



Oregon CWSRF Standing Advisory Committee Update

May 30, 2025

Meeting agenda

Welcome and introductions

Background purpose and goals

CWSRF program and priorities for IIJA implementation revisited

Oregon CWSRF program updates

Feedback from individual Advisory Committee members

Wrap up and adjourn

Oregon CWSRF Brief Review

- Funding authorized under the Clean Water Act in 1987 to finance water pollution control activities
- Below-market rate loans for a wide range of water quality and infrastructure projects
- More than \$1.6 billion to 200 borrowers throughout the state of Oregon over 30 years
- \$750 million loan portfolio value at any given time – the fund “revolves” ...



Four primary loan types

Below-market rate loans for planning, design and construction

The Oregon Clean Water State Revolving Fund helps protect public health, restore natural areas and promote economic development. We can help you decide which treatment approach and loan type will meet your water quality needs.



Point Source

- Any single identifiable source of water pollution discharge
- Common types are factories, sewage treatment plants and other industries



Nonpoint Source

- Pollution carried by rain, snowmelt, seepage or drainage, including:
- Oil
 - Animal waste
 - Bacteria
 - Agricultural chemicals
 - Stormwater



Planning

- Data collection and measurement
- Evaluation, analysis and security
- Report preparation
- Environmental review and any other activity leading to a written document

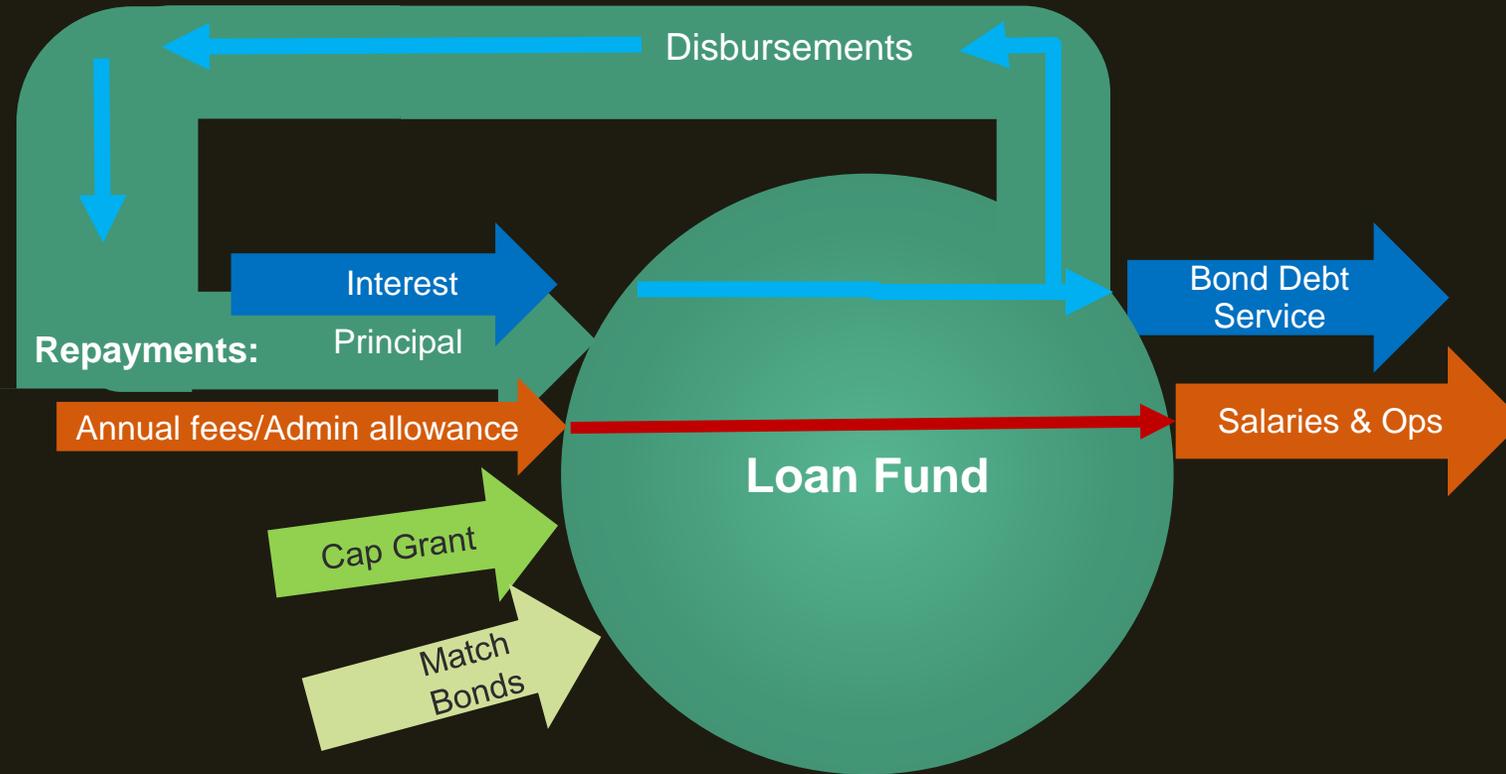


Local Community

- Enables communities to develop their own water quality loan program
- Projects may include septic work, estuary management and irrigation projects

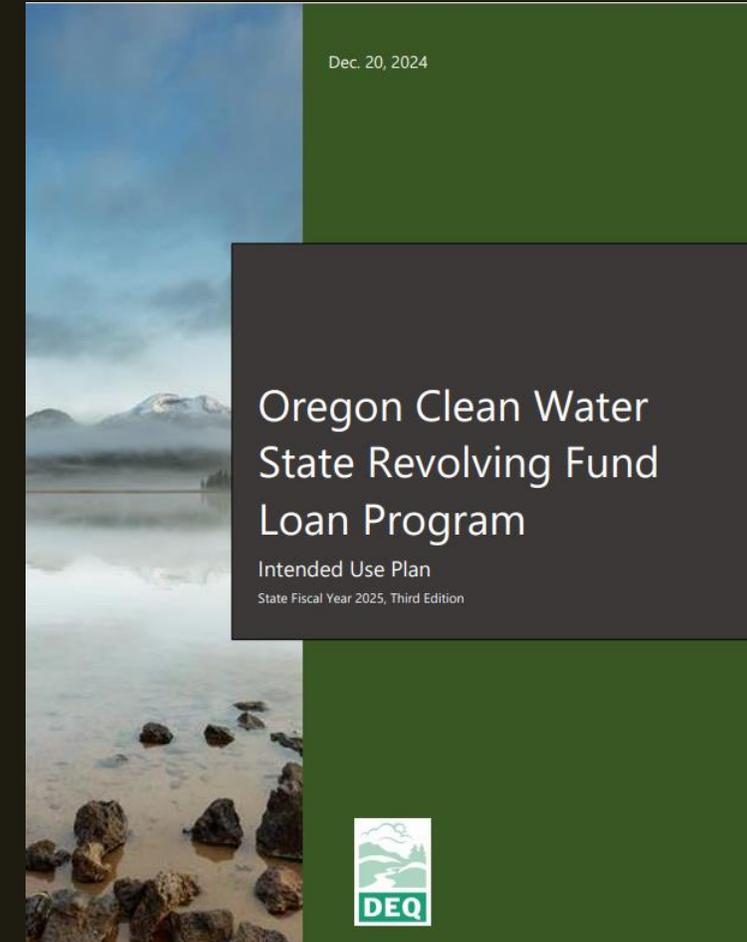


How the fund revolves



Intended Use Plan

- EPA requires SRFs to develop an Intended Use Plan annually
- The IUP shows how the program intends to utilize funds for applications/projects each state fiscal year
- Oregon CWSRF develops an initial IUP and two IUP updates based on three application cycles per year
- An applicant can remain on the IUP for up to three years to become “ready to proceed” for a loan
- The IUP includes a project priority list, estimated funds available, and documents program requirements for EPA
- SRFs use the IUP to apply for EPA federal capitalization grants



Principal Forgiveness

Oregon Administrative Rule [340-054-0010](#)

Definitions: (19) “Principal forgiveness” means additional subsidization that allows a borrower to repay only a specified portion of the loan principal.

Eligibilities for Principal Forgiveness:

- Affordability criteria
- Water-efficiency, energy-efficiency, stormwater, or sustainable project planning, design, and construction.
- Ratepayer hardship

EPA federal capitalization grants require a percentage of the cap grants to be provided as additional subsidization, principal forgiveness for Oregon CWSRF.

Affordability Criteria

- Clean Water Act requires CWSRF programs to establish affordability criteria for “additional subsidization”, or principal forgiveness for Oregon CWSRF (Water Resources Reform and Development Act of 2014)
- **Clean Water Act Section 603(i) - affordability criteria shall be based on:**
 - Income
 - Unemployment data
 - Population trends
 - Other data determined relevant by the State, including whether the project or activity is to be carried out in an economically distressed area
- **Oregon Administrative Rules 340-054-0065 Clean Water State Revolving Fund Loans to Public Agency Borrowers: Loan Types, Terms and Interest Rates:** (12) Principal forgiveness for public agency borrowers.
 - **(c) Affordability Criteria.** Affordability criteria shall be based on income and unemployment data, population trends, and other data determined relevant by the State, including whether the project or activity is to be carried out in an economically distressed area.

Federal funding

- CWSRF applies for federal capitalization grants from EPA:
 - CWSRF annual base cap grant
 - Infrastructure Investment and Jobs Act supplemental cap grant
 - Infrastructure Investment and Jobs Act emerging contaminants cap grant

CWSRF annual base cap grant funding

Federal Fiscal Year Cap Grant	Amount	Status
FFY2022 Annual Base cap grant	\$13,071,000	Disbursed
FFY2023 Annual Base cap grant	\$ 8,473,000	Disbursed
FFY2024 Annual Base cap grant	\$ 9,022,000	Pending award
FFY2025 Annual Base cap grant	\$17,922,000	Applying for this spring
FFY2026 Annual Base cap grant	TBD	Pending Appropriations for next year

Infrastructure Investment and Jobs Act supplemental cap grant funding

Federal Fiscal Year Cap Grant	Amount	Status
FFY2022 Infrastructure Investment and Jobs Act supplemental cap grant	\$20,271,000	Disbursed
FFY2023 Infrastructure Investment and Jobs Act supplemental cap grant	\$23,546,000	Disbursed
FFY2024 Infrastructure Investment and Jobs Act supplemental cap grant	\$25,690,000	Applying for spring 2025 (in progress)
FFY2025 Infrastructure Investment and Jobs Act supplemental cap grant	\$27,829,000	Appropriated and allotted by EPA, will apply early next year
FFY2026 Infrastructure Investment and Jobs Act supplemental cap grant	\$27,872,179	Estimate authorized, not appropriated

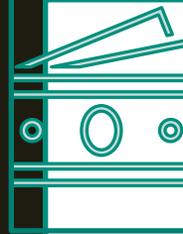
Infrastructure Investment and Jobs Act emerging contaminants cap grant funding

Federal Fiscal Year Cap Grant	Amount	Status
FFY2022 Infrastructure Investment and Jobs Act emerging contaminants	\$ 1,056,000	Awarded and disbursing
FFY2023 Infrastructure Investment and Jobs Act emerging contaminants	\$ 2,402,000	Awarded
FFY2024 Infrastructure Investment and Jobs Act emerging contaminants	\$ 2,402,000	Applying for spring 2025 (in progress)
FFY2025 Infrastructure Investment and Jobs Act emerging contaminants	\$ 2,402,000	Appropriated and allotted by EPA, will apply early next year
FFY2026 Infrastructure Investment and Jobs Act emerging contaminants	\$ 2,402,000	Estimate authorized, not appropriated

Infrastructure Investment and Jobs Act Priorities



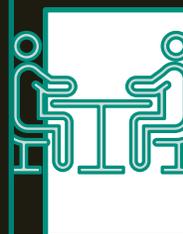
Federal infrastructure funding
Nov. 15, 2021, with funding to
EPA through SRF programs for
five years



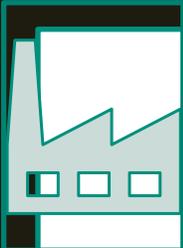
Requirement for CWSRF
programs to provide more
principal forgiveness (49% of IIJA
supplemental capitalization grant)



Priority to address needs of
“disadvantaged communities”
defined by affordability criteria for
CWSRFs



Technical assistance



Priority to address emerging
contaminants, 100 percent PF



Build America Buy America
requirements

Oregon CWSRF Program Enhancements and Impacts Session Overview

Oregon
CWSRF IIJA
action plan

Oregon DEQ
Rulemaking
2022

New Principal
Forgiveness
limits

Outreach and
technical
assistance

Increasing
staff capacity

Impacts and
results

Principal Forgiveness

Removed rule language limiting PF maximum of \$500,000

Removed rule language limiting PF to only sustainable planning projects and 50% principal forgiveness

Increased limits for PF up to \$2,000,000 for design and construction loans documented in Intended Use Plan

Added 100% PF for eligible planning loans up to \$100,000

Affordability Criteria



Removed rule language referencing Oregon Distressed Areas Index, retained language of affordability criteria requirements in Clean Water Act



Revised affordability criteria regarding income, unemployment, and population trends



Developed metrics including water pollution burdened and health burdened communities



Prioritized very small communities



Documented program enhancements in Intended Use Plan

Impacts from Outreach and Engagement

Loan Information Request Forms and Meetings

- The program received 21 Loan Information Request Forms in SFY 2024, which led to 17 applications
- For SFY 2025 there have been 19 Loan Information Request Forms received which have led to 10 applications so far

One Stops

- CWSRF staff participated in 10 One Stop Meetings during SFY2024, resulting in loan applications from 6 communities.

DEQ Technical Assistance

- Focus on applicants on the IUP to support progress towards loan commitments
- Started in July 2024 and since then there have been 7 webinars, 5 on overall financial requirements, 2 reviewing construction requirements.

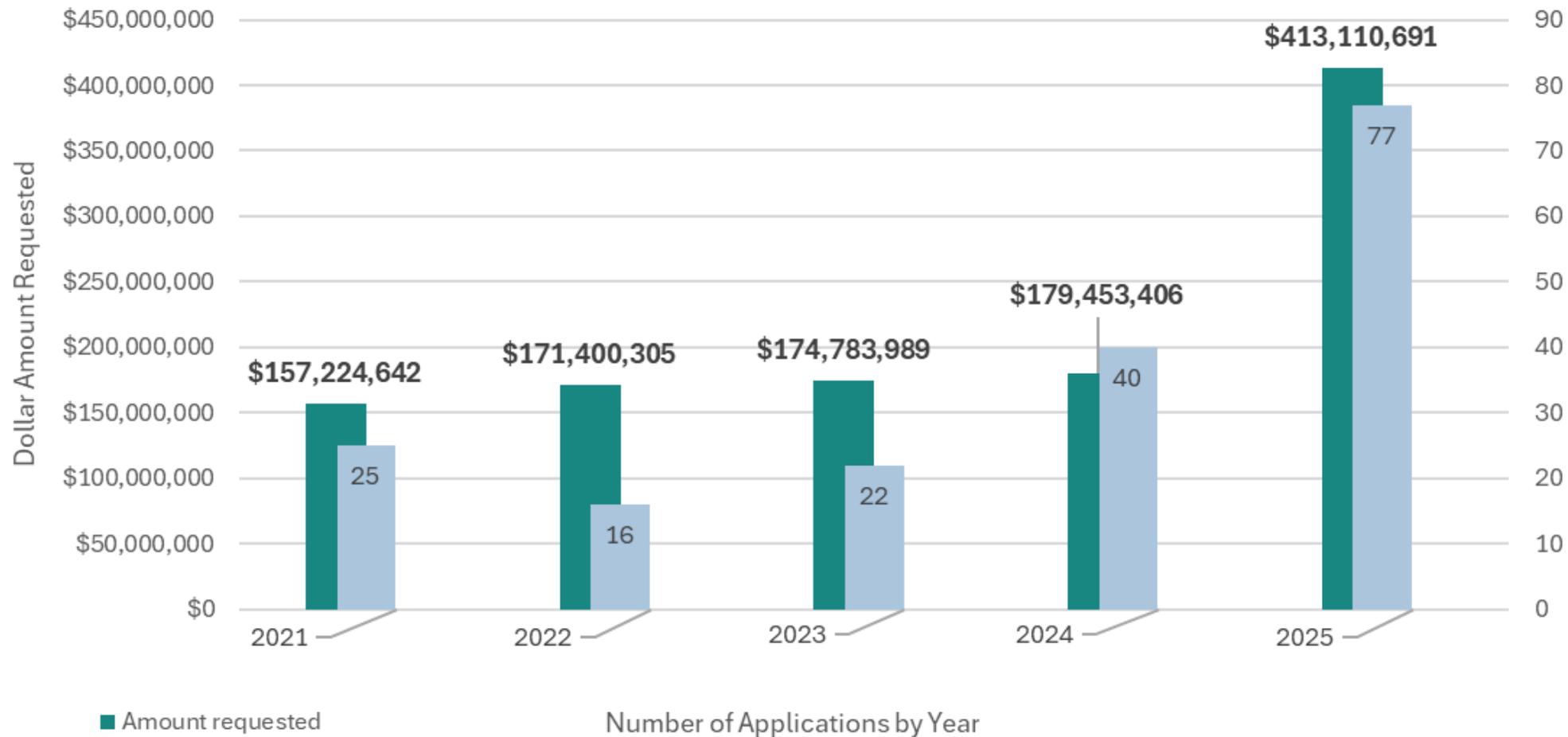
Principal Forgiveness Eligibility

Rule Change Spring 2023 to implement IIJA

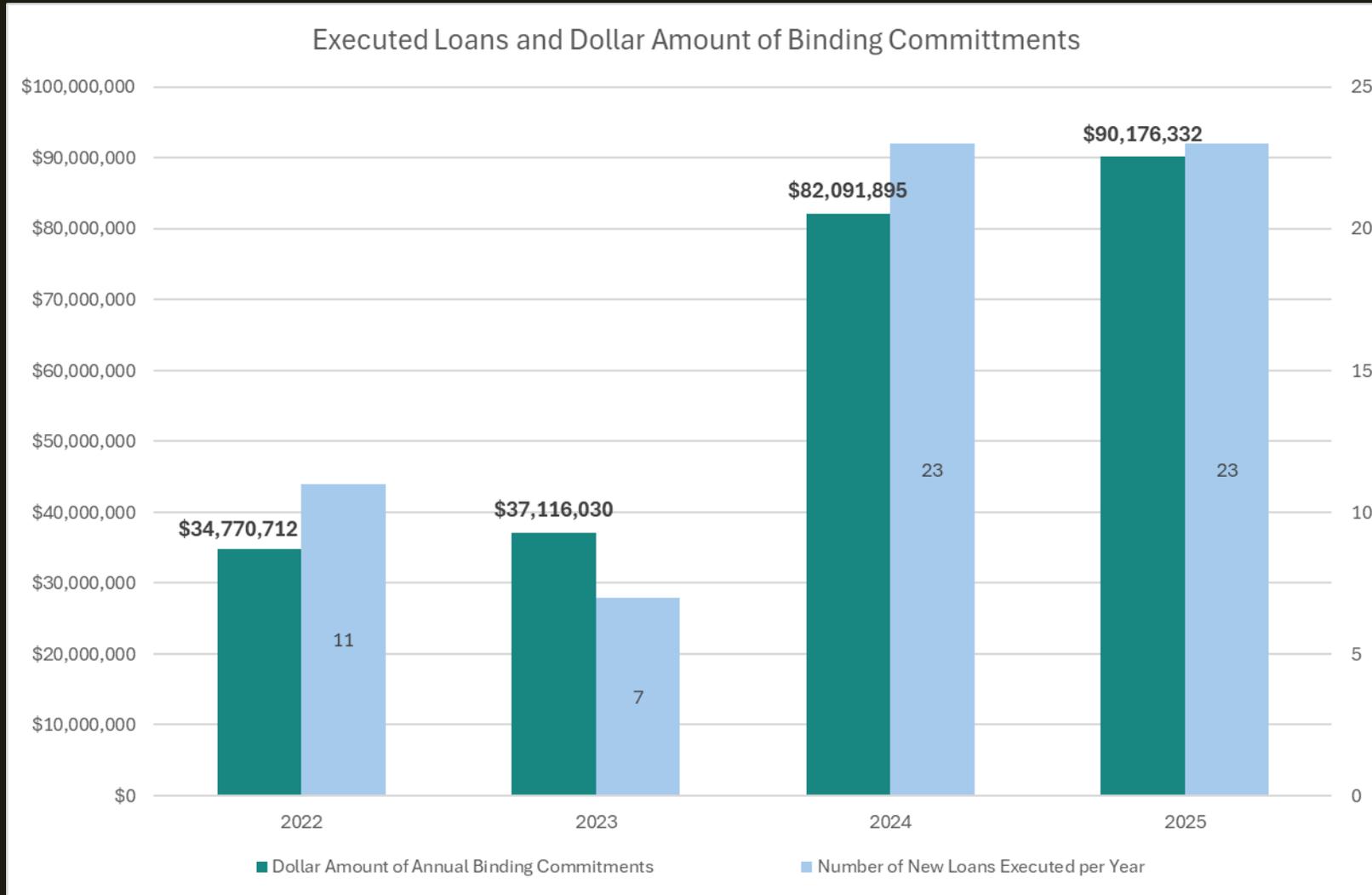


Intended Use Plan: Number of Applications and Dollar Amount Requested Increased

Number of Applications Each Year and Dollar Amount Requested on the IUP



Results: Notable Increase in Commitments



Highlights of Innovative Projects

Green projects on IUP 2025 (25)

- Covering a wide array of categories:
 - water efficiency
 - energy efficiency
 - environmentally innovative
 - stormwater
 - sustainable planning, design, construction

Planning projects (16 on most recent IUP)

- Incentive of 100 percent principal forgiveness up to \$100,000 for planning loans created unprecedented number of planning loan applications
- 16 applications on last IUP 2025 Third Edition
- 10 planning loan applications (@ 63% of total) are for small communities less than 10,000 population

Nonpoint Source projects (28 active)

- 28 active CWSRF funded NPS projects totaling \$26,290,070 since January 1, 2024
- Five new loans signed for NPS projects totaling \$847,938 since January 1, 2024
- Four NPS projects completed since January 1, 2024, with \$9,999,217 in CWSRF financing
- 12 new nonpoint source loan applications for projects were added to the Intended Use Plan since January 1, 2024

Stormwater projects (7)

- Two stormwater projects addressing emerging contaminants
- CWSRF co-funded five stormwater projects with Overflow Sewer and Stormwater Reuse Municipal Grant Program totaling \$1,582,080 in SFY2024
 - City of Astoria
 - City of Bay City
 - Tillamook County Solid Waste District (two projects, Manzanita and Pacific City)
 - Rogue Valley Sewer Services

Estuary project

- City of Bay City Patterson Creek Culvert Replacement project benefiting Tillamook Bay National Estuary

City of Estacada EPA WATERS Award Ceremony

Site Visit Presentation March 2025

Innovative use of CWSRF Fund

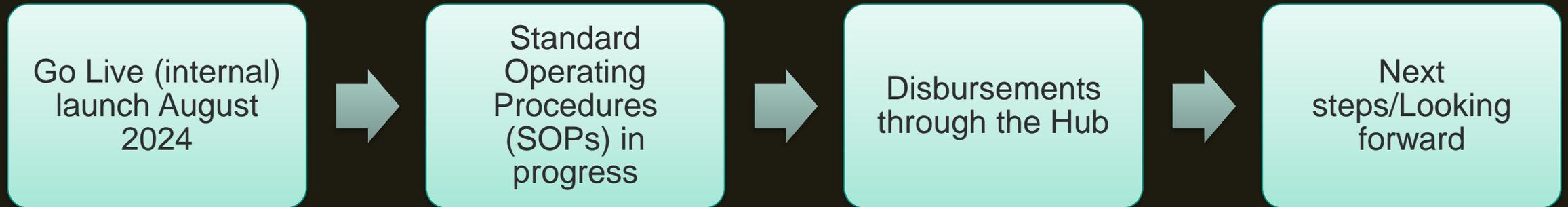


WATERS: Well-planned, Affordable, Transferable innovative technology, Efficiency, to make community more Resilient or Sustainable

This project exceeds current and anticipated future water quality standards with long-term environmental benefits.

- Membrane bioreactor for clean effluent to protect drinking water and fisheries in Clackamas River
- Premium efficiency motors

Oregon Clean Water Funding Hub



On the horizon ...



Financial forecasting

Federal funding, cap grants, increased demand, funds available



Principal forgiveness

Availability, demand, priorities, and limits over time



House Bill 3293

Community Engagement Planning



Managing a changing environment and working with EPA

Feedback and discussion

What are key water infrastructure needs you are seeing for communities in Oregon?

What are key state and/or local issues and trends to consider regarding water infrastructure in Oregon?

What is most important for Oregon CWSRF to consider regarding future funding for water infrastructure in Oregon?

Title VI and alternate formats

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