



Watershed Coordinator Initiative

Overview

May 2023



Quantified Ventures works with pioneering organizations to design, capitalize, and scale investible solutions that improve the wellbeing of people and planet.

Our Watershed Coordinator Team works to secure funding and financing for natural infrastructure (Nature-based Solutions) projects.



We are proud to be a certified B Corporation, doing business for good, and good business.



What Are Nature-based Solutions?

FEMA's Definition:

Nature-based solutions are sustainable planning, design, environmental management and engineering practices that weave natural features or processes into the built environment to promote adaptation and resilience.

These solutions use natural features and processes to:

- Combat climate change
- Reduce flood risk
- Improve water quality
- Protect coastal property
- Restore and protect wetlands
- Stabilize shorelines
- Reduce urban heat
- Add recreational space
- And more



Conceptual framework on Nature-based Solutions

Photo: IUCN



Focus on SRFs:



- QV's WC are looking at all forms of funding and financing for Nature-based Solutions

"Leave No Dollar Behind!"

But, we are highly focused on
State Revolving Funds

Introduction to “State Revolving Funds”

What are they? State Revolving Funds (SRFs) are subsidized loans and other financial assistance invested in water, wastewater, and stormwater infrastructure. There are two SRF programs: Clean Water (CWSRF) & Drinking Water (DWSRF). SRF programs are managed at the state-level.

Why use it?

Low interest-rate loans with the likelihood of simultaneous grants or loan forgiveness, especially for disadvantaged communities. Largest source of federal funding for water infrastructure.

Who can use them?

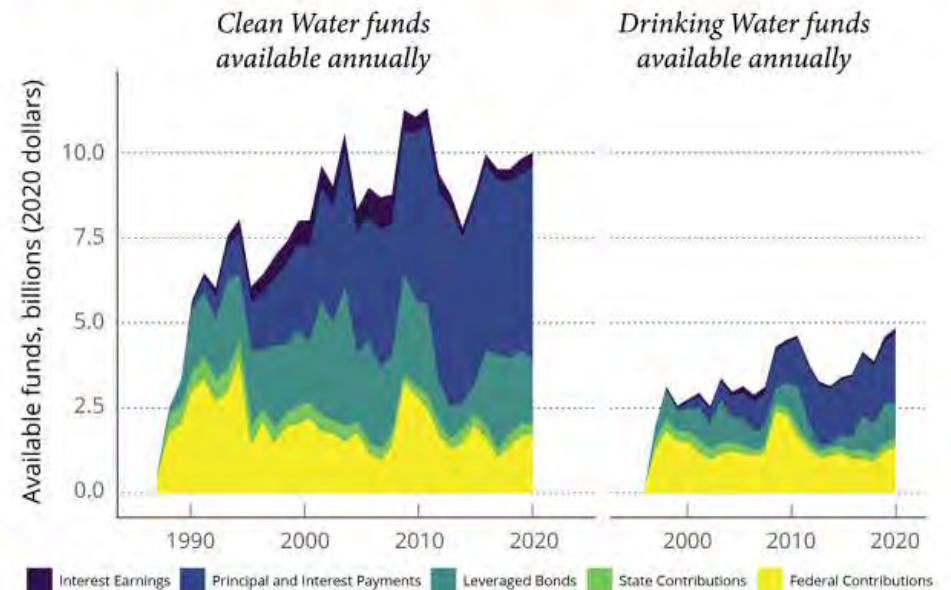
Varies by state- often the same as Federal eligibility

- Municipalities, Private entities, Nonprofits, Citizen Groups

What projects can they be used for?

Projects that improve environmental water quality via wastewater, stormwater, and nonpoint source projects or drinking water systems

Figure 1. Annual available funds by source in the Clean Water and Drinking Water SRF. From 1987-2020, the EPA awarded over \$92.2 billion in federal capitalization grants. States added \$18 billion in matching contributions and \$82.5 billion in leveraged bonds.



Note. Data: NIMS.

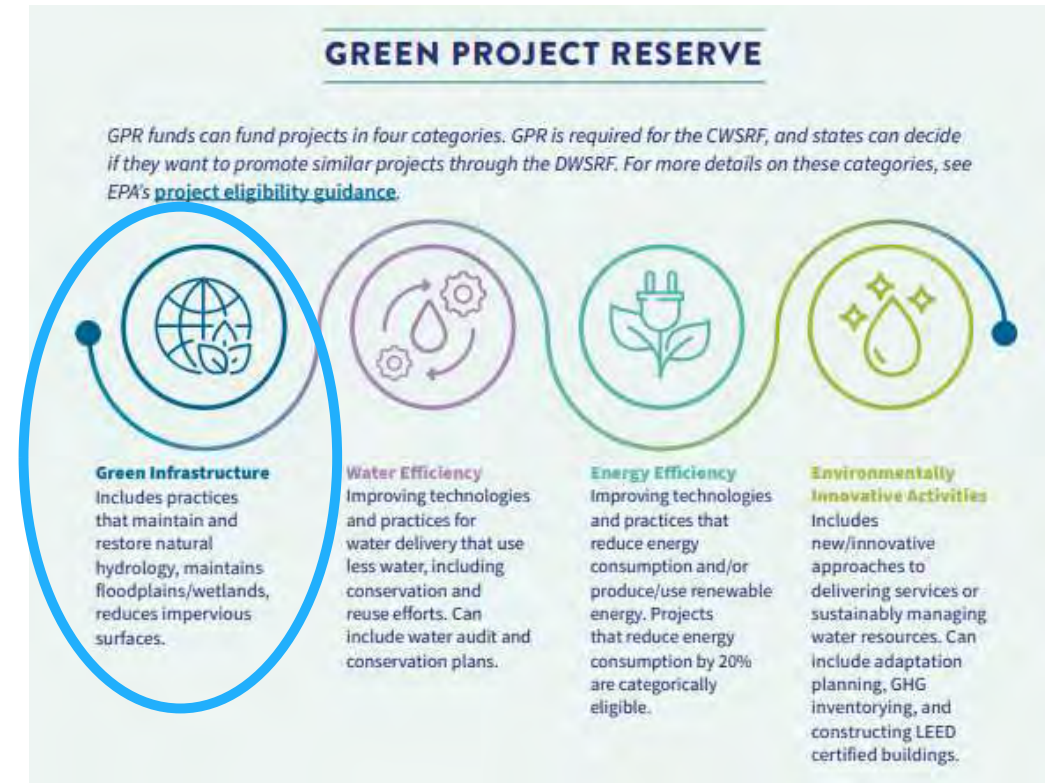
SRF Green Project Reserve:

Green Project Reserve:

- States must allocate at least 10% of funds for GRP projects
- Most of this goes towards Energy & Efficiency

Examples of Green Infrastructure:

Infiltration basins, constructed wetlands, permeable pavement, planting trees, installing green roofs and green streets, and protecting and restoring riparian zones and shorelines.



The Opportunity for Natural Infrastructure



4%

Only 4% of Clean Water State Revolving Funds have been allocated to non-point source projects thus far.... but times are changing



\$55 Billion

The Bipartisan Infrastructure Law (2022) allocates \$44 billion to SRFs; 49% must be “free” over 5 years



Relationships to Utilities

Watershed groups are the best partners that utilities aren't tapping into

Why Watershed Professionals Should Care About SRFs?



SRFs have the potential to be the largest impact investor on the planet



Flexible, 100% financing: can be structured for low rates, flexible repayments, sometimes with loan forgiveness (free \$), fixed terms up to 30 years.



Infrastructure Investment and Jobs Act (IIJA) dedicated significant additional money to the SRFs, requiring ~49% of capitalization grant be used for forgiveness (free \$)



SRFs are doubling in the upcoming 5 years



Beyond this—many SRFs have difficulty using all their funds, with currently \$6B in funds nationally unutilized



Watershed/Conservation as Utility's Best Friend

Connecting \$, Issues, and People:

- SRF applications that include Nature-based Solutions (NBS) can **rank higher**
- Nonpoint Source (NPS) projects are the most **cost-effective** ways to deal with most water challenges
- NBS are **mutually beneficial** in addressing multiple issues- water, climate, social, etc.
- Addressing NPS requires an **all hands-on-deck approach**
- Watershed Groups (Coordinators) are ideal for facilitating **stakeholder collaboration**
- WS/Conservation groups help **fill key capacity challenges** of municipalities such as dealing with property/landowners, managing projects, and identifying and securing additional grant funds



***Time for a
Watershed
Approach!***

Objectives of QV's Watershed Coordinators:



Financial Expertise

Provide watershed and conservation groups expertise on GI/ Nature-based Solutions:

1. Benefits / co-benefits of NBS
2. Funding/ financing options
3. Stakeholder collaboration



Project Prioritization

Help groups to prioritize projects based on:

1. Funding/financing eligibility
2. Local support
3. Readiness to proceed



Project Administration

Assist groups with applying for and managing funding/financing:

1. Proposal/Grant Writing
2. Identifying repayment streams
3. Building a Capitol Stack

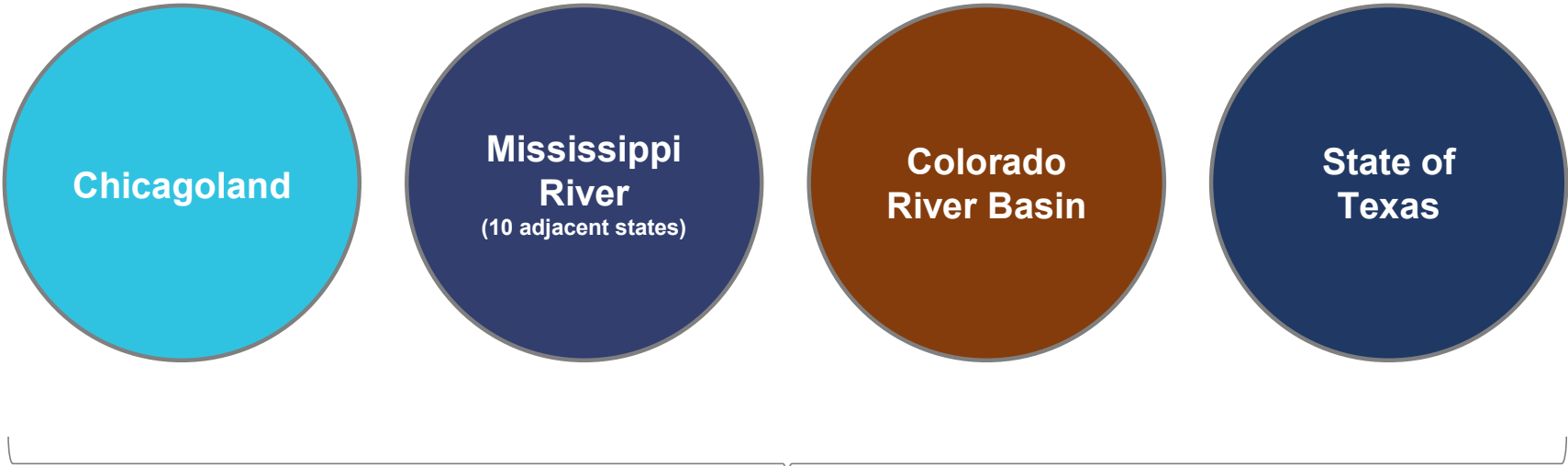


Demonstrate Demand

Show state agencies that there is demand for NBS/NPS projects and create a project "pipeline":

1. Improve project readiness
2. Reduce barriers to funding/financing
3. Support expansion of WC's

Watershed Coordinators in Four Geographies



Community of Practice



Climate Resilience



Partnership Development



Conservation



Improved Natural Infrastructure



Demonstrated Demand

Increased applications to the SRF and funding requests to grant programs will drive attention and additional \$\$ to NBS



New & Stronger Partnerships

NBS projects take a village to implement. We will help identify partnerships and opportunities for future collaboration



Access Funding

The funding for NBS exists but challenging to access. WCs will help remove barriers to new and greater funding/financing.

Next Steps

- Connect with Conservation Groups to identify how QV WC's can assist!

Group Name and Primary Contact:	
Projects (Active/ in-development)	
Priorities	
Challenges	
Needs	
Suggestions for Additional Groups/Contacts	
Suggestions for Additional Outreach	
Other Ideas	

Questions?

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