Stormwater Funding and Financing Webinar Series

Affordability and Customer Assistance Programs for Stormwater Services

December 1, 2021, 2:00 – 3:00 PM EST
Zoom Tips

- All participants will be muted during presentations

- Ask questions via the Q&A function or live:
  - Submit questions any time during presentations via the Q&A function
  - Raise your hand to ask a live question during Q&A (time permitting)

- For tech support, please note your problem via the Q&A function
Agenda

• Welcome and introductions

• Background on the Water Finance Center

• Featured speakers on affordability and customer assistance programs
  • Christina Clark, Office of Community Services – Health and Human Services
  • Anne Fritzel, Housing Programs Manager – State of Washington Department of Commerce
  • Danon Lawson, Stormwater Utility Administrator – City of Gastonia, NC

• Q&A

This webinar will be recorded and made available on the EPA website at a later date.
LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM
Authorizing Legislation

• Consolidated Appropriations Act of 2021- $638M
• American Rescue Plan Act (ARP) of 2021- $500M

*Obligation period through FY 2023 (expenditure deadline: 12/31/2023)
Low Income Household Water Assistance Program (LIHWAP)

- Grant awards to states, territories and eligible tribes
- To assist low-income households with water and wastewater bills by reducing arrearages and rates charged for drinking water and wastewater services
- Benefit payments are made directly to public water service providers, on behalf of low-income households,
- Use existing processes, procedures, policies, and systems in place to provide assistance to low-income households.
OCS Priorities

1. **Restoration of services** to households that have had drinking water and/or wastewater services disconnected due to arrearages.

2. **Prevention of disconnection** for households at risk of disconnection due to arrearages.

3. **Reducing rates** charged to low-income households where possible to help ensure affordable household water.
Use of Funds/Cost Categories

• Administrative Costs
• Outreach & Eligibility/ Intake Costs
• Benefits to Households:
  1. Arrearages
  2. Reconnection and late fees
  3. Reduction in rate charges
Household Eligibility

• Categorical Eligibility:
  • Low-Income Home Energy Assistance Program (LIHEAP),
  • Means-tested Veterans Programs,
  • Supplemental Security Income (SSI),
  • Supplemental Nutrition Assistance Program (SNAP),
  • Temporary Assistance for Needy Families (TANF)

• Income Eligibility:
  • an amount equal to 150 percent of the poverty level for such state; or
  • an amount equal to 60 percent of the state median income
Vendor Agreements

• Grantees should enter into vendor agreements with public water utility provider. LIHWAP terms and Conditions identify the following requirements for working with water vendors:

• If there is not an agreement in place, grantees must develop rigorous procedures to ensure the information outlined in terms and conditions 11h.

• **LIHWAP IM-2021-02 Vendor Agreement FY2021**
Current LIHWAP Status

- All funds awarded
- 49 States, just over 100 tribes, 5 territories, the District of Columbia
- Grantee plan review- Over $1B in funding released for implementation
- FRN for LIHWAP Data Reports: [60-day Federal Register Notice](#)
Resources/Links

- **LIHWAP Website**
- **Information Memorandum**: Vendor Agreements, Renter Households, Benefits Policy, Use of Funds FAQ,
- **Dear Colleague Letters**: Funding Release, Alternative Utilities Funding, CSBG Coordination
- **World Water Week**: Partnering to Increase Availability, Affordability, and Access to Quality Water and Wastewater Services
- **Training Resources**: Use of Funds, Information for Water Vendors
- **Contact Information**
Connecting (affordable) Housing to Infrastructure Program (CHIP)

Washington State 2021-2023 Capital Budget SSB 1080, Sec 1074

Growth Management Services

Anne Aurelia Fritzel, AICP
HOUSING PROGRAMS MANAGER

12/01/2021
We strengthen communities

HOUSING
HOMELESSNESS

INFRASTRUCTURE

BUSINESS
ASSISTANCE

ENERGY

PLANNING

COMMUNITY FACILITIES

CRIME VICTIMS &
PUBLIC SAFETY

COMMUNITY
SERVICES
Responsibly charging for development

Developers create majority of local stormwater systems
  • Including swales, green infrastructure, or part of a regional system in more urban areas
    (See Building Cities in the Rain)
  • Requirement varies according location and local requirements

Optional one-time impact fees authorized for system-wide impacts (roads, parks, schools, fire)
  • Can be waived up to 80% for affordable housing developments.

Optional one-time “tap-in charges” or “connection fees” authorized to connect to regional systems (water, sewer, stormwater) or for local stormwater utility.
  • Fee varies according to locality for an “equitable share of the cost of such systems”, mostly based on impervious area, some density considerations.
  • Authority exists to waive or reduce fees for low income units.

Monthly utility charge in larger communities
  • Can be prorated for low-income households.

Bonds, state and federal grant and loan programs, or emergency response
CHIP reimburses local governments and public utility districts for utility connections

Must have passed a local housing sales and use tax

Must be for a new affordable housing project
  • 80% AMI, affordable for 25 years
  • At least 25% affordable units encourages private sector

For utility extensions
  • Sewer, water, stormwater connections

And system development charges
  • Local governments must have waived the fees
What CHIP funds:

1. **Utility extensions**
   - Must be in place before the building permit is granted.
     - $500-$700/foot

2. **System development charges**
   - Must be paid before a project can connect. Typically:
     - $1,500 - $6,000 / unit for water
     - $3,500 - $15,000 / unit for sewer
     - $500 - $3,000 / unit for stormwater
<table>
<thead>
<tr>
<th>Amount</th>
<th>Eligible Applicants</th>
<th>Prioritization</th>
</tr>
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<tbody>
<tr>
<td>$16.3 million</td>
<td>Cities, counties, public utility districts that imposed a sales and use tax</td>
<td>Prioritized for utility improvements within a Qualified Census Tract (QCT), but available to any location.</td>
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<td>ARPA</td>
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<tr>
<td>$10.7 million</td>
<td>A city or county with a population of 150,000 or less, and that imposed a sales and use tax</td>
<td>Prioritized for utility improvements for projects located within a QCT, but available in any location</td>
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<tr>
<td>ARPA</td>
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<tr>
<td>$7.6 million</td>
<td>All cities, counties, public utility districts that imposed a sales and use tax</td>
<td>Prioritized for</td>
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<tr>
<td>STATE CAPITAL</td>
<td></td>
<td>• Waived system development charges</td>
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<tr>
<td>FUNDS</td>
<td></td>
<td>• Creation of new fee waiver programs</td>
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Program is prioritized in federally designated Qualified Census Tracts, but can be used anywhere.

QCTs = portions of:

- Bellingham
- Auburn/King
- Marysville
- Ellensburg
- Bremerton
- Mount Vernon
- Kent
- Burien
- SeaTac
- Olympia
- Des Moines
- Snohomish
- Port Angeles
- Everett
- Spokane
- Renton
- Federal Way
- Valley
- Spokane
- Forks
- Tukwila
- Tacoma
- Lakewood
- Yakima
- Vancouver
- Longview
- Seattle
- Lynnwood
Significant interest in the grant program

**Timeline**
- Grant opened: Monday, November 8, 2021
- Zoom Q&A session: December 2, 2021
- First round closes: January 7, 2022

**Benefits**
- Leverages federal funds to help support housing projects as construction costs rise, leaving gaps in construction budgets
- Helps local governments to gain more affordable housing
- One more tool for local governments and fills a gap

Thank you!

Anne Aurelia Fritzel, AICP
HOUSING PROGRAMS MANAGER
Anne.Fritzel@commerce.wa.gov
360.259.5216

Citizen Stormwater Assistance Program – Customer Contribution Assistance
The City of Gastonia – Data*
Current Population: 77,273 (and growing)
Median Household Income: $49,460
Community at or below the poverty level: 16%

*Data per 2019 US Census
Stormwater Utility Fees

Total Utility Fee Billed ≈ $3.1 Million

(Percentage of utility fee)

CIP ≈ 65%

Off Right Of Way Assistance ≈ 35%
Off Right of way Program

Criteria for Government Assistance

• Stormwater From Municipal source MUST be present. (It is against City Policy to maintain open channels, ditches or waterways where municipal impact is NOT present)

• All candidates are taken first to a Stormwater Team Meeting, and then to the Stormwater Commission (Commissioners are appointed)

• Commissioners then vote on a one time repair based on 4 categories
  - No Action
  - Category 3 (Maximum Contribution $10,000)
  - Category 2 (Maximum Contribution $30,000)
  - Category 1 (Maximum Contribution $50,000)

• All candidates must contribute 10% to the project and agree to maintenance
Gastonia’s Stormwater Citizen Contribution Assistance Program

• In 2015 the Citizen Contribution Assistance Program was created as a means of assisting those citizens who meet the qualifying criteria but still need fiscal aid in implementing. Those eligible must have an income below the **Maximum Qualifying Income**.

  ***(The criteria used to determine the need for fiscal assistance is operated through our Community Development Department utilizing Housing and Urban Development Data)
***The HUD Data Used to Identify Qualifying Individuals.

The HUD data has been updated and the existing sheet shows the Very Low Income changing.

<table>
<thead>
<tr>
<th>FY 2021 Income Limit Area</th>
<th>Median Family Income</th>
<th>FY 2021 Income Limit Category</th>
<th>Persons in Family</th>
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<tbody>
<tr>
<td></td>
<td>Explanation</td>
<td>1 2 3</td>
<td>4 5 6 7 8</td>
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<tr>
<td>Charlotte-Concord-</td>
<td>$84,200</td>
<td>29,500 33,700 37,900</td>
<td>42,100 45,500 48,850 52,250 55,600</td>
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<tr>
<td>Gastonia, NC-SC HUD</td>
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<td>Very Low (50%) Income Limits ($)</td>
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<td>Metro FMR Area</td>
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<td>Extremely Low Income Limits ($)</td>
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<td>Low (80%) Income Limits ($)</td>
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<td>Effective Date: June 1, 2021</td>
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Questions & Answers
Thank you!

- For additional questions and more information, please contact the Water Finance Center: waterfinancecenter@epa.gov

www.epa.gov/waterfinancecenter