



# State of Oregon Department of Environmental Quality

## Clean Water State Revolving Fund

### Application Process

Alli Miller- Program Analyst  
[alli.miller@deq.oregon.gov](mailto:alli.miller@deq.oregon.gov)  
700 NE Multnomah St, Suite 600  
Portland, OR 97232

## Program Overview

The Clean Water State Revolving Fund provides loans to public agencies with below-market interest rates for the planning, design and construction of water pollution control facilities and other water quality improvement projects. The CWSRF also offers loans to nonprofit Community Development Financial Institutions for the repair or replacement of failing septic systems, or connections to sewer. The program is administered by the Oregon Department of Environmental Quality.

## Loan Terms

CWSRF loan interest rates are well below what a community would have to pay if it sold bonds or took a traditional loan. Interest rates typically range from less than one percent to little more than two percent, depending on the type of loan, and include a one-time fee of 1.5 percent of the amount of the loan and an annual fee of 0.5 percent of the outstanding balance.

## How to apply for a loan

**Step 1:** Find your regional project officer [online](#). Your regional project officer or technical assistance engineer can discuss this process with you and guide you through the application requirements. CDFI's should contact project officer [Rebecca Kramer](#).

**Step 2:** Determine if your project is eligible for funding and what type of loan application you need to complete for your project.

- **Point Source** - Funding for design and construction of publicly owned wastewater facilities; building or rehabilitation of sewer collection systems; urban wet weather flow control activities, including stormwater; sanitary and combined sewer control measures. This application also includes the opportunity of using the [Sponsorship Option](#), which allows a public agency to fund both a traditional wastewater project with a nonpoint source or estuary management activity as a combined project.
- **Nonpoint Source** - Funding for projects that include animal waste management; agricultural conservation; protection or restoration of riparian (streamside) habitat; establishing conservation easements; acquiring riparian lands or wetlands, estuary management projects and other nonpoint source activities.
- **Planning** - Funding of data collection and measurement, evaluation, analysis, security evaluations, report preparation, environmental review and any other activity leading to a written document.

- **Local Community Loan** - Encourages public agencies - often rural counties, soil and water conservation districts or irrigation districts - to pass through CWSRF loan funds to sub-borrowers to address local water quality issues occurring within their jurisdiction.
- **CDFI** – Nonprofit Community Development Financial Institutions, certified by the U.S. Dept. of Treasury, can apply for financing to make sub-loans to address failing septic systems for homeowners. This includes the repair or replacement of failing septic systems or connection to available sewer systems.

**Step 3:** Determine if your project includes sustainable or green components. DEQ provides a certain amount of program funds for financing green infrastructure, water efficiency improvements, energy efficiency improvements or environmentally innovative activities.

**Step 4:** Consider other funding options for your project. DEQ coordinates with other state and federal agencies that may also provide funding. A “one-stop” meeting brings together financing agencies who can help you determine which combination of funding resources will best meet your needs.

**Step 5:** Submit your application and other required documents.

Applications must be signed by an authorized official at the applicant’s agency or organization and postmarked by 11:59 p.m. Pacific Time the day of the application submission deadline. Applicants can be emailed or mailed to the appropriate DEQ regional project officer. Applications must substantially conform to the guidelines and address all criteria. To learn more about the application process contact [a project officer in](#) your region.

**Step 6:** Environmental Review Process. DEQ determines the level of environmental review your project will undergo based on applicable state and federal laws. Full details on the process are in the [Applicant Guide to the State Environmental Review Process](#).

### **What does DEQ do with an application?**

Staff review applications to determine if a proposed project meets general eligibility requirements listed in OAR 340-054-0015 and project ranking criteria outlined in OAR 340-054-0026 or 0027 and assign a numeric score to each application. After scoring and ranking, DEQ lists projects in an Intended Use Plan and provides an opportunity for public comment. All remaining requirements listed in the [application checklist](#) must be completed for an application to be included in the “Applicants Ready to Proceed” list in the Intended Use Plan.

### **Project Priority List**

Numeric score points are assigned to each proposed project based on several criteria, including:

- the sensitivity of the receiving waterbody
- enforcement activities and water quality violations
- project affordability
- the population served by the project

The Project Priority List is included in the Intended Use Plan along with other details about CWSRF program goals for the fiscal year.

## **Opportunity for Public Review**

The DEQ mails a notice of the proposed Project Priority List to all loan applicants and provides a copy to any individual or group upon request. The public has fourteen days to comment before the list becomes final. This public comment period provides an opportunity to request a re-evaluation of a project's ranking on the proposed Project Priority List. Annually, the Intended Use Plan is a part of the public review process.

## **Final application**

All applicants on the Project Priority List are invited to submit a final application, which provides additional details, and supporting documents about the project and the applicant. Based on this, the DEQ assesses the ability of the applicant to repay the loan and the readiness of the project to proceed.

## **Project funding**

Upon approval of the final application, a loan agreement is signed between DEQ and the applicant. If applications exceed available monies, projects are funded in Project Priority List order, with a maximum of 15 percent of the monies going to any one applicant. If no funds are available, financing is awarded when new monies become available through federal grants, loan repayments or other fund changes.

Each time new monies become available, they are allocated to unfunded or partially funded projects with approved final applications in the following sequence:

1. Communities with a population of 5,000 or less that have severe water quality problems are funded in point order for the first 15 percent of available monies.
2. Facilities planning projects are funded in point order for the next 10 percent of available monies.
3. Remaining monies are allocated to projects in point order, including additional small community and facilities planning projects.

When loan monies are awarded, DEQ and the public agency negotiate terms and sign a loan agreement. If a loan is not executed within three years, the loan monies may be withdrawn from that project.

## **Additional information**

Applications and staff contacts are available online at [www.deq.state.or.us/wq/cwsrf](http://www.deq.state.or.us/wq/cwsrf)

## **Alternative formats**

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email [deqinfo@deq.state.or.us](mailto:deqinfo@deq.state.or.us).