+ acre Cabin Bluff property on the southern coast of Georgia. Cabin Bluff includes softwood forests and intracoastal marshes and is the largest remaining undeveloped coastal property in the state. The land is home to many important threatened plant and animal species, including the longleaf pine, gopher tortoise, eastern indigo snake, tri-color bat and manatee. This agreement will protect the land in perpetuity. The Nature Conservancy is developing plans to fully restore its longleaf pine ecosystem and intends to open parts of the land to the public.



The Cabin Bluff property supports longleaf pine forest.

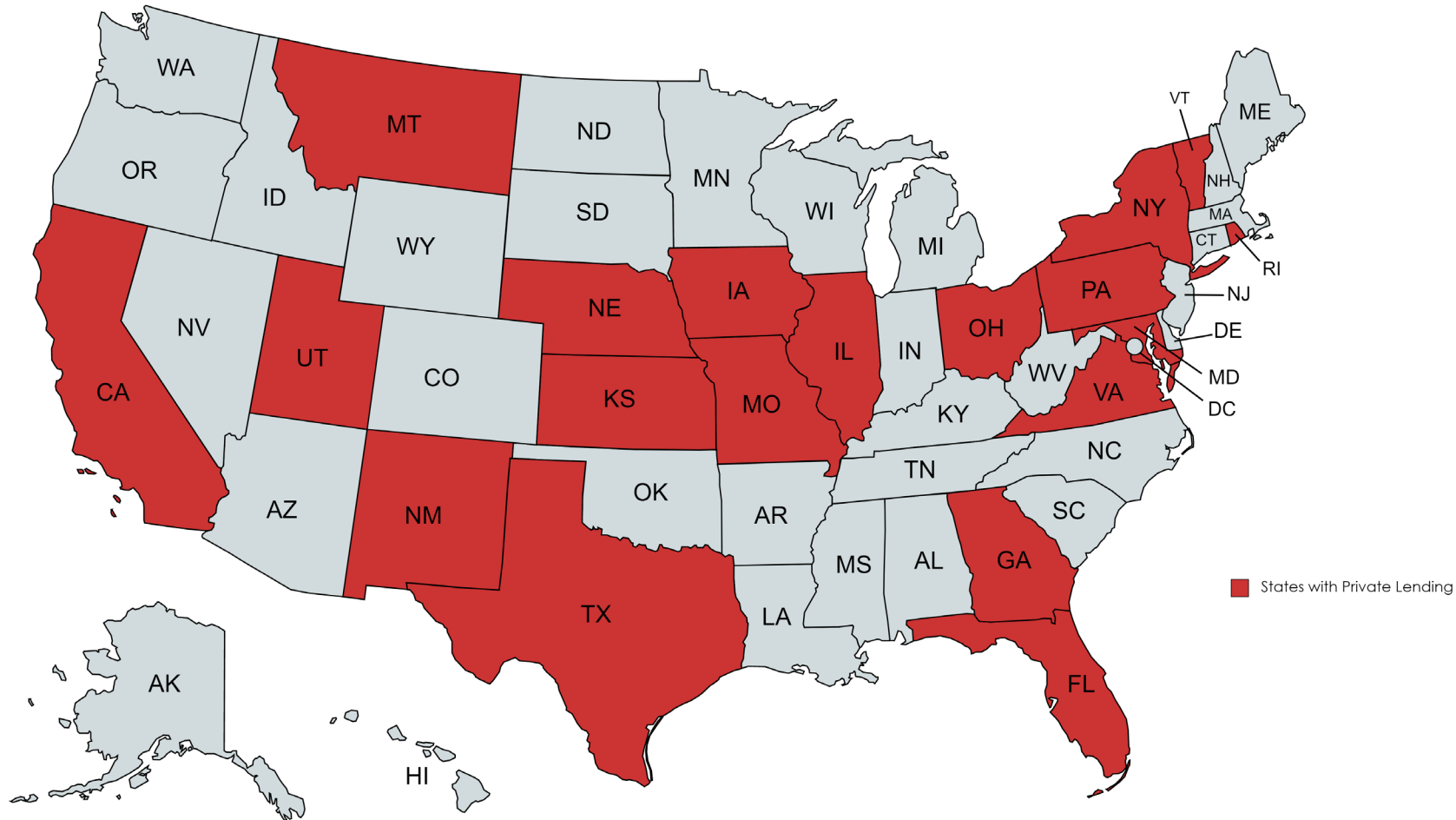


# CWSRF SWP: Huntington Community Forest

- Secured 5-yr \$309k CWSRF loan with 0% interest to protect natural infrastructure
- TPL supporting the Town as lead applicant
- Qualified as non-federal match!
- Resulted in protection of 104 acres of “Special Water Quality Zones” (42% of the property)
- 100% of the loan was forgiven based on amount of water quality benefits on the property
- Leveraged additional monies for full protection of the 240 acres (over \$700,000 in land value in 2020)



# National Private Lending Eligibility



\*Map developed by QV; may not represent every state that provides CWSRF funding to private entities



# Why Don't More CWSRFs Fund SWP Projects?

- Many programs only fund 'traditional' projects
- Most states cannot fund non-profits/private borrowers directly
- Bias towards point source and perceived lack of demand
- Lack of understanding of value by borrowers
- 'It's the way it's always been done'
- Capacity challenges at the state level to do project development
- **No traditional repayment stream**



Every state is different.  
It depends.

# Upcoming Trainings

## Case Study: Lead Service Line Funding

December 15, 2025 / 2:00-4:00 pm ET

Guest Speaker:  
Jean Devlin,  
Associate Director, QV

## What are the SRFs?

January 7, 2026 / 11:00-1:00 pm ET

## I'm Confused: Where do I start?

January 12, 2026 / 2:00-4:00 pm ET



## DWSRF Eligibilities

February 4, 2026 / 11:00-1:00 pm ET

Updated  
link!!!

For more information and to register visit:

<https://efcnetwork.org/event/virtual-office-hours-ask-me-anything-srf-technical-assistance-open-discussion-2/>

## Quantified Ventures

<https://www.quantifiedventures.com/our-team>



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