

# SRF STATE ADVOCATES FORUM

# ANALYSIS TEMPLATE

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# SRF State Advocates Forum Analysis Template

(Please copy, rename your document in the following format - “STATE NAME’ SRF Analysis Notes and Outline”)

Purpose of this document: This template is meant to organize your advocacy priorities and includes the sections that Janet outlined in her presentation to help guide you in your analysis of your state’s SRF programs.

## Relevant links and resources:

- E.g., you can hyperlink your state’s Intended Use Plan (IUP), relevant articles you come across related to SRF administration, etc.
- SRF Advocates Forum: [Home - SRF State Advocates Forum \(srfadvocatesforum.org\)](http://srfadvocatesforum.org)
- Engagement Tracker: [SRF advocates engagements - Google Sheets](#)
- [Who do I talk to about...](#)
- Engaging in the IUP process: [Advice from North Carolina Conservation Network](#)
- [Advocacy plan of action](#)

## Relevant links and resources:

# PRE-ANALYSIS SCOPING QUESTIONS

Spend some time reflecting on key priorities for underserved communities in your state and list them here. Some examples include...

- Addressing flooding
- Addressing water affordability
- Incorporating additional green and nature-based infrastructure solutions
- Protecting the environment and people
- Investments in communities that have been excluded
- Principal forgiveness for majority Black/brown communities
- Better understanding of infrastructure need and opportunity
- Improving state implementation of SRFs
- Addressing legacy EJ issues and structural racism in the system
- Faster lead service line replacement
- Economic and workforce development
- Add priorities here (and remove any priorities above that are not relevant for your state). For example, if workforce development is a priority for your state, keep this theme in mind while reviewing your state's IUP.

**Write your priorities here:**

# SECTION 1.

## WHAT AND WHO IS THE PROGRAM FOR?

What are the goals of the state SRF program?

*Many states simply highlight fulfillment of the administrative duties assigned to the SRF agency. But some states highlight goals related to equity, affordability, climate resilience, or workforce development*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

# SECTION 1.

## WHAT AND WHO IS THE PROGRAM FOR?

Who is eligible to receive SRF assistance?

*Public water systems and municipalities will be eligible. Privately owned and operated community water systems may also be eligible, with certain conditions. In some states, nonprofits are eligible to apply for CWSRF funds for green infrastructure and other nature-based solutions to stormwater management.*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 2.

### How much \$ is allocated for principal forgiveness and set-asides?

How much of the base grant will go to Principal Forgiveness (PF)?

*For BIL funds, this must be 49% of LSLR, general CW, and general DW funds, and 100% of emerging contaminants funds. But for base funds, this could be between 26% and 49% of the annual federal capitalization grant.*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 2.

### How much \$ is allocated for principal forgiveness and set-asides?

How much of the fed cap grants should be set aside for

*(i) administration, (ii) technical assistance, (iii) state program administration, (iv) local capacity development? ... and how will set-aside funds be used?*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 3. Types and Terms of Assistance Provided by the SRF

What kinds of assistance to provide?

*(i) Loans; (ii) Grants; (iii) Principal Forgiveness; (iv) Loan guarantees or other credit enhancements*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]



## SECTION 3. Types and Terms of Assistance Provided by the SRF

What interest rates to charge? Length of loans?

*Interest rate discounts or extended loan terms for DACs?*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 3 CONTD. TYPES AND TERMS OF ASSISTANCE PROVIDED BY THE SRF

How to Define Disadvantaged Communities?

**7a. Factors to Consider:**

*Median household income (MHI)? Poverty indicators? Social vulnerability factors? Water rate burden? Size of community served by water system? Note that Thresholds are important – if too many communities qualify as DACs, PF will be spread too thin. See [EPA March 2022 Memo](#) for suggested thresholds.*

**7b. Able to rank communities based on degree of disadvantage?**

*E.g., Standard “in/out” definition groups all qualifying communities together vs. sliding scale weighting different factors can rank communities on the basis of relative disadvantage.*

**7c. Spatial boundaries to identify DACs?**

*Whole water system? Municipality? Census block?*

[Part A. How does your state’s IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 3 CONTD. TYPES AND TERMS OF ASSISTANCE PROVIDED BY THE SRF

What should Principal Forgiveness be used for?

**8a. Only for DACs?**

*Principal Forgiveness from CWSRF can be used:*

- *To help DACs; or*
- *“To benefit individual ratepayers in the residential user rate class”; or*
- *“To implement a process, material, technique, or technology that addresses water or energy efficiency goals, mitigates stormwater runoff, or encourages sustainable project planning, design, and construction.”*

*Some principal forgiveness from base DWSRF grant can be for “discretionary” purposes, other than DACs.*

**8b. For certain types of projects?**

*(Note: Many states prioritize PF for consolidation projects)*

**8c. To incentivize certain priority actions by SRF applicants?**

*For example, some states provide “bonus PF” for systems that update their asset management plans.*

[Part A. How does your state’s IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## **SECTION 4.**

### **Prioritizing who/what receives SRF assistance.**

How does your state prioritize projects for loans and principal forgiveness? (Could be based on urgency, like the need to meet SDWA compliance, or impact, like the city with the most lead service lines will be prioritized)

*(For example, project scoring formula or project priority list 'PPL')*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 4. Prioritizing who/what receives SRF assistance.

How does your state prioritize projects for loans and principal forgiveness? (Could be based on urgency, like the need to meet SDWA compliance, or impact, like the city with the most lead service lines will be prioritized)

How to prioritize communities for PF?

*(Note: If many communities are eligible for PF based on DAC definition, how to decide who is awarded the limited PF \$\$, and how much? Based on project rank? Based on relative degree of need? Which communities are most disadvantaged?)*

Looking at your state's most recent IUP, how is community prioritization assessed?

How might the state better answer this in a way that addresses concerns for communities in your state?

**SECTION 4. CONTD.**  
**Prioritizing who/what receives SRF assistance.**

How to cap or limit the amount of PF each community can receive?

*(Percentage of project costs? Flat caps? Scaled caps?)*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 5.

### “READY-TO-PROCEED” CRITERIA

**What conditions does an applicant need to meet to be considered ready to finalize an SRF award and get the \$\$?**

*(Typically, this will include things like engineering reports, environmental assessments, or indications that the community will be able to repay the loan. To ensure that projects receiving funding have received community input and are in line with community priorities:*

- *Standards for community participation and vetting of projects could be developed; and*
- *Cities/utilities could be required to demonstrate that they have complied with these public participation requirements to be deemed “ready to proceed”.)*

[Part A. How does your state’s IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]

## SECTION 6. PUBLIC NOTICE AND COMMENT

How does the agency inform stakeholders about the policies in the IUP and solicit feedback?

*(Note: Often IUPs are hard to find. Typically, comment windows are short (30-days), and administrators are not inclined to change anything due to "set expectations" of applicants. Some agencies provide webinars to explain the IUP and take questions. Even if you are unable to change this year's IUP, your comments might influence next year's IUP, especially if you use the time in between to build a relationship with your state SRF administrator.)*

[Part A. How does your state's IUP answer this question?]

[Part B. Do you have any initial thoughts on what should be included, clarified or changed based on priorities for underserved communities in your state.]